

**REPORT FOR ACTION****Smart Commute Program Transition**

Date: December 19, 2019

To: Infrastructure and Environment Committee

From: Director, Environment and Energy

Wards: All

SUMMARY

The purpose of this report is to obtain updated City Council authority for the Director, Environment and Energy Division (EED) to continue delivering the Smart Commute Program in the absence of a Metrolinx partnership and to negotiate a new agreement with its Smart Commute Program regional municipal partners, which include the City of Hamilton, Region of Peel, Region of York Region of Durham and Halton Region (the "Regional Municipal Partners") that will enable Greater Toronto and Hamilton Area (GTHA) collaboration and sharing of resources needed to deliver the Smart Commute Program in Toronto. In addition, the Director, Environment and Energy is requesting authorization to negotiate and execute agreements with the City's existing service delivery organizations, which include pointA, SustainMobility and UrbanTrans who deliver the Smart Commute Program in Toronto's Transportation Management Associations (the "Service Delivery Agents").

On March 29, 2019, Metrolinx notified the City of Toronto that, subsequent to its fiscal review, Metrolinx funding and the three year agreement to provide Smart Commute Transportation Demand Management (TDM) programming in Toronto would be ending effective June 29, 2019. The on-line commuting tools and program resources will be made available to the Regional Municipal Partners by Metrolinx until they are transitioned to the City of Hamilton on or before December 31, 2019.

RECOMMENDATIONS

The Director, Environment and Energy recommends that:

1. City Council authorize the Director, Environment and Energy to continue the delivery of the Smart Commute Program, subject to available funding, to employers and the communities of Toronto.
2. City Council authorize the Director, Environment and Energy to negotiate and execute, on behalf of the City of Toronto, the necessary agreements and ancillary

documents, all in a form satisfactory to the City Solicitor, to coordinate the delivery of the Smart Commute Program with its Regional Municipal Partners.

3. City Council authorize the Director, Environment and Energy to negotiate and execute, on behalf of the City of Toronto, the necessary agreements and ancillary documents with Service Delivery Agents pointA, SustainMobility and UrbanTrans for the delivery of Smart Commute Program services in Transportation Management Associations, subject to available funding, and in a form satisfactory to the City Solicitor.

4. City Council authorize the Director, Environment and Energy to continue using the Smart Commute brand and logo, including but not limited to Smart Commute and Smart Commute Toronto, in its communications, marketing and advertising materials to support the continued delivery of the Smart Commute Program.

5. City Council authorize the Director, Environment and Energy to:

a. work with its Regional Municipal Partners to ensure continuity of the Smart Commute Program and identify a vendor that can provide a Greater Toronto and Hamilton Area (GTHA) wide ride matching software and other shared commuting online tools; and

b. if a preferred vendor is identified by the City and its Regional Municipal Partners, to negotiate and execute any agreement and ancillary documents to procure the preferred GTHA-wide ride matching software and other shared commuting online tools in accordance with the City's Purchasing bylaw, subject to available funding, and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The termination of the Service Delivery Agreement for the delivery of the Smart Commute Program by Metrolinx has resulted in the loss of annual funding of \$531,793.

Resources required to continue the delivery of the Smart Commute Program in Toronto has been included in the 2020 Environment and Energy Division Operating Budget submission for Council Consideration.

The City's Chief Financial Officer and Treasurer has been provided with the financial impacts associated with this report for review as part of the 2020 budget process.

DECISION HISTORY

At its December 2016 meeting, City Council authorized the negotiation and execution of a Smart Commute Agreement with Metrolinx for the continued delivery of the Smart Commute Program. The approval authorized Director, Environment and Energy Division (EED) to negotiate a service delivery agreement with Metrolinx; execute the service delivery agreement with Metrolinx and the funding agreements with the three Transportation Management Associations (Smart Commute Pearson Airport Area;

Smart Commute Northeast Toronto; and Smart Commute North Toronto – Vaughan); and to negotiate and execute future service agreements with Metrolinx and funding agreements with Transportation Management Associations in a form satisfactory to the City Solicitor.

The City Council Decision is available here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.PE15.4>

At its September 2008 meeting City Council approved a request for authorization to execute a funding agreement with the Greater Toronto Transportation Authority (“Metrolinx”) for 2008 on terms and conditions satisfactory to the Director of the Toronto Environment Office and Chief Financial Officer and Deputy City Manager and in a form satisfactory to the City Solicitor, in order to receive funding to support the Smart Commute program; and to grant to the Director of the Toronto Environment Office standing authority to negotiate and execute funding agreements with Metrolinx for funding related to the City’s Transportation Demand Management and the Smart Commute program, on terms and conditions satisfactory to the Director of the Toronto Environment Office and Chief Financial Officer and Deputy City Manager and in a form satisfactory to the City Solicitor.

The City Council Decision is available here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2008.EX23.28>

ISSUE BACKGROUND

Traffic congestion is one of the major concerns for the people of Toronto. The environmental, economic and social costs of traffic congestion are well documented and understood. Toronto has taken proactive steps towards reducing traffic congestion through investments in public transit and implementation of the Congestion Management Plan.

One of the City’s traffic congestion actions is implementing TDM strategies that aim to reduce travel demand and make better use of the existing transportation network capacity through managing demand. The goals of TDM are to motivate and support people in shifting to more sustainable modes of transportation (e.g. walking, cycling, transit, carpooling, teleworking) instead of driving alone. The Smart Commute Program delivers TDM strategies by helping employers and commuters explore and try out smart travel options by providing tools, resources and campaigns to encourage more sustainable commuter habits. With the goal of reducing single-occupant vehicle trips, Smart Commute helps to ease gridlock, improve air quality and reduce greenhouse gas emissions.

The Smart Commute program was initiated in 2004 through a collaboration between the City of Toronto, the City of Hamilton, and the Regions of Durham, Halton, York and Peel and with funding from Transport Canada. In 2007 funding from Transport Canada ended. The Board of Directors for Metrolinx, an agency of the Ontario Government decided to provide funding support of up to 50% to the Smart Commute Program and assume the leadership role. Since 2008, municipalities within the GTHA have partnered with Metrolinx to administer various tools and programs to assist workplaces and commuters in adopting different travel choices like carpooling, cycling and transit for commuting purposes. The Smart Commute Program is one of the most successful

initiatives of its kind in North America, and the City of Toronto is a leader in its implementation.

The City of Toronto had signed a Service Delivery Provider Agreement with Metrolinx entitled Service Delivery of the Smart Commute Program to provide Smart Commute TDM programming in Toronto for a period of three years from April 1, 2018 until March 31, 2021

On March 29, 2019, Metrolinx notified the City of Toronto by way of letter (attached as Appendix "A") that, subsequent to its fiscal review, Metrolinx funding and the three year agreement would be ending effective June 29, 2019. Metrolinx also terminated its agreements with the other GTHA Regional Municipal Partners. The Metrolinx provided on-line Smart Commute ride-matching tool and other commuting resources will be made available by Metrolinx to the City and the Regional Municipal Partners until December 31, 2019.

Despite Metrolinx's notice of contract termination of Smart Commute, there is an opportunity for municipalities to continue operating the program and to work with additional municipal partners in Ontario. This report seeks City Council authority to enter into an agreement with our Regional Municipal Partners to work collaboratively to continue to deliver and enhance the Smart Commute Program across the GTHA as well as identifying and procuring a single GTHA-wide ride-matching software and other shared commuting tools that will ensure continuity amongst the Regional Municipal Partner's Smart Commute Programs.

Metrolinx has agreed to transfer the Smart Commute brand and program assets to one of the Smart Commute Program municipalities for shared use by all partners on or before December 31, 2019. The City of Hamilton has received authority from its City Council to receive the Smart Commute brand and program assets from Metrolinx and to enter into an agreement with the Smart Commute Program municipalities to share the brand and program assets in order to allow the Smart Commute Program to continue without Metrolinx participation.

EED staff continue to work with our Service Delivery Agents and City staff to deliver the Smart Commute Program in six Transportation Management Associations (TMAs) to hundreds of businesses/organizations and over 300,000 commuters in Toronto. Clients of the Smart Commute Program include many of the large hospitals, colleges and universities, private sector businesses, property managers and BIAs in Toronto. The following estimates the greenhouse gas emissions saving benefits of the Smart Commute Program in Toronto.

2016 Smart Commute Annual Survey Data vs. 2016 Census Data for Toronto:

Commuters at Smart Commute Toronto workplaces have a much lower drive-alone rate of 26.4% versus the 41.4% for a typical Toronto commuter based on 2016 Census and Smart Commute annual survey data. This 15% reduction in drive-alone rate equates to an estimated 120,408 tonnes of eCO₂ saved as a result of 726,112,500 less vehicle kilometres travelled in 2016. The 2016 survey data comparison also shows a higher sustainable mode share of carpooling, transit use and cycling by Smart Commute

Toronto workplaces compared to the 2016 Census baseline for Toronto. An expanded Smart Commute program could have a much higher impact on congestion and greenhouse gas reductions for Toronto as the above estimates are based on 335,000 commuters represented by Smart Commute workplaces in Toronto in 2016.

120,408 tonnes of eCO₂ saved is equivalent to the GHG emissions of 25,564 passenger vehicles driven for one year.

Smart Commute Annual Survey Data - 2016 vs 2019 Results:

Comparing the Smart Commute annual survey data results illustrates a further positive trend in reduction of the drive-alone rate by 5.4% (21.4% drive-alone mode share) for Smart Commute Toronto workplaces from 2016 to 2019. The 2019 Smart Commute annual survey results also show an increase of almost 10% in transit use (55% transit mode share) and 1.6% in cycling (11% cycling mode share) compared to 2016.

COMMENTS

EED Staff are currently consulting with City Divisions, Agencies, and the Regional Municipal Partners to revitalize the Smart Commute Program to better align with TransformTO, Corporate Strategic Plan and other City goals, priorities and explore expansion opportunities. Discussions are underway with the General Manager of Transportation Services to better integrate the Smart Commute program as a TDM solution into the Congestion Management Plan.

EED staff also continue to work with Regional Municipal Partners to negotiate an agreement that will allow the partners to work collaboratively to continue the delivery of the Smart Commute Program across the GTHA and to allow the collective use of the existing Smart Commute brand and program assets. A coordinated approach will reduce operational costs and create a consistent platform throughout the GTHA and potentially the Province.

CONTACT

Kyle Leetham, Program Manager, Smart Commute, Environment & Energy Division
Tel: 416-397-5746
Email: kyle.leetham@toronto.ca

SIGNATURE

Jim Baxter, Director
Environment & Energy Division

ATTACHMENTS

Appendix "A" - Notification of Termination Metrolinx