




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

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	March 23, 2022
SUBJECT/REPORT NO:	Active Transportation Fund (PED22082) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Trevor Jenkins (905) 546-2424 Ext. 1797 Danny Pimentel (905) 546-2424 Ext. 4581 Peter Topalovic (905) 546-2424 Ext. 5129
SUBMITTED BY:	Brian Hollingworth Director, Transportation Planning and Parking Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That the projects listed in Appendix “A” attached to Report PED22082, be approved as the City of Hamilton’s submission for consideration to Infrastructure Canada for the requested funding amount of \$4,631,000 for projects with a total project cost of \$7,725,000 in accordance with the terms and conditions associated with the National Active Transportation Fund;
- (b) That the Mayor and City Clerk be authorized to execute all necessary documentation or advisable, including Funding Agreements, to receive funding under the National Active Transportation Fund with content satisfactory to the General Manager of Finance and Corporate Services, and in a form satisfactory to the City Solicitor;
- (c) That staff be directed to prepare a supplemental report to the General Issues Committee (GIC) with the results of the project evaluations by the Government of Canada and which provides a detailed financial plan, associated capital budgets including existing recurring Council approved budgets, and an implementation plan;

- (d) That staff be authorized and directed to implement projects contained in Appendix “A” attached to Report PED22082 upon execution of a transfer payment agreement between the City of Hamilton and Her Majesty the Queen in right of Canada as represented by the Minister of Infrastructure and Communities for the Government of Canada to receive funding in the National Active Transportation Fund;
- (e) That the General Manager of Public Works be authorized to submit future project amendments that may be required to Infrastructure Canada and the Government of Canada provided that no amendment shall result in the City’s maximum funding share being exceeded;
- (f) That where required to give effect and authorize the signing of a transfer payment agreement or amendments to the transfer payment agreement between the City of Hamilton and Her Majesty the Queen in right of Canada as represented by the Minister of Infrastructure and Communities for the Government of Canada, to receive funding under the National Active Transportation Fund, one or more By-law(s) be prepared in the form satisfactory to the City Solicitor for consideration by Council.

EXECUTIVE SUMMARY

On January 27, 2022, the Government of Canada opened applications for the Active Transportation Fund, which will invest \$400 M in Federal funding over five years. The fund will invest in projects that build new and expanded networks of pathways, bike lanes, trails and pedestrian bridges, in addition to supporting active transportation planning and stakeholder engagement activities.

The fund is a competitive program, and projects will be assessed against a list of eligibility and merit criteria to allocate the funding. The final selection of projects will aim to balance factors such as regional distribution, the type of project, and equitable access. There is no guaranteed funding allocation to the City of Hamilton.

Projects in Indigenous communities have been allocated 10% of the fund (\$40 M), while the remaining \$360 M will be allocated to municipalities, as well as provinces, territories, public bodies, and not-for-profit organizations in specific situations.

There are two streams of projects eligible for funding:

- **Planning Projects**, which involve the development or enhancement of formal active transportation planning documents or stakeholder engagement. The fund will contribute up-to 100% of the project cost, to a maximum of \$50 K per project; and,

- **Capital Projects**, which involve new infrastructure construction, enhancement of existing infrastructure, and/or improvements to design and safety features that encourage increased active transportation. The fund will provide up-to 60% of the project value, to a maximum of \$50 M per project.

Applications are due on Thursday, March 31, 2022. All projects must be completed by March 31, 2026.

Alternatives for Consideration – See Page 7

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: As detailed in Appendix “A” attached to Report PED22082, the City of Hamilton’s Active Transportation Fund submission includes projects with total gross project costs of \$7,725,000 with potential up-set funding from the Government of Canada of \$4,631,000. This is a maximum limit and is dependent on how many projects submitted are approved for funding under the program.

The City’s contribution for any successful projects will be funded through the annual Capital Budget, including existing recurring Project IDs and future project sheets through the 2023 budget process. There are no expected net impacts to the City’s budget should funding be awarded to any or all of the proposed projects. Work will be coordinated with other capital projects, where possible.

Staffing: A temporary staff member would be necessary to support the Park Pathway Reconstruction and other pathway projects and has been included in the funding request.

Legal: It is anticipated that the City will be required to enter into a transfer payment agreement with the Government of Canada to receive funding from the Active Transportation Fund, and further may need to enter into other ancillary agreements or pass by-laws to receive funding.

HISTORICAL BACKGROUND

On February 10, 2021, the Prime Minister, Minister of Infrastructure and Communities, and Minister of Environment and Climate Change announced \$5.9 B in new funding for public transit and active transportation over five years, beginning in 2021-22, with a permanent annual envelope of \$3 B ongoing beginning in 2026-27.

This funding included the creation of an Active Transportation Fund, a \$400 M, five-year investment to fund projects that expand and enhance active transportation networks in communities of all types and sizes.

The Active Transportation Fund supports Canada's first National Active Transportation Strategy (2021), which set a vision "for Canadians of all ages, ethnicities, abilities, genders, and backgrounds to be able to safely and conveniently access active transportation in their communities, and to significantly increase the 'modal share' of active transportation."

Specifically, the Active Transportation Funds seeks to:

- Improve community connections and promote social equity amongst vulnerable Canadians;
- Make travel by active transportation easier, more convenient and enjoyable, and enhance user safety and security;
- Encourage people to choose active transportation over personal vehicles (including supporting walking and cycling to access transit);
- Contribute to long-term, sustainable, inclusive economic growth, while setting the foundation for achieving a more inclusive Canada and net-zero climate emissions by 2050; and,
- Support the Canadian economy through a reduction in congestion, the creation of jobs and enhanced access via active transportation modes to businesses.

There are two streams of projects eligible for funding:

- **Planning Projects**, which involve the development or enhancement of formal active transportation planning documents or stakeholder engagement. Eligible planning projects include:
 - Research, including case studies, data collection initiatives, mapping of walkability and bikeability, community audits/assessments;
 - Public and/or stakeholder engagement and outreach, education programs;
 - Policy development, including drafting objectives/actions for inclusion in community land use and/or transportation plans;
 - Feasibility studies, business cases, and detailed costing estimates relating to the design of a project or program; and,
 - Projects which support the implementation of Canada's national active transportation strategy, such as events raising awareness and encouraging the adoption of active transportation.

- **Capital Projects**, which involve new infrastructure construction, enhancement of existing infrastructure, and/or **improvements** to design and safety features that encourage increased active transportation. Eligible Capital Projects include:
 - Building or enhancing infrastructure for active transportation, such as multi-use paths, sidewalks, footbridges, separated bicycle lanes, and connections to other roadways;
 - Building or enhancing design features and facilities that promote active transportation, such as storage facilities, lighting, greenery, shade, and benches;
 - Enhancing active transportation infrastructure; and,
 - Building or enhancing safety features which promote active transportation, such as crosswalks, medians, speed bumps, and wayfinding signage.

The following projects are deemed ineligible:

- Proposals to build or enhance infrastructure for which the primary users would-be passenger and commercial vehicles; and,
- The purchase of non-fixed, removable assets, such as bikes for bike share systems.

Over five years, the Active Transportation Fund will provide:

- \$360 M for Planning and Capital Projects proposed by provinces, territories, municipalities, public sector bodies (including academic institutions), and, in some situations, registered not-for-profit organizations. Notionally, a minimum of 3% of the funds are allocated to Planning Projects; and,
- \$40 M (10%) for Planning and Capital Projects to Indigenous Communities, Indigenous development corporations, and not-for-profit organizations serving Indigenous communities living in urban centres and First Nations living off-reserve.

The Active Transportation Fund is a competitive program, and projects will be assessed against a list of eligibility and merit criteria. Therefore, there is no minimum or maximum funding that the City can potentially receive. However, the fund guide notes that “final project selection will be undertaken with a view to balancing funding support by taking into consideration such factors as regional distribution, the type of project, and equitable access.”

Table 1 summarizes the funding by project stream. The fund will cover grants of 100% of the cost of a Planning Project, to an up-set of \$50 K per project. Planning projects must be completed within 24-months of initiation or by March 31, 2026 (whichever is sooner). The fund will provide a contribution of up to 60% of Capital Project costs, to a maximum of \$50 M per project. Capital Projects must be completed by March 31, 2026. There is no limit on the number of projects that can be submitted, and Infrastructure Canada will assess each one individually.

Table 1: Funding contribution by Active Transportation Fund Stream

Project Stream	Maximum Project Value	Municipal Contribution	Federal Contribution	Total
Planning	\$50 K	0%	100%	100%
Capital	\$50 M	40%	60%	100%

Applications are due by March 31, 2022, and no timelines are available on when funding will be awarded. The Minister of Infrastructure and Communities will send an approval letter listing the projects that have received funding. Costs, expenditures and contracts signed prior to the date of the letter are ineligible for reimbursements.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

There are no policy implications associated with this Report.

RELEVANT CONSULTATION

The following divisions were consulted on this Report and provided project proposals for submission consideration to the Active Transportation Fund:

- Corporate Services: Financial Planning, Administration and Policy;
- Public Works: Environmental Services and Transportation Operations and Maintenance; and,
- Planning and Economic Development: Transportation Planning and Parking.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

On January 27, 2022, Infrastructure Canada advised the City that applications were now open for the Active Transportation Fund. The application encourages that any Capital Project be consistent with local planning documents, such as the Hamilton Transportation Master Plan, Cycling Master Plan, the Recreational Trails Master Plan, Vision Zero Action Plan, and Official Plans.

Several projects were assessed based upon staff's interpretation of the eligibility and merit criteria as specified within the application processes and the Program's guidelines. The Capital Projects draw upon projects identified in the Cycling Master Plan, Recreational Trails Master Plan, Vision Zero Action Plan, Hamilton Transportation Master Plan, and staff work plans. The Proposed Planning Projects are derived from the aforementioned plans and upcoming initiatives on staff's work plans.

The Proposed Projects are primarily pre-identified initiatives, that are included in the ten-year Capital Plan, that would occur in the short to mid-term. Applying for funding would help offset the City's monetary requirements, helping to reduce future budget requests and/or accelerating delivery of the Projects. Additionally, the eight Planning

Projects, which are fully funded, will serve to maximize the value of capital investments, as well as, improve planning for future projects.

In addition to City projects, Share the Road, a provincial cycling advocacy organization working to build a bicycle-friendly Ontario, has indicated an intent to submit a project to the Active Transportation Fund. The proposed study would examine the economic value of becoming a “Bicycle Friendly City”, and whether being a bicycle friendly city changes a municipality’s posture towards investing in other forms of active transportation. Under the Federal Application Process, Share the Road requires a partner to receive the results of the study. There would be no cost to the City.

The maximum Federal contribution from all funding sources (e.g. ICIP, PTIF, DMAF) cannot exceed 60% for Capital Projects. Municipalities also must comply with environmental assessment and determination obligations, as well as, Indigenous consultation obligations and modern treaty obligations.

The City’s potential contribution would come from existing Transportation Planning, Environmental Services, and Transportation Operations and Maintenance budgets, and potential future funding requests through the Capital Budget process.

There is no timeline for when funding decisions will be announced. Should there be funds remaining after the initial in-take, there may be an opportunity to submit additional applications at a later date. Funds not spent by March 31, 2026 will be returned to the Government of Canada.

ALTERNATIVES FOR CONSIDERATION

Submit Application During a Potential Later Intake Period

Should the Fund not allocate all of the money in the first intake period, there may be an opportunity to submit an application during a later intake period, but this is not guaranteed. The projects in Appendix “A” attached to Report PED22082 have either been Council-approved or are identified on work plans. Not submitting applications during the initial intake could mean the City would potentially miss out on up-to \$4,326,000 of Federal funding should no future intake take place.

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

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

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” to Report PED22082 – City of Hamilton Active Transportation Fund Projects Submission

TJ:DP:PT:cr