

ROUTEAHEAD ANNUAL UPDATE

EXECUTIVE SUMMARY

This report provides a progress update on selected projects that have been initiated or completed as part of the implementation of RouteAhead, a 30-year strategic plan for public transit in Calgary.

ADMINISTRATION RECOMMENDATION:

That the SPC on Transportation and Transit recommends that Council receive this report for information.

PREVIOUS COUNCIL DIRECTION/POLICY

At the 2013 January 14 Combined Meeting of Council, report TT2012-0833, *RouteAhead: A Strategic Plan for Transit in Calgary*, was approved with the recommendation that Council direct Administration to prepare an annual status report on implementation of RouteAhead.

At the 2014 January 13 Combined Meeting of Council, report TT2013-0799, *RouteAhead Update*, was approved with the recommendation that “Council direct Administration to provide another RouteAhead update in 2014 December.”

BACKGROUND

In 2011, City Council directed that a new long-term plan for Calgary Transit be created in accordance with the Calgary Transportation Plan (CTP). In response, Administration has developed the RouteAhead strategic plan to guide both operations and investment in transit over the next 30 years. The plan was approved by Council on 2013 March 04. RouteAhead establishes a clear vision for transit in Calgary and will be used by City Council and Calgary Transit to make informed decisions regarding customer-centric improvements, capital and operating budgets, fares, service hours and other major business decisions.

This report provides an update on progress made towards the long-term goals of the RouteAhead strategic plan with an emphasis on projects that were initiated or completed in 2014.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Attachment 1 provides a progress update on projects that have been initiated or completed as part of the implementation of the RouteAhead strategic plan. The projects support the three themes of the RouteAhead plan: customer experience, network, and finances. The projects shared in Attachment 1 also support Council’s Priorities for Action Plan 2015-2018.

Attachment 2 provides information on the history, and benefits of Calgary’s rapid transit network. This document will be used to highlight Calgary’s public transit infrastructure requirements to support the growing population, and promote the regional economy.

Calgary Transit was one of the city services that was consistently mentioned by Calgarians during Action Plan public engagement. Additionally, Council Priority 3 – A City That Moves, lists implementation and advancement of RouteAhead as the most important strategic action.

ROUTEAHEAD ANNUAL UPDATE

Calgary Transit's Current Funding as of 2014 December

Calgary Transit relies on two types of funding – operating funds which are used to run day-to-day business and capital funds that are used for new infrastructure and lifecycle refurbishment of existing infrastructure.

Operating funds consist of fare revenue (slightly more than 50 per cent), advertising revenues, and municipal property taxes which reflect the social, environmental and economic benefits of public transit to Calgarians. In terms of Calgary Transit's capital funding, the federal and provincial governments contribute the majority (92 per cent) with the remainder coming from The City and the development industry.

To deliver the RouteAhead vision a significant increase in both operating and capital funds is required. By 2040, an additional \$460 million in operating funds and an investment of \$12.6 billion in capital funds are required. To address all aspects of the plan, Calgary Transit's annual budget must grow by an average of \$17.7 million annually (excluding inflationary costs such as negotiated wage increases, increasing costs of materials and rising diesel and power costs). The draft Action Plan 2015-2018 includes funding to provide 38 per cent of the required increases to deliver the RouteAhead targets. RouteAhead supports The City's long term direction (Municipal Development Plan (MDP), Calgary Transportation Plan (CTP), Growth Management Framework, 2020 Sustainability Direction), and funding of RouteAhead can impact The City's achievement of these goals.

During budget deliberations in 2013 November Council approved \$520 million (over ten years) for the planning, design and construction of the Green Line Transitway. This funding will allow Calgary Transit to deliver faster and more reliable transit services to Calgarians in southeast and north central communities. An application for a Building Canada Fund (BCF) grant has been sent to the Federal government for extensions to the Green Line. This application was made possible by the use of the \$520 million as matching funds for this grant. In addition, Council approved Municipal Sustainability Initiative (MSI) funding be used as matching funds for a GreenTRIP proposal that includes the following projects:

- 17 Avenue Southeast Transitway
- LRT Traction Power: Four-car Train Upgrades
- North Crosstown BRT
- South Crosstown BRT
- Southwest Transitway
- West LRT Land

A primary factor for the success of the RouteAhead plan, and for any transit system, is to have predictable and consistent funding. This allows for the opportunity to invest and maintain expanded transit service while ridership develops. It provides the opportunity for Calgary Transit to maintain the right mix of employees and resources to implement changes and grow service. As well, it allows for investments in improving the customer experience that may not necessarily generate additional fare revenue, but will increase customer satisfaction and lead to long-term ridership growth. From a capital perspective, predictable and assured sources of funding make it easier to plan and implement capital projects in a timely and more cost effective manner.

ROUTEAHEAD ANNUAL UPDATE

A report will be presented to the SPC on Transportation and Transit in early 2015 outlining funding strategies to focus on in the future.

Calgary Transit is carefully balancing the RouteAhead vision, citizen demand for additional services, and population growth with fiscal constraints. However, it is important to mind the gap, and not fall too far behind as RouteAhead, and the CTP call for aggressive investment in public transit to support city-wide medium and long term goals for land use and transportation. The City of Calgary does not receive any operating subsidies for public transit services from other levels of government. Increasing fare subsidies are another challenge to maintaining funding for transit service.

Administration continues to monitor capital funding programs from other levels of government, including GreenTRIP, MSI and BCF. Administration continues to work with partners at the provincial and federal level to secure stable and long-term funding for public transit.

Stakeholder Engagement, Research and Communication

Calgary Transit is utilizing the lessons learned during the stakeholder engagement phase of the RouteAhead project. Current projects, such as the NW-HUB and North Central LRT include a diverse range of engagement opportunities for Calgarians, including face-to-face in shopping malls and community centres, online surveys and workbooks and staff at summer festivals. The Calgary Transit Customer Advisory Group also provides Administration with input on issues affecting the customer experience. Doors Open YYC and customer appreciation events give citizens a better understanding of the effort and organization required to provide public transit services. Calgary Transit has maintained the RouteAhead website and Twitter feed as a means of keeping Calgarians up to date on long-term transit planning.

Strategic Alignment

The RouteAhead plan is aligned with the policy direction and strategic goals of the MDP, CTP, the 2020 Sustainability Direction and Council's Fiscal Plan for Calgary. RouteAhead was developed in coordination with Investing in Mobility to ensure strategic alignment within the Transportation Department capital plans. RouteAhead directions and strategies are incorporated in the Action Plan 2015-2018 Business Plan and Budget.

Social, Environmental, Economic (External)

Social

Public transit provides low-cost mobility and accessibility to people, places, goods and services. It improves mobility for all, not just transit customers. Continuing to make the system accessible will benefit all users. Removing older, high-floor buses, and replacing them with accessible, low-floor vehicles improve accessibility. Access Calgary has made improvements to the application process to provide better service to customers and make it easier to navigate the system.

Environmental

Movement of people on public transit makes the most efficient use of natural resources, allows for a more compact city and offsets the need for motor vehicle travel, resulting in fewer impacts to natural areas and the existing built environment. Calgary Transit continues to reduce

ROUTEAHEAD ANNUAL UPDATE

environmental impacts by retiring older buses (including 30-year old two-stroke vehicles) and piloting the use of cleaner-burning compressed natural gas (CNG) buses.

Economic

Adequately funded public transportation is vital to reducing the costs associated with urban travel and to support investments (both public and private) in transit oriented developments. In 2011, 50 percent of trips to the downtown in the morning peak hour were made by transit with 39 percent being made by automobile, 9 percent by walking and 2 percent by cycling. This significant milestone highlights the importance of public transit for mobility of the labour force in Calgary.

Financial Capacity

Current and Future Operating Budget:

No impacts from this report.

Current and Future Capital Budget:

No impacts from this report.

Risk Assessment

During development of the RouteAhead plan, several strategic risks have been identified:

Revenue from fares and from advertising – in order to fund improvements, existing sources of funding need to be retained. Loss of revenue from additional fare discounts and from decreasing advertising revenue will result in a decreasing level of service. A consistent and predictable increase in both operating and capital funding is required for Calgary Transit to have the organizational capacity to grow services.

Workforce planning – impacts of a strong local economy have made it more challenging to hire and retain experienced staff. This has the potential to impact the timeline for completion of RouteAhead strategies.

Growth management – the city and region continues to grow outward with aggressive phasing of development. This impacts The City's ability to plan, evaluate, and invest in transit infrastructure in a timely manner to keep pace with growth.

REASONS FOR RECOMMENDATION:

This report provides information on the status of customer-centric projects initiated or completed by Calgary Transit in support of the short, medium and long-term goals of the RouteAhead plan.

ATTACHMENTS:

1. RouteAhead Annual Report
2. Making Tracks
3. RouteAhead and Action Plan Performance Measurement