



Hamilton

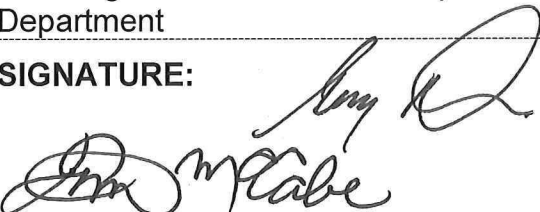
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**CITY OF HAMILTON**

**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
*Economic Development and Real Estate Division*

and

**PUBLIC WORKS DEPARTMENT**  
*Transportation Division*

<b>TO:</b> Mayor and Members General Issues Committee	<b>WARD(S) AFFECTED:</b> WARD 11
<b>COMMITTEE DATE:</b> December 5, 2012	
<b>SUBJECT/REPORT NO:</b> Red Hill Business Park Transit Service (PW12100/PED12249) - (Ward 11)	
<b>SUBMITTED BY:</b> Gerry Davis, CMA General Manager Public Works Department  Tim McCabe General Manager Planning and Economic Development Department	<b>PREPARED BY:</b>  Andy McLaughlin Senior Project Manager - Transit (905) 546-2424, Extension 1809  Neil Everson Director of Economic Development (905) 546-2424, Extension 2359
<b>SIGNATURE:</b> 	

**RECOMMENDATION**

- (a) That the General Manager of Public Works be authorized to modify the existing TransCab service supplied to Canada Bread and Countrywide Recycling, such that service is provided through a dedicated shuttle vehicle, effective December 1, 2012 until June 2013, at an unbudgeted cost of \$127,000, to be funded from the tax stabilization reserve;
- (b) That a Service Enhancement Request be submitted for Council's consideration within the 2013 budget deliberations, recommending replacement of the dedicated shuttle vehicle service to Canada Bread and Countrywide Recycling effective June 2013, with an extension of fixed route bus service serving the entire Red Hill Business Park.

**EXECUTIVE SUMMARY**

Now that the new 388,000 s.f. Canada Bread Plant in Hamilton is operational and at full complement, Senior Management from its parent company Maple Leaf Foods, the plant's management and its union have expressed serious concerns related to the safety of Canada Bread employees due to the absence of regularly scheduled public transit for travel to and from work.

Maple Leaf Foods management and the plant's union find the current level of public transit service to/from their facilities in the Red Hill Business Park (RHBP), currently being provided by TransCab, unacceptable. Canada Bread employees and their employees union explain that due to the current level of service, there are on-going instances where employees are walking a distance of 1200 metres on the shoulders of Nebo Road when a TransCab is not present at the transfer point. This places their employee safety at an unacceptable risk particularly in the early morning or evening.

Further, Maple Leaf Foods has indicated that the unsatisfactory transit service delivery is having a negative impact on their medium and long term plans, with respect to possible production facility expansion and workforce increases. They informed City staff that they must now recruit new employees from outside Hamilton because of the absence of regularly scheduled transit.

At the present time, 43% of the RHBP lands are 'shovel ready'. Prospective business/industrial developers are keenly interested in lands that feature the full range of urban municipal services, including public transit. Short term and long term transit service enhancement options to address the Nebo Road pedestrian activity issue have been developed. A dedicated employee shuttle vehicle can be placed into service, effective upon Council ratification of the staff recommendation. Effective June 23, 2013 HSR can implement a fixed route service enhancement that will provide direct bus service to the existing (and future) Maple Leaf Foods production facilities, along with Countrywide Recycling, Navistar and the SPCA/Animal Control facility. The annualized operating cost increase will be \$518,000.

Appendix "A" provides a map showing the boundaries of the RHBP, locations of workplaces and the proposed routing of the #22 Upper Ottawa extension.

Expansion of the Urban Transit Area, to include the RHBP, will allow the net cost of transit operations to be distributed in a uniform manner, through Area Rating.

**Alternatives for Consideration - Not Applicable**

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS**

**Financial:** The projected annual property tax revenues for the two Maple Leaf Foods plants, Countrywide Recycling and the future Navistar warehouse facility are estimated to be in the order of \$1.8M.

Replacing the modified TransCab service with a fixed bus route extension effective June 23, 2013 will result in an annualized additional operating cost of \$518,000 and a capital cost increase of \$425,000.

In conjunction with a bus route extension through the RHBP, a future review and/or modification to the Urban Transit Area to include the Red Hill Business Park can be incorporated into the annual Area Rating Update Report. If UTA changes are subsequently approved by council, there will be an impact to the transit base levy within Glanbrook. Properties contained within the UTA are also subject to urban rates for Recreation, Sidewalks and Streetlights.

**Staffing:** The long term fixed bus route extension option will result in a requirement for a bus operator increase of 6 FTE.

**Legal:** Negotiations between the City of Hamilton and Maple Leaf Foods in 2010 (Report PED10056) and 2011 (PED11192) respectively, for both the Canada Bread and Maple Leaf Meats facilities included an agreement that the City of Hamilton would provide public transit service to each of the facilities located in the Red Hill Business Park when the respective facility(s) became fully operational. Maple Leaf Foods have indicated that the current transit service delivery to the Canada Bread plant is now unsatisfactory and that this is having a negative impact on their relations with the union and their long term plans with respect to production facility expansion and workforce increases.

#### **HISTORICAL BACKGROUND**

In 2011, Canada Bread opened their new 388,000 s.f. Trillium plant at Nebo and Twenty Roads in the Red Hill Business Park. HSR's shared ride taxi service, known as TransCab, was introduced on September 4, 2011. This alternative service delivery approach provides the 280 Canada Bread workers with access to HSR Routes #22 Upper Ottawa and #44 Rymal for their work trips, if they so choose. TransCab provides the daily linkage between the bus route transfer point on Upper Ottawa @ Rymal and the Canada Bread facility.

On December 16, 2011 City Council directed HSR to extend the TransCab service within the Red Hill Business Park in order to allow workers at Countrywide Recycling, 900 Nebo Road, to use the service.

#### **POLICY IMPLICATIONS**

The City of Hamilton's Five year Strategic Plan focuses on increasing the non-residential tax base and creating living wage jobs for Hamilton residents. To support this growth, the city has made a commitment to make its business parks and industrial areas more attractive through the provision of public transportation.

The Transportation Master Plan and the Urban Official Plan complement the Economic Development Strategic Plan, with policies that focus on supporting our local companies and economic development attraction efforts, by ensuring that businesses and

institutions remain accessible to employees. Public transit improvements are a key component of the strategy for achieving planning objectives.

#### **RELEVANT CONSULTATION**

On October 19<sup>th</sup>, Public Works and Economic Development staff met with Maple Leaf Foods officials regarding their concerns with the current transit service levels to the new Canada Bread plant. In addition, staff was informed that the new 500,000 s.f, Maple Leaf Foods Meat Processing plant now under construction will be bringing up to 250 new employees to this operation as of April 2013. Management staff from both Canada Bread and Maple Leaf Foods made a strong request for improved public transit service delivery that will meet the needs of their workforce at both plants and specifically, Canada Bread immediately and Maple Leaf Foods in April 2013.

#### **ANALYSIS / RATIONALE FOR RECOMMENDATION**

Maple Leaf Foods management and its bakery employees' Teamsters union have serious concerns relating to the safety of Canada Bread employees who use public transit to travel to work. Under the TransCab service specification, TransCabs have a 30-minute response time window, measured from the time that HSR Control informs the TransCab contractor that a TransCab is required to meet transferring passengers on a given bus. Maple Leaf Foods report that employees regularly will choose to walk a distance of 1200 metres along the shoulders of Nebo Road, should a TransCab not be present at the transfer point when their bus arrives or at the plant. They feel strongly that this pedestrian activity, occurring along a rural road cross-section, places their employees at an unnecessary risk, especially in low light conditions at sunrise and sunset, due to the absence of sidewalks and urban lighting. At the present time the subject section of Nebo Road, between Kilbride Road and Twenty Road, is not identified within the 10-year Capital Program for roadway improvements

HSR advises that low density development and a limited mix of land uses generally result in low transit ridership, which results in high net operating costs. In these cases, alternative service delivery is appropriate. Shared-ride taxi service (TransCab) provides a service delivery option wherein service is provided, under contract, by a taxicab company for a fixed rate per customer trip. When trip demand drops, operating costs respond likewise.

The existing TransCab service is carrying an average of 40 to 50 one-way trips per day between the bus transfer point and Canada Bread or Countrywide Recycling. However, Canada Bread is now just reaching full operational status and is exceeding the 3000 employee mark. As previously mentioned, there is a projected 250 more workers effective April 2013 at Maple Leaf Foods.

Canada Bread supports the immediate enhancement of the TransCab service such that a dedicated vehicle operates between the TransCab transfer point and their workplace during all HSR service hours. The dedicated vehicle would meet all arriving and

departing #22 Upper Ottawa buses, irrespective of worker travel demand. HSR advises that this short term service option can be provided by the TransCab contractor.

When Maple Leaf Meats begins production, daily transit trip volume will increase, due to a projected workforce increase of 670 hourly and salaried employees. Also, Burlington-based Navistar now under construction and scheduled to be completed by June 2013, will have a projected workforce of 80 people many of which are Hamiltonians currently taking the bus to Navistar's Burlington Distribution Centre.

A fixed route service option has been prepared. It involves a bus extension, provided by the #22 Upper Ottawa route. This would result in RHBP employees being able to travel directly to work, from downtown and north-central mountain locations, without needing to transfer from a bus to a TransCab. Buses would operate in both directions via Dartnall, Twenty, Glover, Dickenson and Nebo Roads, terminating at the Canada Bread facility, in order to provide service to Maple Leaf Meats, Navistar, Countrywide Recycling and Canada Bread. Appendix "A" contains a map of the RHBP boundaries, showing the locations of major employers and the long term Upper Ottawa bus route extension option. Through the use of the soon to be extended Dartnall Road, citizens, staff and volunteers travelling to/from the SPCA/Animal Control facility will also have the option of using public transit for their trips, without having to walk along Dartnall Road to/from its intersection with Rymal Road.

Once approved by City Council, any alterations to the Urban Transit Area boundaries are communicated to Finance & Corporate Services who modify the inventory of properties subject to transit tax in each community and apply Transit Area Rating accordingly for the subsequent taxation year.

<b>ALTERNATIVES FOR CONSIDERATION</b>
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N/A

<b>CORPORATE STRATEGIC PLAN</b>
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Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

***Skilled, Innovative & Respectful Organization***

- ◆ More innovation, greater teamwork, better client focus

***Financial Sustainability***

- ◆ Delivery of municipal services and management capital assets/liabilities in a sustainable, innovative and cost effective manner

***Growing Our Economy***

- ◆ Newly created or revitalized employment sites

***Social Development***

- ◆ Hamilton residents are optimally employed earning a living wage

***Environmental Stewardship***

- ◆ Reduce the impact of Hamilton's industrial, commercial Private and Public operations on the environment

***Healthy Community***

- ◆ Adequate access to food, water, shelter and income, safety, work, recreation and support for all (Human Services)

<b>APPENDICES / SCHEDULES</b>
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Appendix A Red Hill Business Park Bus Route Extension & Urban Transit Area Expansion Option

Red Hill Business Park - Ward 11  
Bus Route Extension & Urban Transit Area Expansion Option

