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SMART COMMUTE INITIATIVE FUNDING

The Planning and Economic Development Committee recommends the following:

- 1. The presentation by Leslie Walker, President, Richmond Hill Chamber of Commerce, and Glenn Crosby, Chair, Markham Board of Trade, representing Smart Commute 404-7, be received; and**
- 2. The recommendations contained in the following report, May 31, 2006, from the Commissioner of Planning and Development Services, be adopted:**

1. RECOMMENDATIONS

It is recommended that:

1. Committee and Council authorise the continuing funding of the Smart Commute Initiative and the Transportation Management Associations' activities to the sum of \$180,000 per year at \$60,000 per year each for Smart Commute 404-7 and Smart Commute-Central York, \$30,000 per year for Smart Commute North Toronto Vaughan, and \$30,000 maximum per year for York Region's share to maintain the Smart Commute Initiative programs and services.
2. The cities of Toronto, Hamilton, Mississauga and the Regions of Durham, Peel and Halton be requested to commit their proportional share of the Smart Commute Initiative program and service maintenance costs.
3. Staff report back to Committee and Council every two years to review the funding needs as outlined above, or if the other municipal partners do not commit their share of the project costs.
4. The Regional Clerk forward a copy of this report to the Towns of Markham, Richmond Hill, Newmarket and Aurora, the cities of Vaughan, Toronto, Hamilton and Mississauga, and the Regions of Durham, Peel and Halton.

2. PURPOSE

The purpose of this report is to provide an update on the Smart Commute Initiative/Smart Commute Association and Transportation Management Associations' (SCI/SCA/TMA) activities and to seek Council endorsement of continuing funding for the overall SCI and TMAs.

3. BACKGROUND

The Smart Commute Initiative represents an extension of recent GTA experience with a transportation management association (TMA) pilot project. It recognizes the vital role of employers, developers, institutions, community groups and individuals in creating a sustainable transportation system.

This Initiative is implementing a system of regional and local transportation demand management (TDM) measures that reduce auto use and dependency by:

- Improving alternatives to single-occupant vehicle (SOV) use
- Encouraging use of less-congested travel times and routes
- Enabling reductions in trip volumes and lengths

The Smart Commute Association (SCA) is a project of York Region, the cities of Toronto, Hamilton and Mississauga, and the Regions of Durham, Peel and Halton. It was created to oversee the GTA and Hamilton (GTAH) wide TDM activities of the SCI, including the creation of a series of TMAs in local areas. This governance model demonstrates the benefits of TDM services that are centrally developed and branded, but delivered at both regional and local levels to maximize benefits. The Regional funding for this program is tied in with the Federal Urban Transportation Showcase Program (UTSP) which both ends March 31st 2007. Regional funding includes \$60,000 per year each for the Smart Commute 404-7 (Markham and Richmond Hill TMA) and Smart Commute – Central York (Newmarket-Aurora), and \$40,000 per year for the Smart Commute North Toronto Vaughan (SCNTV). UTSP currently provides up to a maximum of \$60,000 to SC 404-7 and SC-Central York each and \$30,000 to SCNTV.

The Smart Commute Initiative program objectives are to:

- develop 10 TMA's across the GTA and Hamilton
- reduce congestion and green house gas (GHG) emissions while improving air quality
- develop a GTAH wide ridematching service and emergency ride home program
- reduce SOV modal share by 3%
- contact 2,000 employers across the GTAH (200 per TMA)
- market contact of 10% of commuters in the GTAH by 2010
- reduce approximately 150,000 tonnes of GHG emissions by 2010.

4. ANALYSIS AND OPTIONS

The Smart Commute Initiative involves the development of 10 TMAs that tailor regional TDM initiatives to meet partner and stakeholder needs, generate funding for local transportation improvements, and share information with local governments. Each TMA has a board of directors/steering committee with representatives of area employers, property managers and other stakeholders. These TMAs deliver services such as an

internet-based ridematching website for prospective carpool driver and passengers, an emergency ride home program and marketing and outreach materials.

TMA's promote programs and provide services such as transit subsidies, alternative work hours, telecommuting, cycling and parking management. They can also deliver site audits, surveys of employee travel patterns, commuter incentives and special events.

4.1 SCA Accomplishments and Performance Measurements

During the course of the period between October 2004 and March 2006, the SCA and the TMA's have established several programs, partnerships and commitments from local area businesses and employers. For the SCA, the particular accomplishments include:

- Registered the Smart Commute as an official mark
- Developed name branded information material
- Secured and advertised contact points (website, email address and toll free number)
- Established four committees (Technical, Budget, Steering and Advisory)
- Established partnership and outreach with GO Transit, Clean Air Foundation and the Regional Health 20/20 Way to Clean Air program
- Launched Carpool Zone, a web-based ride-matching service, to the general public in November 2005 (5 user groups within the GTAH)
- Created an operational database of participants (2005 Commuter Challenge, Carpool Zone and Emergency Ride Home)
- Conducted a GTA and Hamilton baseline attitudinal survey (conducted in May 2005, 1000 commuters, with a 3.1% margin of error)
- Carried out 48 promotional media events and numerous media releases
- Developed a Emergency Ride Home Program module
- Developed a TMA toolkit (promotion of TDM programs in a workplace).

4.1.1 Smart Commute 404-7 (Markham – Richmond Hill)

The Smart Commute 404-7 (SC404-7) TMA consists of the Markham and Richmond Hill business areas. Highlights of this TMA's accomplishments and performance include:

- 34 companies participating in the program, representing approximately 17,000 employees
- Participating companies including American Express, CAA, Holiday Inn, HSBC, IBM, Lexis Nexis, Sheraton Parkway, Seneca College, TD Canada Trust and Markham Stouffville Hospital
- Employee commuter surveys have been completed for 24 companies
- Over 350 employees in the SC404-7 catchments area are registered with Carpool Zone
- The Markham Board of Trade and Richmond Hill Chamber of Commerce have committed to provide \$5 on behalf of each member, which is approximately \$10,000 by the year end, to TMA operations
- Website hits (June 2005 – April 2006) at 196,045

- Identified 8-10 businesses within their TMA that would benefit and are interested in the YRT/VIVA Business Value Pass program, a transit monthly pass discount program.

4.1.2 Smart Commute North Toronto Vaughan

The Smart Commute North Toronto Vaughan (SCNTV) TMA is continuing to expand and recruit new businesses within the northern Toronto and the Vaughan areas with the following highlights:

- Estimated 125 single occupant vehicle trips per day at York University shifted to carpooling
- 6,390,723 people reached through media coverage (Global TV, CTV, City TV, Toronto Star, Globe & Mail, Toronto Sun)
- 430,848 website visits
- 2,000 tonnes of greenhouse gas (GHG) emission reduced in 2005
- About 12 million vehicle-kilometres of travel reduced
- Businesses include Knoll and TRCA as active members of the TMA within Vaughan
- Ongoing recruitment possibilities with 15 other businesses within Vaughan (Powerstream, IKEA, DPRA, Technion, MDS Sciex, Vaughan Mills, Mircom) being identified.

4.1.3 Smart Commute - Central York

Efforts to establish this TMA is well underway. Currently, a Memorandum of Understanding is being developed between the Newmarket Chamber of Commerce, Town of Newmarket and York Region. As well, the Town of Aurora's Economic Development Advisory Committee on May 17, 2006 received a staff report recommending Aurora's participation in this TMA as well as implementing an employee trip reduction program similar to York Region and Town of Newmarket's programs.

4.2 Benefits to York Region and Business Case for SCI

The Smart Commute Initiative contributes to the benefits of YRT/Viva, road system efficiency, and the Centres and Corridors Strategy. The key outcomes of SCI are increasing the use of YRT/Viva and the people carrying capacity of our road system and public awareness of sustainable transportation.

A major part of recruitment of employers/employees/commuters, at both the SCA and TMA levels, is the education and marketing of alternative modes such as taking public transit, carpooling, walking and cycling to work. All of these modes increase the people carrying capacity of our road system, thereby increasing the efficiency of its operation. With every daily work trip diverted from the SOV to one of these alternative modes, there is a direct reduction in one less parking spot needed at the worksite. By reducing the need for parking, the net impact of TDM programs such as SCI helps to intensify land use development, thus helping to further our Centres and Corridors Strategy. Therefore, TDM programs such as the SCI are a key ingredient of sustainable development.

Since the launch of the Smart Commute Initiative in June 2005 and the early successes demonstrated by some of the TMAs, there is a need to carry on the program to manage travel demands and continue the benefits to the Region. In order to maintain these benefits, the Smart Commute Initiative and TMAs will require some ongoing funding.

The funding to operate the programs and services for each component beyond March 2007 are described as follows:

- **On-going Smart Commute Initiative Program and Service Costs**
 - funding level of \$30,000 per year (maximum) from York Region
 - includes maintaining websites, software hosting and licensing fees, printing costs and other incidentals
 - York Region's share of these costs are based on proportions contained in the current MOU between the participating Regions and municipalities
 - the MOU will need to be renewed after March 2007
 - other Regions and municipalities will be asked to continue their funding contributions.
- **SC404-7 Funding**
 - York Region currently funds the SC404-7 TMA at \$60,000 per year
 - the Towns of Markham and Richmond Hill are expected to continue funding SC404-7 at the current annual levels of \$75,000 and \$25,000 plus in-kind, respectively
 - revenues from other sources (sponsorships, events, etc) total about \$23,000
 - the SC404-7 TMA's 2006 annual operating budget is \$243,000
- **SC-Central York Funding**
 - York Region currently funds the SC-Central York TMA at \$60,000 per year
 - Newmarket and Aurora are expected to continue funding SC-Central York beyond March 2007 at about \$60,000 per year
 - the annual operating budget of SC-Central York will likely be \$180,000
- **SCNTV Funding**
 - Since SCNTV is jointly funded by York Region and the City of Toronto, staff recommend that SCNTV be provided with \$30,000 per year funding to be consistent with Regional funding to the other TMAs
 - current annual contributions include \$40,000 from the City of Toronto, \$5,000 from the City of Vaughan, \$40,000 from York Region and approximately \$30,000 from area businesses
 - the SCNTV also receives grants including \$50,000 from the Toronto Atmospheric Fund
 - the SCNTV TMA has an annual operating budget of approximately \$180,000

The financial benefits of the SCI and TMA programs to York Region can be illustrated through a conservative scenario that is based on industry standard assumptions for GHG emission reductions and transit fares. The scenario assumes that only 1% of the SOV drivers shift to carpooling, 1% shift to transit, and 1% to walk/cycle as a result of the SCI and TMA programs. This conservative net change for the Region's SOV drivers is equivalent to approximately:

- 1,650 peak hour or 8,300 daily SOV trips reduced
- \$2 million increase in annual transit fare revenue
- 3,400 tonnes/year in GHG reduction
- \$4 million savings in annual road capital and operating costs.

Given this level of potential annual road cost savings and transit revenue totalling in the order of \$6 million, the proposed funding for York Region's continuing involvement in the SCI and the TMAs is considered a cost effective congestion relief measure.

4.3 Relationship to Vision 2026

Vision 2026 includes actions areas such as:

- Promoting clean air policies and initiatives.
- Promoting alternative transportation methods that improve air quality, such as public transit and cycling.
- Ensuring mobility through accessible and affordable transportation.
- Providing for alternative forms of transportation such as walking and cycling.

The Smart Commute Initiative and TMAs are taking actions in all of these areas.

5. FINANCIAL IMPLICATIONS

As previously mentioned, Regional funding for the SCI and TMAs will end March 31, 2007 and additional funding is required to maintain and operate the programs beyond this time frame. Current Transport Canada funding will also end on March 31, 2007. Continuation of Federal funding will require a re-application to a Federal funding program. This proposed funding is to set the Regional share of the project cost. In summary, the Regional funding requirements for the SCI and TMAs are as follows:

Program/Service	Year 2007	Year 2008	2-Year Total
SC404-7 TMA	\$60,000	\$60,000	\$120,000
SC-Central York TMA	\$60,000	\$60,000	\$120,000
SCNTV TMA	\$30,000	\$30,000	\$60,000
York Region SCI Maintenance	\$30,000	\$30,000	\$60,000
Total Smart Commute Funding	\$180,000	\$180,000	\$360,000

A sum of \$180,000 per year is required to fund the SCI and TMA activities and, over two years, the total funding required is \$360,000. Funds for this project will be identified

within the Roads capital budget. Staff will report back to Committee and Council every two years to review the funding needs, or if the other municipal partners do not commit their share of the project costs. Regional funding has been at \$230,000 in 2005 and 2006 each. The proposed funding of \$180,000 represents a \$50,000 reduction in Regional contribution.

6. LOCAL MUNICIPAL IMPACT

TMA's help local municipalities to attract and maintain businesses in the municipality. Its goal is to reduce local GHG and air pollution from SOVs and improve air quality in general. For the community as a whole, the benefits include reduced traffic congestion, increased system mobility, road and parking cost savings, reduced traffic collisions, environmental protection, more efficient land use and livable communities. More importantly, benefits to individual employees or commuters include reduced personal stress, improved physical health and travel cost savings.

7. CONCLUSION

The SCI and its programs and services have been beneficial to York Region and the local municipalities. TMA's have been working directly to encourage commuters to consider alternative modes of transportation and market YRT/Viva services such as the Business Value Pass program. The net effect of TDM programs such as SCI works towards Regional goals of the Centres and Corridors Strategy, Vision 2026, improving air quality, and sustainable growth. As a result, staff recommend continuing the funding of the SCI and TMA's activities.

The Senior Management Group has reviewed this report.