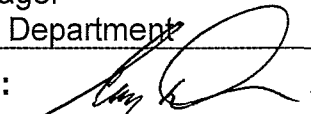




Hamilton

CITY OF HAMILTON

PUBLIC WORKS DEPARTMENT Transportation Division

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| TO: Mayor and Members General Issues Committee | WARD(S) AFFECTED: WARD 5 |
| COMMITTEE DATE: January 30, 2013 | |
| SUBJECT/REPORT NO: Centennial Parkway Regional Shopping Complex Transit Service (PW12009a) (Ward 5) | |
| SUBMITTED BY: Gerry Davis, CMA General Manager Public Works Department | PREPARED BY: Andy McLaughlin Senior Project Manager, Transit Planning (905) 546-2424, Extension 1809 |
| SIGNATURE:  | |

RECOMMENDATION

That Report PW12009a be referred to Council's 2013 Budget deliberations.

EXECUTIVE SUMMARY

On January 30, 2012, General Issues Committee approved Public Works Committee Report PW12009, containing a motion directing staff to implement, on a pilot basis, transit services on March 25, 2012, to the Confederation Park Shopping Centre on Centennial Parkway North. Further, staff was directed to fund the first year of the service from a combination of contributions from the Tax Stabilization Reserve and Walmart. This report provides an update on the performance of this transit service for the April through August 2012 period.

Alternatives for Consideration - See Page 3

FINANCIAL / STAFFING / LEGAL IMPLICATIONS

Financial: N/A
Staffing: N/A
Legal: N/A

HISTORICAL BACKGROUND

On July 9, 2009, City Council adopted Official Plan Amendment No. 219 and enacted Zoning By-law 09-164 to permit development of a retail and non-retail commercial centre at Centennial Parkway and South Service Road. In a related OMB settlement agreement, the developer agreed to contribute \$50,000 per year over a 4-year period, along with providing facilities for on-site transit vehicle routing, should Council decide to provide transit service to the site.

Phase 1 of the development consisted of a Walmart store, with daily hours of 7am to 11pm, replacing the Walmart store at Eastgate Square. The developer provided parking lot space for a bus turnaround and bus stops within a reasonable walk of the store's entrance doors.

Route #56 Centennial conventional fixed route daily transit service commenced on March 25, 2012. One bus operates on a 45-minute frequency between the hours of 10am and 6pm. The frequency of service is modified to 60 minutes during July and August in order to extend the bus route to the Wild Water Works attraction at Confederation Park while ensuring satisfactory running time to provide service delivery in accordance with the published timetable.

Phase 2 of the Confederation Park Shopping Centre development will consist of a Buffalo Wild Wing restaurant, a Toys'R'Us outlet and two smaller buildings with multiple tenants. Construction on these new commercial facilities has commenced.

POLICY IMPLICATIONS

The 2007 Hamilton Transportation Master Plan's transportation policy themes include promoting a strong and vibrant economy and improving public transit. Provision of a public transit route between Eastgate Transit Terminal and Confederation Park Shopping Centre supports these policy themes, in that transportation access for existing and future employment lands is provided and connections to higher-order transit (Route 10 B Line) are provided at the Eastgate node. Additional transit service contributes positively to the target of reducing auto-vehicle kilometres by 20%, compared to 2001.

RELEVANT CONSULTATION

Discussions with the Ward 5 and Ward 4 Councillors are on-going, in order to verify the primary transit needs for the Walmart store and for the neighbourhoods in the vicinity of the new regional shopping complex and confirm that existing transit service levels will remain in place until Council direction is received through the 2013 HSR Operating Budget deliberations.

Planning and Development Department staff has provided details regarding the extent and timing of Phase 2 construction at the Confederation Park Shopping Centre. Confederation Park Shopping Centres has provided staff with approvals related to bus routing and bus stop accommodation at the shopping centre.

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Confederation Park's Superintendent has kept HSR staff aware of numerous requests from park visitors for improved service levels on Route #56. Walmart shoppers and workers have requested an increased service span for the route, such that the 6am to 10am and 6pm to 12am time periods would receive bus service.

ANALYSIS / RATIONALE FOR RECOMMENDATION

Route #56 Centennial generated an average of 28 passenger boardings per service hour during the April through August 2012 time period. This level of transit usage places the route above a 30% revenue to cost ratio and, as such, is considered as performing in a sustainable manner given that the service is in its first year of operation.

Based on current ridership, increases in service span and service frequency are not justified at this time. HSR will continue to monitor ridership during the Fall of 2012 and Winter of 2013 to see if the new Walmart at the Centre on Barton and the Phase 2 developments at the Confederation Park Shopping Centre result in significant changes to Route #56 Centennial ridership levels.

ALTERNATIVES FOR CONSIDERATION

After accounting for annual passenger revenue of \$50,000, the 2013 net operating cost to maintain the Route #56 bus service at current levels is forecast to be in the order of \$200,000. Table 1 displays projected funding through to 2016. By maintaining status quo service levels and adhering to the funding formula contained within Public Works Committee report PW12009, the forecast budget pressure for the year 2013 will be \$50,000.

Under this alternative, starting in 2013, funding of the net cost would consist of a combination of developer contribution (remaining 3 years), Tax Stabilization Reserve contribution (remaining 2 years) and an increase in HSR Operating Budget. Table 1 provides a breakdown of the net cost funding between 2012 and 2016. In 2016 the net operating cost would be funded 100% by the HSR Operating Budget.

Table 1 Route Costs and Funding - #56 Centennial

| ROUTE COSTS – Service Level: 10am – 6pm, 7 days/week | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| Total Gross Cost | \$250,000 | | | | |
| Projected Revenue | (\$50,000) | | | | |
| Total Net Cost | \$200,000 | | | | |
| | | | | | |
| FUNDING | Yr 2012 | Yr 2013 | Yr 2014 | Yr 2015 | Yr 2016 |
| Annualized Cost | \$200,000 | \$200,000 | \$200,000 | \$200,000 | \$200,000 |
| HSR Budget Pressure | | \$50,000 | \$100,000 | \$150,000 | \$200,000 |
| Tax Stabilization Reserve contribution | \$150,000 | \$100,000 | \$50,000 | \$0 | \$0 |
| Walmart OMB Decision Contribution | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$0 |

Maintaining status quo service utilizes the previously approved 2012 Bus Operator complement increase of 2 FTE's. No additional staffing would be required for the 2013 year.

Service span for Route #56 could be increased to provide daily service from 6:30am until 11:30pm. This alternative would address service requests from those travelling to/from Walmart throughout the store's operating hours and allow Wild Water Works visitors to return from the attraction at its 8:00pm closing time. Service frequency would remain at 45 minutes (60 minutes during July and August). Assuming a Tax Stabilization Reserve contribution of \$100,000 and a Walmart contribution of \$50,000, combined with projected passenger revenue of \$75,000, this alternative would increase 2013 HSR Operating Budget pressure to \$235,000 (Gross annual operating cost of \$460,000).

CORPORATE STRATEGIC PLAN

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

- ◆ Council and SMT are recognized for their leadership and integrity

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

- ◆ People participate in all aspects of community life without barriers or stigma

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)

APPENDICES / SCHEDULES

None