

ROUTEAHEAD UPDATE

EXECUTIVE SUMMARY

This report provides a progress update on 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 RECOMMENDATIONS

That the SPC on Transportation and Transit recommends that Council:

1. Receive this report for information; and
2. Direct Administration to provide another RouteAhead update in 2014 December.

RECOMMENDATION OF THE SPC ON TRANSPORTATION AND TRANSIT, DATED 2013 DECEMBER 13:

That the Administration Recommendations contained in Report TT2013-0799 be approved.

PREVIOUS COUNCIL DIRECTION/POLICY

At the 2013 January 14 Combined Meeting of Council, Council approved TT2012-0833, RouteAhead: A Strategic Plan for Transit in Calgary, with the recommendation that Council:

1. Approve in principle, the RouteAhead visions, directions and strategies included in Attachment 1;
2. Approve in principle, the 30-year capital plan, including prioritization of transit projects for the 10-year Investing in Mobility plan included in Attachment 1;
3. **Direct Administration to prepare an annual status report on implementation along with the evolving criteria matrix, for presentation to the SPC on Transportation and Transit by December 2013;**
4. Direct Administration to provide the following, in conjunction with the February 2013 Update Report:
 - a. a detailed report on the matrix and scoring concerning the project evolution criteria;
 - b. a detailed explanation of how the criteria were determined and applied; c. describe how the plan's Recommendations for service hour growth are derived, based on projected growth in population and ridership;
 - c. consider drafting a Citizen-friendly RouteAhead booklet, including an Executive Summary;
5. Direct Administration to:
 - a. Investigate the potential for an urban transit loop, including the recommended routing and technology;
 - b. Return with the next phase of RouteAhead, to identify the timing to deliver said report; and
6. Direct Administration to coordinate with the Planning Department on how the transit system should integrate with Land Use and Development Plans.

At the 2013 March 04 Combined Meeting of Council, Council approved the RouteAhead plan.

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

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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 as of November 2013.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Three months after the approval of the RouteAhead plan, Calgary Transit's network was significantly impacted by the June 2013 flood. The recovery from the impacts of the flood demonstrated the resiliency of Calgary Transit. Ridership levels have returned to pre-flood levels, demonstrating the value of the public transit system to Calgarians. The event reinforced the need to continue to support public transit in Calgary for social, environmental, and economic reasons.

The attachment provides a progress update on projects that have been initiated or completed as part of the implementation of the RouteAhead strategic plan. Initiatives are listed as they appear in the RouteAhead document, categorized by the themes customer experience, network, and finances. The initiatives within the customer experience are then further organized by the six customer-centric themes presented in the RouteAhead document: understanding, accessing, waiting, paying, riding and connecting. A summary of the progress is shown on this page.

RouteAhead Summary

RouteAhead Themes	Focus	Progress	
Customer Experience:			
Understanding			
Accessing			
Waiting			
Paying			
Riding			
Connecting			
Network Strategies:			
Finance Strategies:			
			Legend Focus (# of initiatives):  <10  10-19  >19 Progress (# of initiatives in progress or complete):  <35%  35-69%  >69%

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Calgary Transit's Current Funding as of 2013 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 primarily of fare revenue (slightly more than 50 per cent) with the remainder coming from municipal property taxes to 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).

Calgary Transit's 2014 budget adjustment was approved by Council in late 2013 November. Calgary Transit asked for additional service hours, more peace officers, longer hours for the customer service centre and additional funds to improve reliability on the network, among other items. The City's budget has not been finalized and items are subject to change. During budget deliberations Council approved \$520 million (over ten years) for the planning, design and construction of the Green Line. This funding will allow Calgary Transit to deliver faster and more reliable transit services to Calgarians in southeast and north central communities.

The Right Future Funding

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.

Alternative sources of funding are also proposed to undertake the RouteAhead plan. These were suggested by citizens and key stakeholders during RouteAhead's public engagement. With regards to capital funding, a report will be presented to Council in early 2014 summarizing the results of a funding/financing workshop using the Southeast Transitway as a case study. With regards to operating funding, a report will be presented to Council in February 2014 outlining an approach for future fare/operating funding strategies.

Administration continues to monitor funding programs from other levels of government, including GreenTRIP and the Municipal Sustainability Initiative (MSI) from the Province of Alberta. News is expected in early 2014 regarding funding and program requirements from the Federal

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Government's Building Canada Fund (BCF). Administration continues to work with partners at the provincial and federal level to secure stable and long-term funding for public transit.

Calgary Transit Performance Compared to Similar Transit Systems

An analysis of a number of Canadian transit agencies indicates that Calgary Transit rates well when compared to Toronto, TransLink (Vancouver), Edmonton and Victoria. Calgary Transit rates slightly above average in 'revenue passengers per hour', 'cost per hour' and 'top operator wage'. Calgary Transit rates similar to the average for 'cost per revenue passenger', 'revenue passengers per kilometre', 'percent of operating cost recovery [from fares and other revenue sources]', and the 'top mechanic wage'. Calgary Transit rates below the average for 'average fare', 'administration as a percent of operating cost' and 'administration as a percent of revenue'. In summary, this analysis shows that Calgary Transit is a lean organization that provides an efficient transit service to Calgarians with very low administrative costs. We are second only to Toronto in terms of the percent of operating cost recovery, or what is commonly referred to in Calgary as the 'revenue/cost ratio' or 'R/C ratio'.

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 Northwest Hub (West Campus Mobility) 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 distinct and targeted input on issues affecting the customer experience. Doors Open YYC and Calgary Transit's Backstage 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 Municipal Development Plan (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 is incorporated in the 2014 budget adjustments and forthcoming 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. Retiring 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.

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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 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 transit in the mobility of the labour force.

Financial Capacity

Current and Future Operating Budget:

No impacts from this report.

Current and Future Capital Budget:

No impacts from this report.

Risk Assessment

Subsequent to approval 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 service.

Workforce planning – impacts of a strong local economy and uncertainty regarding changes to public sector pensions 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 little certainty on the 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.

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REASON FOR RECOMMENDATION:

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

ATTACHMENT

RouteAhead Update