



Legislation Details (With Text)

File #: RFD 18-090 **Version:** 1 **Name:** Transit Program Funding and Service Charges
Type: Request For Decision **Status:** Carried
File created: 5/3/2018 **In control:** Infrastructure Services Division
On agenda: 5/22/2018 **Final action:** 5/22/2018
Title: Transit Program Funding and Service Changes

Proposed Motions

1. That Council approve the expansion of transit service to include a connection from Spruce Grove to Acheson on Route 562 effective September 4, 2018 at an additional cost of approximately \$11,000 in 2018 with funding from Public Transportation Utility Fee and Business Attraction Fund Restricted Surplus.
2. That Council move the Transit Service Program from a pilot project to a permanent core service.
3. That Council offset 50% of the Public Transportation Utility Fee with General Tax Revenue and approve the use of the Business Attraction Fund Restricted Surplus account in the amount of \$300,000 in 2018, \$200,000 in 2019, and \$100,000 in 2020 to phase in the impact on taxation.

Indexes:

Code sections:

Attachments: 1. 1. Proposed Transit Funding Table

Date	Ver.	Action By	Action	Result
5/22/2018	1	Council	approved	Pass
5/22/2018	1	Council	approved	Pass
5/22/2018	1	Council	approved	Pass

Transit Program Funding and Service Changes

Proposed Motions

1. That Council approve the expansion of transit service to include a connection from Spruce Grove to Acheson on Route 562 effective September 4, 2018 at an additional cost of approximately \$11,000 in 2018 with funding from Public Transportation Utility Fee and Business Attraction Fund Restricted Surplus.
2. That Council move the Transit Service Program from a pilot project to a permanent core service.
3. That Council offset 50% of the Public Transportation Utility Fee with General Tax Revenue and approve the use of the Business Attraction Fund Restricted Surplus account in the amount of \$300,000 in 2018, \$200,000 in 2019, and \$100,000 in 2020 to phase in the impact on taxation.

Administration Recommendations

Administration supports the proposed motions.

Purpose

Transit service changes and allocation of Restricted Surplus funds must be authorized by Council.

Summary

Acheson Transit Service was initiated in 2016 as a pilot project with the intent to provide transit service to existing businesses and as a tool to attract new businesses to Acheson. The transit program is currently funded through a Public Transportation Utility fee charged to industrial zoned properties in Acheson. The success of the pilot project was to be measured on Business Satisfaction and Ridership. The feedback

received from the businesses focused on three main areas:

1. Service improvements to the bus schedules should offer a trip earlier in the afternoon and a connection from Spruce Grove to Acheson;
2. The Utility fee is paid by all industrial properties but not all businesses are able to utilize the service they pay for and ridership is low; and
3. The businesses have requested a promotional incentive to increase ridership and encourage employees to try transit.

With the goal of moving the Transit Program out of a pilot project and into core services, Administration has identified actions to address these requests.

1. Work with the City of Spruce Grove to revise the schedule for Route 561 to remove the first trip of the day and add an earlier trip in the afternoon (no cost change) and revise the routing of Route 562 to have two way service to Acheson which will connect Spruce Grove to Acheson. This change adds one hour of service time per day to the route at an estimated cost of \$11,000 for 2018. These changes can be made for September 4, 2018.
2. Transit service has proven to be a valuable business attraction tool. Businesses often consider transit as a requirement when choosing where to locate. Recognizing that the Acheson Industrial Area generates a substantial amount of tax revenue, Administration recommends that Council consider having the cost to provide transit service be equally shared between the Public Transportation Utility Fee and General Tax Revenue. This will help support business attraction and reduce the direct financial burden on existing businesses in Acheson.

If Council supports the new cost sharing model, Administration recommends Council approve the use of the Business Attraction Fund Restricted Surplus for three years to phase in the impact on taxation. The proposed phased approach is shown on the attached Proposed Transit Funding Table. The amounts shown in the table are approximate and are for illustrative purposes only.

3. Administration plans to roll out an incentive to businesses to offer free or subsidized transit tickets to their employees to try transit and increase ridership. The cost of this incentive is included in the existing marketing budget for the Transit Program.

The 2018 Public Transportation Utility Bylaw will be presented to Council at the June 12, 2018 meeting for adoption with the direction provided on these motions.

Moving transit from a pilot project to core services is a strategic move that, not only shows a commitment to our new businesses that require transit service, sets Parkland County up as a regional partner in discussions at the local Tri-region and the larger Edmonton Metro region. With regional transit commissions in the formative stages, Parkland County will be poised to be a key participant.

Strategic Plan/Policy/Legal/Staff Implications:

Parkland County Strategic Plan: Pillar 1 - Complete Communities - We recognize the diversity of Parkland's communities, while fostering a united and shared vision for Parkland as a whole.

Guiding Principle 1.2 - We are a region of connected communities, through infrastructure, transit, recreation facilities, trails and technology.

Broad Objective - Investing in, owning and maintaining infrastructure that supports access to technology, improving quality of life and business viability.

Parkland County Strategic Plan: Pillar 2 - Strategic Economic Diversification - We support the continuation and evolution of traditional economic activities, while pursuing new opportunities for diversified and sustainable growth.

Guiding Principle 2.3 - We effectively pursue and manage new opportunities to stimulate economic growth, increase investment, and diversify our long-term economic bases.

Broad Objective - Developing the road and infrastructure network to ensure the safe and efficient movement of traffic, goods, and services through Parkland County.

Broad Objective - Maintaining a business-friendly environment, ensuring economic development opportunities, providing industry supports, and treating our stakeholders as partners.

Parkland County Strategic Plan: Pillar 4 - Responsible Leadership - We maintain the public's trust through transparent and fair decision-making, superior service delivery, and effective communication.

Guiding Principle 4.2 - We are an organization that values, proactively builds, and continues to maintain strong relationships with key stakeholders.

Broad Objective - Developing and implementing a long-term strategy to support collaboration with neighbouring municipal partners, strengthening regional competitiveness and supporting the cost-effective provision of services.

Financial Impact:

Proposed Service Change

Cost: 2018 - \$5,500 Public Transportation Utility Fee increase, \$5,500 Business Attraction Fund Restricted Surplus (included in below amount)

Proposed Funding Change

Cost: 2018 - \$300,000* Public Transportation Utility Fee, \$300,000 Business Attraction Fund Restricted Surplus

Cost: 2019 - \$300,000* Public Transportation Utility Fee, \$200,000 Business Attraction Fund Restricted Surplus, \$100,000* General Tax Revenue

Cost: 2020 - \$300,000* Public Transportation Utility Fee, \$100,000 Business Attraction Fund Restricted Surplus, \$200,000* General Tax Revenue

*Estimated costs based on current service levels and are subject to change