



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Transportation Planning and Parking Division

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	July 10, 2019
SUBJECT/REPORT NO:	Smart Commute Workplace Mobility Program Transition (PED19124) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Peter Topalovic (905) 546-2424 Ext. 5129
SUBMITTED BY:	Brian Hollingworth Director, Transportation Planning and Parking Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That Council authorizes, directs and delegates authority to the General Manager, Planning and Economic Development Department to execute, on behalf of the City of Hamilton the necessary agreements and ancillary documents, all in a form satisfactory to the City Solicitor;
- (i) To transfer the existing operating contract from Metrolinx to the City of Hamilton to continue third party commuting services with existing, and new, providers and to facilitate the provision of workplace and school travel planning on-line tools for employees and students in the City and Province of Ontario and to include the Smart Commute branding and intellectual property;
- (ii) To procure new third-party commuting services with existing, and new, providers and to facilitate the provision of workplace and school travel planning on-line tools for employees and students in the City and Province of Ontario;
- (iii) With other Ontario municipalities to deliver regionally coordinated workplace and school transportation demand management and

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

sustainable mobility programs for employees and students; as well as providing access to these on-line tools and brands;

- (b) That one full-time equivalent staff position be created within Transportation Planning and Parking and the \$90,000 in City capital funding that was previously used to fund external consultants be used to fund this position.
- (c) That Staff report back to Council annually on the results of the Sustainable Mobility Program including the workplace and schools programs.

EXECUTIVE SUMMARY

On March 29, 2019, Metrolinx, an agency of the Ontario Government, notified the City of Hamilton by way of letter, attached as Appendix “A” to Report PED19124, that, subsequent to its fiscal review, Metrolinx funding for the Smart Commute workplace transportation demand management (TDM) program would be ending effective June 29, 2019. The on-line commuting tools will be managed by Metrolinx until they are transitioned to the City on or before December 31, 2019.

The Smart Commute Program began as the Smart Commute Initiative (SCI), which operated from May 2004 to March 2007 as a partnership between various municipalities within the Greater Toronto and Hamilton Area (GTHA), with partial funding from Transport Canada and private sector partners. Smart Commute became a program of Metrolinx, with the support of local municipalities on January 1, 2008. The original Memorandum of Understanding (MOU) between the GTHA municipalities is attached as Appendix “B” to Report PED19124.

Since 2008, municipalities within the GTHA have partnered with Metrolinx to administer various tools and programs to assist workplaces and commuters in adopting different travel choices like carpooling, cycling and transit for commuting purposes. Program goals include reducing the need for household automobile use, reducing greenhouse gas emissions, easing gridlock and improving air quality; thereby reducing commuting expenses, reducing or delaying road expansion and associated maintenance costs. Subsequently, this model has also been adapted for use in schools and operated in conjunction with the workplace program.

The Smart Commute Program is one of the most successful initiatives of its kind in North America, and the City of Hamilton is a leader in its implementation. The 2018 Sustainable Mobility Annual Report, attached as Appendix “C” to Report PED19124, provides an overview of the breadth and success of Hamilton’s program.

Metrolinx’s notice of contract termination will impact funding to all Smart Commute municipalities. While this is unfortunate, there is an opportunity for municipalities to

continue operating the program and potentially work with additional municipal partners in Ontario. This Report seeks Council authority to enter into a MOU with these partners to continue to deliver and enhance the Smart Commute Program for workplaces and schools. A coordinated approach will reduce operational costs and create a consistent platform throughout the GTHA and potentially the Province.

Public Works Committee Report PW10062, Smart Commute Program Update and Funding (approved June 23, 2010 in Report 10-009, Item 13), provides delegated authority to the General Manager, Planning and Economic Development to enter into agreements with Metrolinx. This Report provides the authority to now enter into agreements with other Ontario municipalities (as part of a new municipally led regional Smart Commute program) in order to maintain on-line tools and take ownership of branding. The City of Hamilton is proposing to take a leadership role and act as stewards of these tools, programs, and branding and enter into a MOU with neighbouring municipalities for their use and their administration.

Alternatives for Consideration – See Page 9

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The City currently spends \$320,000 on the Smart Commute and Sustainable Mobility program, which was funded by a Metrolinx contribution of \$100,000, and \$220,000 from the City's capital budget. The program also collects \$5,000 in revenues each year and Metrolinx supplied \$25,000 in on-line commuting tools.

A portion of this budget funds an external consulting contract to manage the Smart Commute program totalling \$140,000 annually. The remaining budget covers all other sustainable mobility programs such as School Travel Planning, Bike Month, Community-based Social Marketing, outreach activities, cycling, walking, transit and safety education, and bike parking maintenance and installation.

Metrolinx will no longer provide its annual contribution of \$100,000 to the Smart Commute Hamilton Program and will no longer fully contribute to the suite of on-line tools and resources the program delivers for a total reduction in funding of \$125,000. The on-line commuting tools will be managed by Metrolinx until they are transitioned to the City on or before December 31, 2019.

This report is recommending continuing the Smart Commute and Sustainable Mobility program with reduced scope based on an existing capital budget contribution of \$220,000 and the additional in-house

resources and grants. This will include reduced expenditures for sustainable mobility programs including reduced bike parking funding, the elimination of the transportation forum, reductions in school travel planning, streamlined marketing and education programs, and less support for area workplaces.

It will also require a termination of the consulting contract to operate the Smart Commute program, and in place of that contract; this Report recommends that a Program Coordinator FTE be hired at a cost of \$90,000, which will save \$50,000 in expenditures as compared to the consulting contract.

This Report does not request any increase in levy funding as the loss in Metrolinx funding totalling \$125,000 will be paid for by existing capital budget funding and the reduction of services

Staffing: This Report creates one new FTE in Transportation Planning and Parking. The Smart Commute workplace program has been operating by a contracted consultant to provide program management support, with an approximate cost of \$140,000 per year. The hiring of a full-time Program Coordinator on staff, instead of retaining a consultant, to manage the program, is projected to cost \$90,000. This FTE employee will be funded through existing budgets as described in the Financial implications section above.

Legal: The transition of the Smart Commute Program from Metrolinx back to the GTHA municipalities and other Ontario municipalities requires the delegated authority of Council to sign a MOU to operate the program as a regional partnership.

The City of Hamilton intends to request the rights to the Smart Commute program branding, on-line platforms/tools and other physical assets associated with the current Metrolinx program in order to continue the delivery of the program. Council Report PW10062 provides delegated authority to the General Manager, Planning and Economic Development, to receive and operate these program elements for the City of Hamilton Smart Commute Program; however, a MOU between municipalities within the GTHA will need to be executed to assist with the administration of these program elements.

HISTORICAL BACKGROUND

The Smart Commute Program began as the Smart Commute Initiative (SCI), which operated from May 2004 to March 2007 as a partnership between various tiers of

municipalities within the Greater Toronto and Hamilton Area (GTHA), with partial funding from Transport Canada and private sector partners. Smart Commute became a program of Metrolinx, with the support of local municipalities, on January 1, 2008.

Since January 2008, the Smart Commute Program provides tools and programs to assist employers and commuters in adopting different commute choices like carpooling, cycling and transit. The focus of the Smart Commute Program has been on workplace commuter and school travel planning initiatives. Objectives related to the workplace programs include:

- Reduce the need for household automobile use;
- Reduce greenhouse gas emissions;
- Ease gridlock and improve air quality;
- Reduce household commuting expenses; and,
- Reduce road building and maintenance costs.

This Smart Commute workplace model was adapted for use in schools and operated in conjunction with the workplace program since 2011. This was a result of the successful pilot program called “Stepping It Up”. This pilot was undertaken in partnership with a national non-profit organization Green Communities Canada, Metrolinx, and co-led in Hamilton by the Public Health and Public Works Departments. These partners worked with the national program to develop the Active and Safe School Travel program in the GTHA. Objectives related to the school travel planning programs include:

- Increase the number of students who walk and cycle to school;
- Improve the safety of routes to school;
- Ease gridlock and improve air quality;
- Increase physical activity levels in children and young adults; and
- Reduce household commuting expenses.

As outlined in Report PW10062, since 2010, Council has granted delegated authority to the General Manager of Planning and Economic Development to enter into agreements with Metrolinx to deliver the Smart Commute workplace program and the Active and Safe School Travel program. This authority requires an annual summary report to Council. The 2018 report is attached as Appendix “C” to Report PED19024.

The 2011 – 2018 annual reports present Smart Commute workplace program results in the context of Sustainable Mobility Programs; which operates in three major transportation areas:

1. Community: including cycling infrastructure, bike parking, public bike sharing, car sharing, communications and outreach;

2. Workplace: including the Smart Commute program and the installation of end of trip facilities at workplaces such as long term, sheltered bike parking; and,
3. Schools: including the school travel planning process at school sites, in partnership with the school boards.

The City's Urban Hamilton Official Plan (UHOP) and Transportation Master Plan Review and Update (TMP) identify Transportation Demand Management (TDM), Complete Streets and Complete Communities as key policy goals. The Smart Commute Program was designed to achieve the goals of the UHOP and TMP as well as the Province's Big Move, and the 2019 "A Place to Grow" Growth Plan. The TMP also identifies five actions associated with Sustainable Mobility policies, which are stated below:

1. Expand the reach and effectiveness of current Sustainability Mobility programs (Transportation Demand Management (TDM)) to help achieve mode shift targets. This includes continued application of the TDM and Land Development Guidelines as part of development approvals;
2. As part of future Official Plan and zoning by-law amendments, integrate TDM requirements such as end-of-trip facilities, car share, and public bike share;
3. Expand Smart Commute services to include a wider range of businesses and geographic coverage;
4. Apply individualized marketing (IM) and community-based social marketing (CBSM) as part of Sustainable Mobility programs; and,
5. Coordinate School Travel Plans for every elementary school in the Hamilton-Wentworth District School Board (HWDSB) and Hamilton-Wentworth Catholic District School Board (HWCDSB) by 2022 in partnership with the City of Hamilton Healthy and Safe Communities Department (HSC), the Hamilton Strategic Road Safety Program, other City departments, and local schools to identify safety and TDM opportunities.

On March 29, 2019, Metrolinx notified the City of Hamilton by way of letter, attached as Appendix "A" to Report PED19124, that, subsequent to its fiscal review, Metrolinx funding for the Smart Commute workplace TDM and Sustainable Mobility program would end on June 29, 2019. The on-line commuting tools will be managed by Metrolinx until they are transitioned to the City on or before December 31, 2019.

Over its 15-year history, the Smart Commute Program has been established as one of the most successful initiatives of its kind in North America, and the City of Hamilton is a leader in its implementation along with the regions and the cities of the GTHA.

This Report seeks Council's authority to enter into an MOU with the partners which is necessary to continue to deliver and enhance the Smart Commute Program for workplaces and schools using a coordinated approach that will reduce operational costs and create a consistent platform in the Region and also, potentially, the Province.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The transfer of the Smart Commute Program back to the GTHA municipalities and its continued operation in its current or an enhanced program would be consistent with the City of Hamilton and Provincial policies including the UHOP, TMP, Metrolinx Big Move and Ontario's Growth Plan.

RELEVANT CONSULTATION

Consultation has taken place with various stakeholders identified below:

Internal Stakeholders:

- Planning and Economic Development Department; and,
- City Manager's Office (Legal Services and Corporate Finance).

Program Stakeholders:

- City of Toronto;
- Region of Halton;
- Region of Peel;
- Region of York;
- Region of Durham; and,
- Metrolinx.

Workplace Employer Stakeholders:

- Alectra Utilities;
- CAA South Central Ontario;
- Canada Bread Company, Limited;
- CoMotion;
- De La Sol Yoga;
- Good Shepherd Centres Hamilton;
- Green Venture;
- Hamilton Chamber of Commerce;
- Hamilton Community Legal Clinic;
- Hamilton Health Sciences Corporation;
- Hamilton Region Conservation Authority;
- Hamilton Spectator;
- Hamilton-Wentworth Catholic District School Board;
- Hamilton-Wentworth District School Board;
- IBI Group - Hamilton Office;
- ILR Industries;
- Indwell;
- Maple Leaf Foods Inc.;

- McMaster Centre For Continuing Education;
- McMaster Innovation Park;
- McMaster University;
- Mohawk College;
- Momentum Fitness;
- Redeemer University College;
- Seedworks Urban Offices; and,
- St. Joseph's Healthcare Hamilton.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

The seamless transition and continued operation of the Smart Commute workplace TDM program and its accompanying Active and Safe School Travel program is vital to achieving the objectives of the City's and Province's most important planning policies including the UHOP, TMP, Big Move, and A Place to Grow Plan; and, especially the Hamilton City in Motion TMP Review, and update priority actions that relate to Sustainable Mobility.

The City is well positioned to continue the operation of on-line and off-line commuting tools, currently operated by Metrolinx, and on concluding a MOU with other municipalities, would be able to share operating costs between all involved partners. This model would effectively revert the Smart Commute program back to its original implementation as an initiative of the Regions and Cities of the GTHA, governed by an MOU, similar to the original 2004 MOU, attached as Appendix "B" to Report PED19124.

One primary impetus for continuing the Smart Commute Program is that it achieves many policy goals as outlined in the Sustainable Mobility Annual Report, attached as Appendix "C" to Report PED19124. The program is also an important contributor to the City's Climate Change Strategy.

The Transportation Tomorrow Survey results for 2016 also demonstrate the success of the Sustainable Mobility Program as a whole, as evidenced, for example, in the doubling of the cycling modal split in the City from the 2011 results.

While the loss of \$100,000 in annual funding as well as the on-line tools valued at \$25,000 is difficult to accommodate, an analysis of current budget levels and the proposed efficiencies will allow the program to continue without impacting the levy. This is contingent on hiring a full-time permanent Workplace TDM Project Coordinator position, which will save approximately \$50,000 annually, over the contracting of a consultant to manage the workplace TDM/Smart Commute program which costs \$140,000 annually. Additional cost savings of \$50,000 can also be achieved through the following program changes so that no additional levy dollars are required:

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- Cancelling the bi-annual Transportation Summit;
- Reducing the number of custom projects for employers and moving towards a self-serve model for most employers;
- Securing grants for additional school travel planning support; and,
- Reducing the amount of bike parking installed per year.

ALTERNATIVES FOR CONSIDERATION

Recommendation (a) of Report PED19124 seeks Council authority to operate the on-line tools and brand of the Smart Commute program and enter into agreements with other municipalities to use these tools. Staff believe this option is the best option to continue the Smart Commute program.

The decision to discontinue the Smart Commute Program would not be consistent with current plans and policies and would result in increased costs and resource requirements to develop a new and similar program to achieve the City's sustainable transportation mandate.

The City could choose not to take over the Smart Commute on-line and off-line commute tools and not enter into an MOU with other cities and regions in the GTHA but this would result in the need for additional expenditures, including the procurement of new tools, without enjoying the benefits inherent in cost sharing with other partners.

In terms of Recommendation (b) of Report PED19124, which seeks Council authority to create a Program Coordinator FTE with no additional levy funding, staff have reviewed other alternatives.

Alternative 1: Do not create a dedicated Program Coordinator FTE

The City could choose not to create a permanent FTE to operate the Smart Commute program, but the consultant costs are \$50,000 more than hiring a City staff person, as outlined in the financial implications section of this Report. Furthermore, cost sharing arrangements with other municipalities to operate Smart Commute branding and tools could further reduce the costs of this employee position to the City, therefore, staff does not recommend Alternative 1.

Alternative 2: Continuing to contract out consulting services to operate the Smart Commute program. This option is also not recommended because it would cost more money in the long term and could require additional levy funding in the future.

Alternative 3: Do not hire a Program Coordinator FTE and cancel the consulting contract. This option would effectively terminate the City's Smart Commute workplace program but is not recommended because it would not satisfy the mandate of the TMP

and would not be consistent with the practices of other GTHA municipalities which are continuing similar programs in their municipalities. Furthermore, the Smart Commute program in Hamilton has proven to be effective at reducing drive alone rates to workplaces, thereby, saving household transportation costs, road maintenance costs and avoiding the need to build more roads in the future.

The recommendations presented in this Report result in no impact to the tax levy, even though the Province and Metrolinx have chosen to end their funding of the Smart Commute program. This will result in a reduction in services in the near term but over time staff believe that efficiencies in procuring more cost-effective tools and hiring staff will reduce the funding requirements for the program.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Built Environment and Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A”– Notification of Contract Termination from Metrolinx

Appendix “B”– Smart Commute Initiative Memorandum of Understanding

Appendix “C” - Sustainable Mobility Programs 2018 Annual Report

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