



**CITY OF HAMILTON
PUBLIC WORKS DEPARTMENT
Transportation Division**

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	March 17, 2014
SUBJECT/REPORT NO:	Employer Commuter Transit Pass Pilot Program (PW08133b) - (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Peter Topalovic (905) 546-2424, Extension 5129
SUBMITTED BY:	Gerry Davis, CMA General Manager Public Works Department
SIGNATURE:	

RECOMMENDATION

- (a) That the General Manager, Public Works, be authorized and directed to offer an additional one (1) year pilot Employer Commuter (EC) Transit Pass Program to Mohawk College as well as to work with up to two (2) additional employers for one (1) year each, within the City of Hamilton as outlined in Report PW08133b;
- (b) That staff report back on the results, following the pilot program, in order to determine whether a full program should be implemented in 2015 as part of a Smart Commute Hamilton employer offer.

EXECUTIVE SUMMARY

This report seeks to extend the successful Mohawk EC Transit Pass program for one (1) additional year, and work with an additional two (2) employers, if others wish to participate. The main reason for seeking this extension is due to the success of the Mohawk program and the need to further test the Discounted Transit Pass Program in other applications. Further to this, it is anticipated that the discounted transit pass will become a standard offering from Smart Commute Hamilton for all employers who wish to be involved in the future. It is expected that it will take all of 2014 to develop a permanent program and collect more data from the Mohawk program. No additional costs are being sought in this report as the funds allocated in PW08133a are sufficient.

Mohawk College’s preliminary results, after eight (8) months, were very positive, with over fifty (50) employees participating in the program. Eighteen percent (18%) of those who participated were primarily auto drivers. This shows that offering a discount can encourage those who commute by automobile to shift to a more sustainable mode. For those who participated in the program that indicated that they use transit to get to work, thirty percent (30%), used transit occasionally or rarely before they became a part of the

Discounted Transit Pass Program. This means that fifty percent (50%) of all those in the program are now using transit much more regularly because of the program, which has a health and financial benefit for the employee, but also reduces the environmental impact of their commute.

These promising preliminary results are worth testing further over the next year, in order to develop a robust and sustainable program in 2015.

Alternatives for Consideration - See Page 6

FINANCIAL - STAFFING - LEGAL IMPLICATIONS

Financial:

There are no additional financial implications as there is \$33,325 left in the Ontario Provincial Gas Tax Reserve (112204), allocated by Council in report PW08133a. This amount will not be exceeded in the extended discounted transit pass pilot.

Staffing:

There are no staffing implications.

Legal:

The existing legal agreement signed with Mohawk College to sell the passes to employees can be extended to cover the 2014 year.

HISTORICAL BACKGROUND

On July 10, 2008, Report PW08082 - *"Free Ridership Deep Discount Fare Policy and Other Strategies Employed to Create a High Ridership Transit System"* was approved by City Council. The report's recommendation included:

- (b) That staff undertake an expansion of the Employer Commuter Pass Program for the City of Hamilton and introduction of the Employer Commuter Pass for Hamilton employers in 2009 in accordance with the prior recommendation of the Transit Steering Committee and subsequent endorsement by Council.

A variety of EC pass programs are in operation in the Greater Toronto and Hamilton Area (GTHA). The City of Hamilton's Employer Commuter (EC) Pass program has been in place since 2007 and is designed to make it convenient for City of Hamilton employees to participate in the program and assist the City with several important goals identified in the City's Transportation Master Plan. Among these goals are: improving air quality, promoting sustainable transportation options and reducing traffic congestion in Hamilton. The program puts the City in a leadership role among local employers for its efforts to assist employees shift to more sustainable modes of travel. In 2013, one hundred and ninety three (193) City of Hamilton employees (2.4%) participated in the program.

The City of Mississauga, in partnership with Smart Commute Mississauga and Mississauga Transit, has offered subsidized transit passes to Smart Commute employers in the Mississauga area since 2008. Other examples across the GTHA

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include: Employee Transit Pass Programs in York Region, Peel Region, Markham, Richmond Hill and the City of Toronto. Furthermore, Smart Commute Brampton-Caledon offers a program similar to Mississauga's program for Smart Commute affiliated employers in the area, similar to what is being proposed in this report.

In January 2008, the City of Hamilton, HSR and Hamilton Health Sciences (HHS) began a program in which HHS contracted for up to two hundred and fifty (250) discounted transit passes for HHS to distribute to its employees. Hamilton Health Sciences offered fifty percent (50%) of these passes to employees who turned in their parking passes, and the remaining discounted passes were offered to employees who already commuted to work by bus. This program ended in January 2009 as HHS indicated that they did not have the resources to continue the pilot; however, the pilot was a success based on the number of participants and positive user feedback. The HHS along with other area employers, will be considered for this new pilot program.

In addition to the July 10 2008, City Council approved Report PW08082 – *“Free Ridership Deep Discount Fare Policy and Other Strategies Employed to Create a High Ridership Transit System”*. A subsequent report *“Employer Commuter Pass Program (PW08133)”* was approved by City Council on November 26th, 2008, and included the following recommendations:

- (a) That the General Manager, Public Works be authorized and directed to expand the Employer Commuter Pass Program for City of Hamilton employees to include full-time contract employees and interns on work terms greater than or equal to one year;
- (b) That the General Manager, Public Works be authorized and directed to offer a pilot Employer Commuter Pass Program to other employers within the City of Hamilton as outlined in this report, funded on a one-time basis to a maximum of \$40,000 from Ontario Provincial Gas Tax Reserve, and to report back within nine months on the uptake and financial impacts of the pilot program; and
- (c) That the General Manager, Public Works be authorized and directed to increase promotion of the Employer Commuter Pass Program.

This program was put on hold in 2009 due to staffing re-assignments and a revamp of the Smart Commute program. It then was renewed and re-approved by Council in report PW08133a on April 13th, 2011 with the following recommendations:

- (a) That the General Manager, Public Works, be authorized and directed to offer a one year pilot Employer Commuter (EC) Transit Pass Program to three (3) employers within the City of Hamilton as outlined in Report PW08133a, funded on a one-time basis to an upset limit of \$40,000 from Ontario Provincial Gas Tax Reserve (112204), and report back on the results on a quarterly basis;
- (b) That the General Manager, Public Works, be authorized and directed to work with the Human Resources Department and the City Manager's office to update the City of Hamilton's internal EC Transit Pass Program, which has been in operation since 2007, in order to ensure that the program is available to all eligible

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employees and be expanded to employees that are using public transportation for commuting purposes and work-related trips.

- (c) That you must be a resident of Hamilton to participate in the Employer Commuter Transit Pass Pilot Program.

For the extended 2014 pilot period, it is proposed that Mohawk College, along with two (2) pilot Hamilton employers, who are members of the Smart Commute-Hamilton Transportation Management Association would become involved and be required to meet the following conditions in order to qualify for this pilot program:

- Provide a subsidy to their employees for adult monthly HSR transit passes that would be matched up to a maximum of twenty percent (20%) from the City of Hamilton. For example, if the employer subsidizes their employee up to twenty percent (20%), then the City will match the 20% value. The employee will receive up to a forty percent (40%) discount on their regular adult monthly HSR transit pass. Should the employer decide to provide less than a twenty percent (20%) subsidy, the City's matching contribution would match the employers. Should the employer wish to provide more than a twenty percent (20%) subsidy, the City contribution would be a maximum twenty percent (20%).
- Employers/employees will participate for the duration of the pilot program [one-(1) year].
- Participate through provision of passes administered through the Transit Zone website.
- If the employer is not yet a member of the Smart Commute-Hamilton Transportation Management Association, they will be required to join the Association and participate in the services and programs provided by Smart Commute-Hamilton throughout the year including, but not limited to: Carpoolzone.ca, Clean Air Commute, Bike to Work Day, Carpool Week, Car Free Day and Open Streets Hamilton.

The proposed extended pilot Employer Commuter Transit Pass programs will target additional employees and continue to implement the City's Transportation Master Plan goals of increasing transit ridership, improving air quality, promoting sustainable transportation options and reducing traffic in Hamilton. The increased promotion of the EC Pass program will contribute to reducing single occupancy vehicles (SOV) use, reduce household transportation costs, improve employee health and wellness, assist in the retention and recruit of employees and include transit use as an active form of transportation. Programs of this nature assist in the retention and attraction of employees. It is anticipated that this program will help the City strengthen relationships with area employers.

Details of the 2012 - 2013 Mohawk Discounted Transit Pass Program are provided in Appendix 'A'.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Hamilton has numerous policies and plans in place that support increasing transit Ridership, including the Transportation Master Plan (TMP), Vision 2020 and the Hamilton Transit Ridership Growth Plan amongst others listed here:

City Strategic Commitment: Smart Commute Hamilton and EC Pass policies comply with the Corporate Strategic Plan as it is an environmentally sustainable solution to reducing Single Occupant Vehicles (SOVs) on City roads, particularly during peak traffic periods. The Smart Commute program promotes a sustainable lifestyle and overall positive effects on the environment. This policy directly relates specifically to Strategic Priority #1, section 1.4 as it aims to increase alternative transportation usage in such areas as: transit, ridership, walking and cycling. By promoting the Smart Commute-Hamilton and Emergency Ride Home (ERH) program it gives a greater incentive and comfort level for employees to use sustainable transportation alternatives.

Vision 2020: Smart Commute Services support some of the environmental issues addressed in Vision 20/20. These include:

- Consuming Less Energy
- Improving Air Quality
- Changing employees Mode of Transportation
- Personal Health and Well Being

Corporate Air Quality and Climate Change Strategic Plan: The Smart Commute Program along with the EC Pass program satisfy this plan because it is able to improve air quality by encouraging people to reduce their single occupancy vehicle (SOV) use and using sustainable transportation alternatives.

RELEVANT CONSULTATION

Mohawk College was heavily consulted in the promotion, implementation, monitoring and evaluation of their pilot program. They have expressed a very high interest in continuing the program and developing a sustainable solution for the Smart Commute program in 2014-2015.

Smart Commute Brampton-Caledon and Metrolinx were consulted in the feasibility of a permanent Discounted Transit Pass Program and much of the research suggests that a permanent solution will be more successful than a pilot, and that many programs in North America are very successful, including Smart Commute's relationship with Brampton Transit where the discounted transit pass program is very popular.

ANALYSIS AND RATIONAL FOR RECOMMENDATION

The Hamilton Transportation Master Plan, the Transit Ridership Growth Plan and Vision 2020 all set the target of doubling transit Ridership per capita by 2031 (over 2001 numbers). To do so, transit needs to be an attractive and viable alternative to the private automobile. One way to achieve this is to provide incentives to people to encourage them to travel in a more sustainable fashion.

The approval of these recommendations will allow the City to expand its Smart Commute-Hamilton services more efficiently by expanding the program to include more employees and citizens. This program also promotes an active lifestyle by lessening dependence on single occupancy vehicles (SOVs) and favouring more sustainable modes of transportation. By supporting the use of sustainable transportation, the EC Pass program helps to achieve the City's Transportation Demand Management (TDM) objectives.

ALTERNATIVES FOR CONSIDERATION

Council could choose not to approve the extension being sought to the EC Pass pilot program as outlined in report PW08133b. However, there are no additional costs to extend the program as the gas tax money has already been allocated and the pilot program has thus far, been successful.

ALIGNMENT TO THE 2012 - 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

- 1.4 Improve the City's transportation system to support multi-modal mobility and encourage inter-regional connections.
- 1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" Mohawk College Discounted Transit Pass Pilot Program Review
2012 - 2013