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## 2020 CAPITAL BUDGET BRIEFING NOTE

### Cycling Infrastructure Capital Budget Delivery

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#### Issue:

At its meeting of January 17, 2020, the Budget Committee requested that the General Manager, Transportation Services submit a budget briefing note on the rationale for underspending in the cycling capital budget and pathways to address this in 2020. This briefing note responds to the Committee's request.

#### Key Messages:

- Underspending in the 2019 Cycling Infrastructure Capital Budget is primarily a result of:
  - staff resources focused on completing the Cycling Network Plan Update in advance of the delivery of cycling infrastructure;
  - staff resources to advance projects funded from other orders of government that, as a condition of the funding, could not be projects that were already programmed or advancing i.e. they were unfunded and planned for some time in the future; and
  - the need for early coordination with the overall capital works program in order to bundle project delivery with state-of-good repair work.
- Strategies being employed to improve the delivery rate of the program in 2020 include:
  - Tendering several of the projects as stand-alone contracts in 2020, rather than wait to bundle them with the overall capital works program.
  - Earlier coordination to enable more cycling infrastructure to be bundled with state-of-good-repair roadway improvements.
  - Undertaking an aggressive schedule of public consultations over the winter season for reporting to Infrastructure & Environment Committee this spring.
  - Minimizing vacancies in the Cycling and Pedestrian Projects unit.

**Background:**

- To coordinate the planning and delivery of cycling routes, the City Council adopted the Ten Year Cycling Network Plan (in June 2016) and the Bikeway Trails Implementation Plan (in 2012) which have served as the City's roadmap for cycling infrastructure investment.
- In August 2016, following the completion of the Ten Year Cycling Network Plan, the Government of Canada announced the Public Transit Infrastructure Fund (PTIF) program funding allocation for the City of Toronto, including over \$35.4 million for projects that support active transportation.
- The PTIF program had an aggressive schedule and has provided the City with the opportunity to significantly advance projects through 50% federal funding for projects that were otherwise unfunded or planned for some time in the future. Eligible projects must be completed by March 31, 2020.
- In December 2017, the Province announced the Ontario Municipal Commuter Cycling (OMCC) Program funding allocation for the City of Toronto in the amount of \$25.6 million.
- OMCC funding can be used to support up to 80% of eligible costs associated with the implementation of eligible projects. Eligible projects must be completed by December 30, 2020.
- In July 2019, City Council adopted the Cycling Network Plan Update which included a Near-Term Implementation Plan (2019-2021).
- Moving forward, the Cycling Network Plan will consist of two components: a near-term capital implementation program for cycling infrastructure (which will be updated on a rolling basis), and an overall proposed network (currently 2022+).
- The estimated cost to implement the near-term program is approximately \$48 million over the 2019 – 2021 period, consistent with the previously approved \$16 million per year scenario from the Ten Year Cycling Network Plan (2016). The capital funding required to implement cycling infrastructure in 2019 was included in the approved 2019 Capital Budget, and full funding for 2020 and 2021 is included within the staff recommended 2020 - 2029 Capital Budget and Plan for Transportation Services.

**Reasons for Underspend:**

- Staff resources were required to complete the Cycling Network Plan Update.
  - The Cycling Network Plan Update adopted by Council in July 2019 provided an update on the implementation progress for the City's Cycling Network Plan, established a priority framework for Major City-Wide Cycling Routes, and identified next steps for effective implementation of proposed cycling infrastructure.
  - The review process undertaken for the Update incorporated the City's Equity Lens Tool and demonstrates a stronger commitment to reducing inequities experienced by Toronto's vulnerable populations.

- The Update also strengthened the Plan's focus on safety, with more detailed analyses of collisions, and initiatives linked to the Vision Zero Road Safety Plan.
- The Cycling Network Plan Update was completed entirely in-house by Transportation Services staff, which to some extent, diverted staff resources away from the delivery of the Transportation Services Capital Budget for Cycling Infrastructure.
- Ongoing staff resources to support projects funded from other orders of government.
  - Significant funding through the Federal Public Transit Infrastructure Fund (PTIF) and Ontario Municipal Commuter Cycling fund (OMCC) arose in 2016 and 2017 after the Ten Year Cycling Network Plan was developed, which changed the priority and timing of several projects.
  - Projects eligible for the PTIF program needed to be otherwise unfunded or significantly advanced from projects planned for the future. In order to advance qualifying projects, several others were deferred so that staff resources could be focused on projects funded by PTIF and OMCC.
  - Funding from the PTIF program was largely budgeted in 2017, but intended for delivery spanning multiple years, resulting in significant carry-over funding each year to align with project cash-flow needs.
  - Some projects funded through PTIF are multi-year projects which can only be delivered in coordination with third-party schedules. For example, the design of the West Toronto Railpath Extension can only be delivered in coordination with Metrolinx rail corridor construction.
  - The design of projects funded by PTIF that has been completed to date has better prepared Transportation Services to deliver more in 2020 and in future years.
- Coordination with the overall capital works program.
  - While some projects are delivered on a standalone basis through changes to pavement markings and other elements, over the past few years cycling projects have begun to be incorporated into the overall capital works program process for state-of-good-repair, such as road reconstruction.
  - For cycling projects delivered by Engineering & Construction Services through the state-of-good-repair program, preliminary details and project scoping must be identified by Transportation Services three years in advance in order to be considered as part of the scope of the project.
  - As a result of the multi-year planning and coordination required, projects identified and programmed as a result of the Ten Year Cycling Network Plan in 2016 and 2017, only began to be delivered in 2019 and 2020.
  - The timing of major projects is reviewed and adjusted regularly, and projects are shifted from year to year based on a variety of changing coordination issues and priorities. The coordinated cycling projects also need to shift to match bundled road and water projects.

- The new scheduling framework of the near-term cycling implementation program and overall proposed network will minimize the frequency of changes to the cycling program, but not fully eliminate the possibility of delays.

**Improving Delivery Rate:**

- Strategies being employed to improve the delivery rate of the program in 2020 include:
  - Tendering several of the projects that have been advanced through PTIF as stand-alone contracts in 2020, rather than wait to bundle them with the overall capital works program.
  - Working closely with Engineering & Construction Services to deliver more cycling infrastructure through the overall capital works program bundled with state-of-good-repair roadway improvements to expand the City's capacity to build cycling infrastructure.
  - Working closely with the Public Consultation Unit to undertake an aggressive schedule of public consultations over the winter season to seek feedback from the community in order to prepare projects for reporting to Infrastructure & Environment Committee this spring. Over December 2019 and January 2020 alone, the Cycling and Pedestrian Projects Unit held or attended over 20 public consultation meetings. Three reports are planned to Infrastructure & Environment Committee over the course of 2020 to seek approval for the implementation of a series of cycling infrastructure projects.
  - Ensuring, as far as is practicable, that vacancies in the Cycling and Pedestrian Projects unit are minimized. Hiring processes to address staff vacancies as a result of new positions and internal promotions in this unit of Transportation Services was a contributing pressure on staff resources in 2018 and 2019. As of the end of 2019, the Cycling and Pedestrian Projects unit has no vacancies. Two additional staff to support capital programming and delivery of cycling projects are being requested through the staff recommended 2020 operating budget.

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