



## THE REGIONAL MUNICIPALITY OF NIAGARA LINKING NIAGARA TRANSIT COMMITTEE AGENDA

**LNTC 4-2020**

**Wednesday, November 25, 2020**

**2:00 p.m.**

**Meeting will be held by electronic participation only**

**All electronic meetings can be viewed on Niagara Region's Website at:**

**<https://www.niagararegion.ca/government/council/>**

Due to efforts to contain the spread of COVID-19 and to protect all individuals, the Council Chamber at Regional Headquarters will not be open to the public to attend Committee meetings until further notice. To view live stream meeting proceedings, visit:  
[niagararegion.ca/government/council](https://www.niagararegion.ca/government/council)

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**Pages**

**1. CALL TO ORDER**

**2. DISCLOSURES OF PECUNIARY INTEREST**

**3. PRESENTATIONS**

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**5. ITEMS FOR CONSIDERATION**

**5.1. LNTC-C 7-2020**

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2021 Inter-Municipal Transit Working Group – Linking Niagara Transit  
Committee Workplan

**6. CONSENT ITEMS FOR INFORMATION**

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6.3. LNTC 3-2020

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7. OTHER BUSINESS

8. NEXT MEETING

The next meeting will be held on Wednesday, February 3, 2021 at 2:00 p.m. in  
the Council Chamber.

9. ADJOURNMENT

If you require any accommodations for a disability in order to attend or participate in meetings or  
events, please contact the Accessibility Advisor at 905-980-6000 ext. 3252 (office), 289-929-8376  
(cellphone) or [accessibility@niagararegion.ca](mailto:accessibility@niagararegion.ca) (email).

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**MEMORANDUM**

**LNTC-C 7-2020**

**Subject:** 2021 Inter-Municipal Transit Working Group – Linking Niagara Transit Committee Workplan

**Date:** November 25, 2020

**To:** Linking Niagara Transit Committee

**From:** Inter-Municipal Transit Working Group

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This memorandum provides a detailed update on the Inter-Municipal Transit Working Group (IMTWG) / Linking Niagara Transit Committee (LNTC) 2020 workplan, as well as forecasting the key initiatives proposed for the first half of 2021.

The IMTWG, established in 2018 under the direction of the LNTC, has advanced a number of critical system-wide improvements related to the implementation of the recommendations based on the *Niagara Transit Service Delivery and Governance Strategy, 2017* (Dillon Consulting). A comprehensive listing of these key milestones and operational achievements to date have been captured in Appendix 1.

With the global pandemic disrupting operations across the transit industry starting in March 2020, the intended IMTWG workplan noted below was intentionally refocused as a result of the immediate and critical need to address the health & safety, service level and coordination aspects of transit services in Niagara brought on by COVID-19. It is worth noting that despite the pandemic shifting the IMTWG's priorities, all but one of the intended objectives were achieved.

Beginning in March 2020 when the pandemic was declared, the IMTWG began meeting twice a week to ensure alignment of changing policy, health & safety protocols, capital improvements, service levels and public communications. With new COVID-related provincial direction affecting transit operations coming out at times daily, it was critical the IMTWG were aligned to ensure consistent, clear and cooperative changes were made to the system(s) and communicated similarly to our transit riders and the public.

The following are examples of pandemic-related activities of the IMTWG over the course of 2020:

- Implementation of emergency-driven frequent communication cycles
- Aligned public roll out of COVID-induced transit service reductions
- Regularized joint media releases communicating policy and service changes
- System-wide application of Aegis anti-microbial agent on all fleet
- Coordinated installation of driver protection barriers on all fleet
- Creation and installation of 'mask required' bylaw signage on all fleet
- Rear-door boarding policy enacted simultaneously
- Coordinated return to fare collection
- Coordinated bus seating capacity measures to enable social distancing

As both the Province and Region move through the recovery process, staff at each of Niagara's transit providers will continue to collaborate in monitoring service levels, processes and policies to ensure the safety of the residents and employees remain a priority and that decisions are made and communicated jointly wherever possible.

The original 2020 IMTWG-LNTC workplan approved in LNTC-C 16-2019 set out to achieve the following (also indicated is the status of each objective):

- Introduce NRT West Niagara service – subject to 2020 Regional budget approval (STATUS: COMPLETED – launched August 17, 2020)
- System capital planning for 2021 – NRT and local services (STATUS: COMPLETED – ICIP applications aligned and approved)
- Review extension of NRT Service Operating Agreement beyond December 31, 2020 (STATUS: ONGOING – 2-year extension request to Regional Council Dec. 17)
- Complete Niagara Transit Governance Study further to LNTC-C-21-22-23 -2018 (STATUS: COMPLETED – Study submitted to LNTC October 21, 2020)
- Determine preferred fare integration solutions – structure and technology (STATUS: ONGOING)

Originally intended to be launched in April 2020 but delayed due to vehicle production delays brought on by COVID-19 closures of the auto manufacturing plants, the new NRT OnDemand system for west Niagara was launched August 17, 2020. Recent ridership and growth reports submitted to Niagara Region Public Works Committee (Nov. 10, 2020) have shown the system to be highly effective, with 200%+ growth over the first 8 weeks of service.

With the advent of new Investing in Canada Infrastructure Program (ICIP) funding for transit, the IMTWG also aligned 2021 capital projects to ensure continued progress on

harmonization of standardized bus specifications. The IMTWG also included joint applications with similar language around common on-board technology, hardware and fare technology as part of this coordinated effort.

Agreement on a 2-year extension for the NRT operating agreement (the municipalities of St. Catharines, Welland and Niagara Falls operate NRT on behalf of Niagara Region) has been reached by the IMTWG and submitted to Regional Council for approval in December 2020.

Although the pandemic impacted the original schedule for delivery of the Niagara Transit Governance Study (NTGS) launched in November 2019, the Study continued with the support of the IMTWG and the NTGS Project Team. A key deliverable of the LNTC's mandate, with the Study complete and submitted to LNTC October 21, 2020, work on next steps will continue to involve the IMTWG and LNTC as feedback comes in from the local area municipalities as they consider the recommendations of the NTGS by February 28, 2021.

A single, harmonized and seamless fare technology solution has long been considered a significant step forward for Niagara's transit. The IMTWG continues to pursue innovative, next generation fare technology that will enable contactless payment solutions. A report from the IMTWG on next steps by the respective transit operators is expected at a future meeting, and will remain a focus for 2021.

Given the magnitude of analysis, engagement and consultation required for the implementation of the NTGS, the IMTWG recommends its work plan for 2021 focus on the following:

- Provide local Councils with support and information required as part of Transit Governance considerations identified in LNTC-C 4-2020
- Support transition efforts (should triple majority be achieved) as outlined in the NTGS Transition Plan found in LNTC-C 4-2020
- Selection, procurement and implementation of a single, seamless, fare technology system

Many of the aforementioned and future initiatives are led, supported and driven by members of the IMTWG, with significant leadership from Niagara's Transit Operators and Transit CAOs. Through this continued leadership and collaboration, transit in Niagara will continue on its transformational path toward giving residents freedom when

choosing their mode of transportation and ultimately, reducing the dependence on single occupancy vehicle trips.

The terms of reference for the LNTC include the responsibility of the committee to direct/oversee the work of the IMTWG. If the LNTC supports the aforementioned IMTWG's 2021 workplan as presented in this memorandum, the following resolution may be put forward:

That the Linking Niagara Transit Committee **ENDORSE** the Inter-Municipal Transit Working Group's 2021 workplan as outlined in Report LNTC-C 7-2020.

Respectfully submitted and signed by,

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Matt Robinson  
Director | GO Implementation Office  
Chair, Inter-Municipal Transit Working Group

Appendix 1 – LNTC-IMTWG Achievements 2018-2020

## **Linking Niagara Transit Committee - Inter-Municipal Transit Working Group Achievements 2018-2020**

The following are achievements from the LNTC/IMTWG workplan:

- Standardized, on-bus customer service policies across all four large transit systems
- Established a single digital mobile platform – Transit App. All Niagara transit systems' routes are now uploaded, enabling riders to find route, schedule and bus information, including a promotional campaign
- 'Moving Transit Forward' promotional campaign on all Niagara Region Transit (NRT) buses (interior and exterior) and on local buses (interior) aimed at raising public awareness to transit integration activities
- Consolidated all after-hours customer service call handling to a single external provider across all four major systems
- Completed comprehensive Provincial Gas Tax analysis and advocacy engagement with MTO on route rationalization and impacts to local providers
- Finalized a multi-year extension of NRT operations in partnership with the Transit Service Providers to take operations through December 2020
- Finalized NRT U-Pass agreement 2018
- Rationalization of two post-secondary charter routes with existing inter-municipal routes including service enhancements
- Fort Erie and Port Colborne NRT Link route service enhancements
- Developed a common fare strategy/structure, including financial analysis for any required Council approvals (necessary precursor work to enabling a common fare technology). This structure has been endorsed by the St. Catharines Transit Commission and Niagara Falls Council (subject to full buy in from all transit parties)
- Completed the Specialized Transit in Niagara Study which examined ridership, demand projections, a scan of jurisdictional comparators and industry best practices, along with operating improvements to feed into the Transit Governance Study
- Implemented a Universal Support Person Pass common to all Niagara transit systems to enable those with mobility limitations to travel with an approved support person with valid identification
- Streamlined all data inputs and established a process to ensure all trip planning tools including Google trip planner, Triplinx, Transit App have up-to-date and accurate information
- Secured 2019-2020 U-Pass agreements with Niagara College and Brock University Student Unions
- Real-time bus tracking via the Transit App on all Niagara Region Transit (NRT), Niagara Falls Transit, St. Catharines Transit and Welland Transit fleets
- Based on historic Regional Council investments in NRT via a separate levy of 1.4% (2019) which enabled significant service enhancements on NRT mainline routes:

- Nearly all NRT mainline routes 30 min. (or better) peak headways
  - Added express routes for routes 70A/75A and 60A/65A to post-secondary campuses of Niagara College and Brock University
  - Working with Pelham Transit, added connection to Pelham's Meridian Community Centre via 70A/75A
  - Procured, in partnership with our municipal operators, 14 new buses to meet the NRT fleet requirements for recent service enhancements, ensuring the utilization of the reduced operating rate
- Uploaded Port Colborne and Fort Erie Link routes and eliminated the SCT #26 – removing the last of the duplication of IMT routes in the system. All IMT routes are now operated under the (non-exclusive) jurisdiction of NRT
- Submitted consolidated Niagara feedback to MTO Provincial Gas Tax Program consultations based on comprehensive 2018 financial and local impact analysis
- Secured recommendation for on-demand transit expansion model for West Niagara
- Through a competitive procurement process, launched the Niagara Transit Governance Study, securing Optimus SBR and Left Turn, Right Turn as lead consultants for the study



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**MEMORANDUM**

**LNTC-C 6-2020**

**Subject:** Councillor Information Request: Niagara Transit Governance Study – Local Area Municipality Engagement

**Date:** November 25, 2020

**To:** Linking Niagara Transit Committee

**From:** Scott Fraser, P. Eng., Transportation Lead - GO Implementation Office

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**Introduction**

On October 21, 2020, the Linking Niagara Transit Committee (LNTC) considered *LNTC-C 4-2020 - Niagara Transit Governance Study* which presented the preferred governance and financial models for the consolidation of transit in Niagara. LNTC adopted amended recommendations providing support for a Full Commission governance model and recommending further engagement with each of the twelve (12) local area municipalities to seek their feedback on and support for the proposed models. The deadline for receiving this feedback was advanced to February 28, 2021.

In the course of this consideration, Committee provided comment and feedback on the governance and financial models, including a focus on the impacts of the proposed single regional tax levy, the Board of Directors and appointment process, and on social equity as a key driver for transit. The purpose of this memorandum is to outline how this feedback has been reflected and addressed, in advance of engagement with the local area municipalities.

The engagement process to be undertaken with each local area municipality will be tailored to suit preferred timeframes, areas of focus, and level of Regional staff participation. LNTC-C 8-2020 acts as a companion to this report, and provides the draft presentation planned for the Project Team's use at LAM Councils, where or if requested by the local area municipality.

## Financial Strategy

The financial strategy proposed to implement the Full Commission model has been developed based on the following key principles:

- Consensus – to arrive at a consensus model which balances benefits and obligations for each party
- Equity – enabling future transit to grow equitably in each municipality
- Phased implementation – enable budgets to accommodate increases or decreases in a manageable way over multiple years
- Asset transfer – ensuring existing investments in capital assets are respected, but not paid for twice by the same taxpayer (see Cummings Principle below)
- Service Enhancements – reinvesting to ensure adequate resourcing is available long term to enable the transit system to grow

Based on these principles, the financial strategy outlined in *LNTC-C 4-2020* recommends the transfer of all existing and incremental transit spending to the new Commission, funded through a single regional tax levy. This strategy includes:

- a two (2) year transition period (2021, 2022) during which funding derived from the levy is applied to the one-time costs associated with establishing the Commission;
- a transfer implementation period of up to five (5) years (2023-2027), varying by municipality, where existing municipal transit costs are transferred to the Regional levy and offset by equivalent budgetary restrictions at the local level; and
- the expansion of transit services, running concurrent with the transfer of existing service, however finishing in 2032.

This recommendation was developed in consultation with local area Treasurers and CAOs after consideration of a variety of strategies ranging between municipal transit grants and a full regional upload to a single transit levy. There was no option to fully consolidate transit into one system without a redistribution impact to municipalities.

### *Taxpayer Redistribution from Municipal Levy to Regional Levy*

The adoption of a single regional tax levy would transition current transit funding from municipalities to the Region, based on the regional property value assessment. As noted during discussions at LNTC, the net impact of this transition is that a proportion of

total regional transit expenditures would be redistributed to residents in municipalities with currently less robust transit systems and historically lower transit investment levels.

This realignment is consistent with the consolidation of transit in Niagara, as the move to an integrated transit system is anticipated to bring a series of proportional benefits to residents in these municipalities, including enhanced and expanded transit service, the ability to leverage capital investments that have been made in and by other municipalities, and a reduction in future financing costs.

- **Service Enhancement** - The proposed financial strategy provides for the allocation of \$2.7M in 2023 for the expansion of transit services, through the reallocation of levy funding originally allocated to the one-time transition costs in 2021-2022. This investment will be focused in areas who currently have less robust transit services, to enhance the connectivity of these areas to the other existing transit systems as quickly as possible, enhancing the transit equity in those municipalities.

These service enhancements will include the expansion of NRT On-Demand, the provision of new conventional NRT connections, and increased frequency on existing routes. These enhancements will facilitate greater connectivity to employment, medical, social and consumer services across Niagara, and link residents to the GTHA through GO train / bus services.

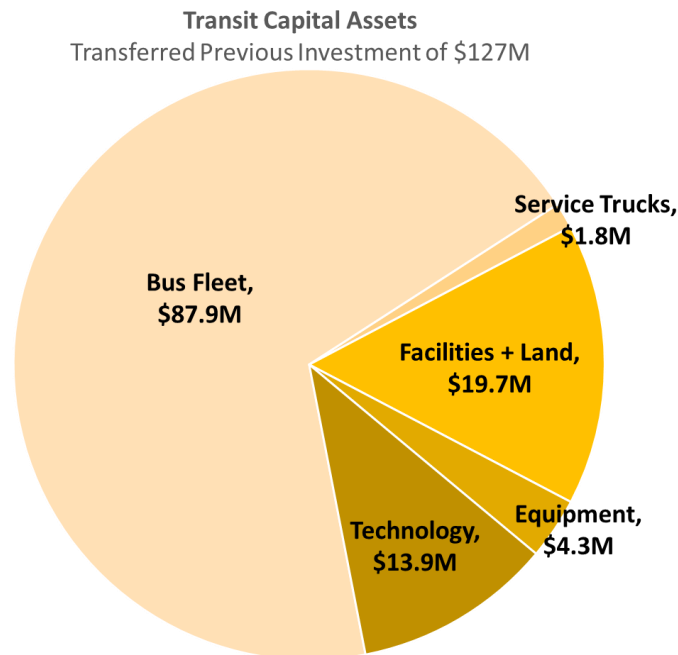
Where the larger systems are robust enough to remain status quo in service changes for a short period of time during the transition phase, smaller municipalities with smaller systems will see the first of the service improvements with a deliberate aim to bring all 12 municipalities to a more equitable transit service as quickly as possible. This approach of front-loading smaller system service enhancements as the levy upload occurs was used very effectively in both Waterloo Region and Durham Region where smaller municipalities received improved service faster, through the early days of the consolidation, while the larger municipalities saw their levy impact decrease.

Additional funding for further service enhancements will be requested by the Commission and subject to the Regional council budget process, as discussed further below and established once the new commission approves its inaugural multi-year service plan.

- **Leveraging of Prior Capital Investments** – municipalities with less robust transit services will benefit from consolidation through the ability to access and

leverage the capital investments that have been previously made by municipalities with more robust services. A total of \$127.5M in capital assets (\$64.3M net of depreciation) are anticipated to be transferred to the Commission, as summarized in Figure 1 below. These assets represent a combination of buses, service trucks, land, facilities, and other equipment and technology.

*Figure 1 - Transit Capital Assets across Niagara Region*



Leveraging previous capital investments will allow the Commission to deliver increased service into new areas of the region; which would have been costly for smaller municipalities to undertake within their municipal budgets. For example, existing garages can be utilized for vehicles purchased to provide increased or new conventional services, avoiding the need for the municipality to invest in new facilities independently.

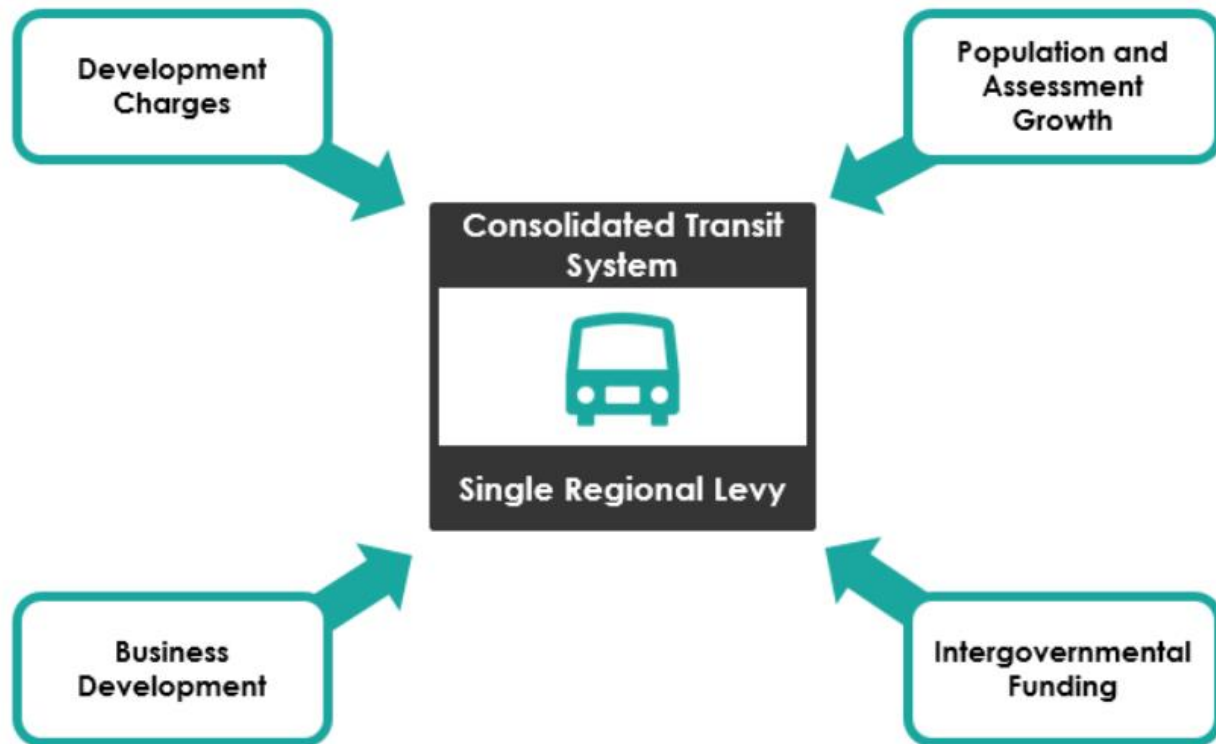
- **Net Operating Costs** – The current net operating cost for all transit across Niagara is \$43.4M which includes \$32.5M in service delivery, \$8.6M in Facility and Administration costs and \$2.3M in debt financing. The move to a single Regional levy redistributes the existing \$8.6M in facility and administrative costs to all new owners of the previous capital investments incurred by St. Catharines, Niagara Falls, and Welland, while the existing local transit net operating cost in St. Catharines and Niagara Falls reflect a reduction to the residents within those

municipalities through the upload to the Commission. It should be noted, that of the existing \$14M in Niagara Region inter-municipal services connecting all municipalities to these urban centres delivered under the current Regional levy funding scenario (i.e. 2020 budget), the municipalities of St. Catharines and Niagara Falls currently contribute 45% of the Regional levy contributions.

- **Intergovernmental Funding** – The Provincial Gas Tax (PGT) is currently utilized in some municipalities for operations (approx. \$1.5M annually). Under a consolidated Full Commission, these funds can be utilized for capital as intended by the program and therefore reduce future financing costs. Based on the current combined fleet size, purchase price, 10-year replacement cycle and the full annual PGT allocation for all municipalities together, it is estimated that 65% of total bus replacements can be funded through Niagara's combined PGT allocation. The \$1.5M which is currently utilized for operations reduces this funding to 50%; thereby increasing debt financing. However, a consolidated PGT fund would maximize PGT investments, lower debt financing and increase fleet replacement and required capital levy investments. Moving forward with consolidation now will also present the opportunity to seek provincial Safe Restart Program funding to offset anticipated transition costs. These costs may otherwise require funding through the Regional levy should consolidation be pursued at a later time.

While not directly included as part of the proposed Financial Strategy, there remains a number of future opportunities to further mitigate the impacts of transition to the single regional transit levy. These contributing factors include both future population and assessment growth in the region, the introduction of transit into the Region's development charges, enhanced business development, and future intergovernmental transit funding programs. Each of these opportunities will continued to be explored in the future for the potential to further offset levy impacts and should be kept in mind in relation to the future projections laid out in the Financial Strategy.

*Figure 2 - Future Mitigation Strategies*



#### *Future Investment and Growth Opportunities*

The NTGS outlines an aspirational growth target of +80% in transit ridership in Niagara by 2031. This growth would be achieved primarily through unlocking latent demand for inter-municipal trips, and is consistent with growth seen in the usage of transit in peer jurisdictions in their post-consolidation period.

Relating the potential growth of transit ridership to the financial strategy, there are two considerations:

- **Future Investment Levels** – to achieve the aspirational target outlined in the NTGS, additional investment beyond that envisioned by the financial strategy will be required. The NTGS identifies that achieving the high-growth target with an 88% increase in ridership will require an additional \$27M in net operating expenditures. The estimated costs of consolidation contained within this report reflect inflationary growth only. Based on the 2020 Regional Levy, an

aspirational growth strategy would require an incremental separate transit levy of 7.0%.

In addition, an incremental capital investment of \$70M-\$155M may be required to achieve this growth, of which approximately \$40M is currently funded through PTIF and ICIP programs. These investments are in addition to regular lifecycle replacements of existing assets.

The financial strategy includes an additional \$2.7M in service expansion funding previously discussed, which is outside the aspirational growth strategy and is intended for enhancements in those municipalities with less robust current service to improve connectivity to urban centres and amenities. Longer-term service enhancements will be determined by the Commission's transit service strategic plans, and subject to the allocation of funding through the Regional budget process.

- COVID-19 – the aspirational +80% target was developed based on ridership levels and modelling prior to the onset of the COVID-19 pandemic, which has had a direct impact on transit ridership and revenues. While these impacts have been significant in the short-term, the long-term impacts to transit remain unclear. Trends towards greater work and study from home environments may result in lower transit utilization in the long-term, or may have limited impact post-pandemic. A Full Commission governance model will be best able to balance core transit needs while simultaneously being flexible to respond to emerging trends and service levels as circumstances require.

#### *The Cummings Principle and Asset Transfer*

The proposed application of the Cummings Principle to the transfer of assets to the Commission remains a key principle of the financial strategy. The premise of the Cummings Principle is to transfer assets (and related outstanding liabilities), from one municipality to another with no additional compensation, since transferring assets for additional compensation results in the taxpayer paying twice for the same public asset.

### **Board of Directors and Appointment Process**

The NTGS presents a recommended Board of Directors comprised of five (5) members of Regional Council, (4) skills-based members of the public, and the Commission's General Manager acting in an ex-Officio capacity. This structure was recommended to

achieve both stewardship over resources and accountability to the residents of Niagara via elected officials, supplemented with additional skills or proficiencies necessary through those with experience in industry or more broadly.

Discussion at LNTC raised the question of the appointment of elected officials other than those already members of Regional Council (i.e. other local councillors). The process for appointment of members to the Board of Directors will be determined as part of the by-law that establishes the Commission as a legal entity, anticipated to be brought forward in parallel with the future triple-majority approval report. Through that process, Regional Council will have the opportunity to establish the criteria by which members can be selected. It is presumed that a nominating committee of Regional Council would then select members on the basis of the established criteria.

The forthcoming engagement with local area municipalities presents an opportunity to solicit further feedback regarding the proposed member selection process and Board Composition.

## **Social Equity**

The guiding principles established for the NTGS determined *fairness* as a key objective of the consolidation of transit, including providing a basic level of services that can be accessed by as many Niagara residents as possible. There is currently a significant disparity in the availability and frequency of transit service across the region between smaller and larger municipalities.

Across the region, there are numerous residents who rely on transit as their primary mode of transportation. As such, transit represents social equity access to employment opportunities, medical services, educational institutions, or social activities.

The consolidation of transit is anticipated to foster a greater level of access to transit services for those residents currently under- or unserved by transit. Under the proposed financial strategy, this greater access in smaller municipalities will be achieved through the expansion of services proportional with increased investment levels and the greater integration with the services currently in place in the larger municipalities. Social equity is achieved through transit equity and access. The aforementioned financial strategy was designed to enable smaller municipalities to enhance their transit service levels and connectivity as quickly as possible as the levy redistribution occurs over time. This means front-loading the benefits of enhanced service and faster upload of the local levy



to regional as soon as possible, so as to increase their levels of social and transit equity for their residents.

## **LAM Engagement Timeframes and Next Steps**

Subject to the adoption of the minutes of LNTC by Regional Council on November 20, 2020, *LNTC-C 4-2020* will be distributed and engagement with the LAMs seeking feedback on and support for the proposed governance and finance models will commence.

The specific timing and method of engagement with each LAM will be determined in consultation with their respective CAOs and Heads of Council, acknowledging the request from LNTC that feedback be received no later than February 28, 2021. Where requested, Regional staff (the Project Team) and the NTGS consultants will be available to support local staff as the item is considered at local Councils.

*LNTC-C 8-2020* provides the draft presentation planned for use, where and if requested by the local area municipality. This presentation has been provided to committee separate from this report, as it is not recommended that this presentation be directly distributed to LAMs in parallel with the distribution of the supplementary information contained in this memo (should committee opt to distribute this information). This is recommended in order to facilitate required tailoring and updating for each municipality, and avoid confusion between what is an indicative presentation and the final presentation intended for each LAM.

In parallel to engagement with the LAMs, Regional staff will undertake the evaluation of impacts to Niagara Region Transit, Niagara Specialized Transit, Niagara Region Transit OnDemand, and the Regional tax levy from the proposed resolution in *LNTC-C 4-2020*. This assessment will be returned to LNTC for consideration in advance February 28, 2021, so that input from LNTC and Niagara Region Public Works Committee (as well as a position on the requested motion) can be received in parallel to that from the LAMs.

This collective feedback will be used to further refine the proposed governance and financial models, in advance of the initiation of the triple-majority process in Q2 2021.

Respectfully submitted and signed by,

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Scott Fraser, P. Eng.  
Transportation Lead | GO Implementation Office

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**MEMORANDUM**

**LNTC-C 8-2020**

**Subject:** Councillor Information Request: Niagara Transit Governance Study – Local Area Municipality Presentation

**Date:** November 25, 2020

**To:** Linking Niagara Transit Committee

**From:** Scott Fraser, P.Eng., Transportation Lead - GO Implementation Office

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As referenced in *LNTC-C 6-2020*, the purpose of this memorandum is to provide the indicative presentation planned for use during any requested engagement with Local Area Municipalities (LAMs) as they consider the preferred governance and financial models for the consolidation of transit in Niagara.

The specific timing and method of engagement with each LAM will be determined in consultation with their respective CAOs and Heads of Council. As such, Appendix 1 represents an indicative presentation that will be further tailored to suit the preferred timeframes, areas of focus, and level of Regional staff participation desired. In particular:

- This presentation has been developed with an assumed allotment of ten (10) minutes of speaking time. Should a longer or more detailed presentation be requested by the LAM, the engagement presentation will be expanded on using the information previously provided to LNTC through *LNTC-C 4-2020*.
- Indicative transit connections (Slide 15) and financial details (Slides 17-19) that are specific to example municipality have been included for reference. These details will be updated and tailored to each specific municipality in which the presentation is being delivered. In short, the slides will not be generic.

This presentation has been provided to LNTC separate from *LNTC-C 6-2020* as it is not recommended that this presentation be directly distributed to LAMs in parallel with the potential to distribute the supplementary information contained in *LNTC-C 6-2020*. This approach is recommended in order to facilitate required tailoring and updating for each

municipality, and avoid confusion between this indicative presentation and the final presentation intended for each LAM.

Respectfully submitted and signed by,

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Scott Fraser, P.Eng.  
Transportation Lead | GO Implementation Office

Appendix 1            Niagara Transit Governance Study – Local Area Municipalities  
Presentation

# MOVING TRANSIT FORWARD

## Niagara Transit Governance Study

*[Insert Local Area Municipality]*

[Date]

# Agenda

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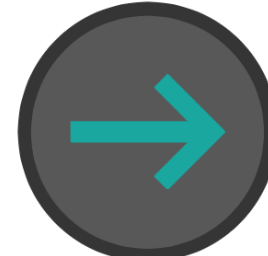
Overview



Niagara Transit  
Governance Study



Connecting [*insert LAM*]  
Residents



Next Steps



# Overview

# Overview

## Today's Discussion

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### Niagara Transit Governance Study

- Next major milestone in consolidation of transit in Niagara
  - Follows from 2017 Triple-Majority, creation of Linking Niagara Transit Committee (LNTC), and direction to explore consolidation
  - Harmonization of operational policies and system-wide efficiencies delivered under work of the Inter-Municipal Transit Working Group (IMTWG)
- A Full Commission governance model recommended
- Associated Financial Strategy

### Support and Feedback

- Local area municipality support and feedback being sought by February 28, 2021
- Motion as presented in Appendix 1
- Input informs future Triple-Majority process



# Overview

## Why Integrate?

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Better Connect  
Riders



Meet Evolving  
Travel Needs

Increase Equity



Strengthen Economic  
Development and  
Tourism

Enhance Growth



Employment

Accessibility



Support  
Sustainability

# Overview

## Why Now?

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Coordinate COVID-19  
Response & Recovery

Leverage Federal /  
Provincial Funding  
Opportunities

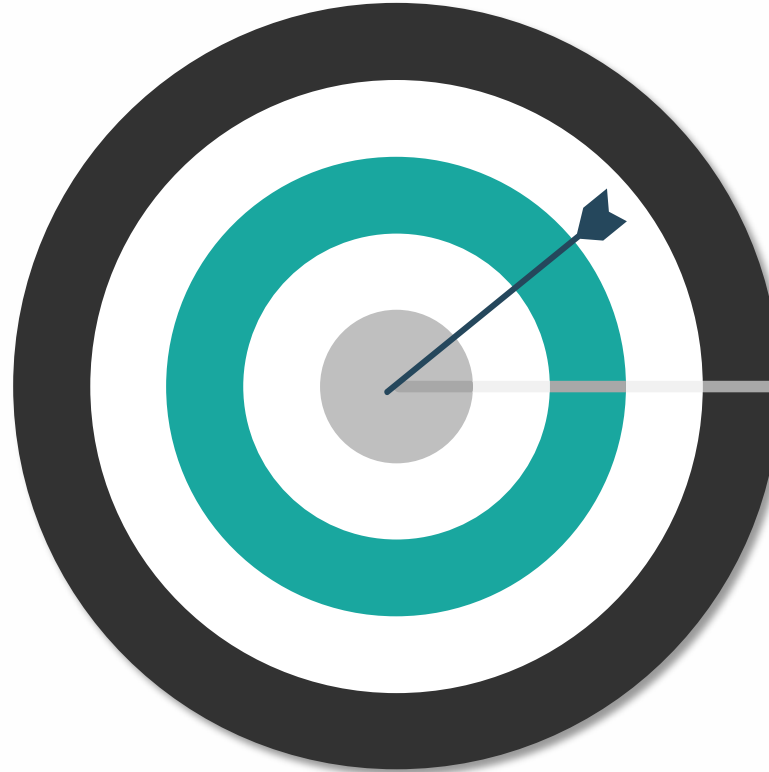
Operational  
Harmonization

Maximize use of  
Resources

Integration with GO  
Network Expansion

On-Demand Model  
Opportunities

Seamless Specialized  
and Conventional  
Transit

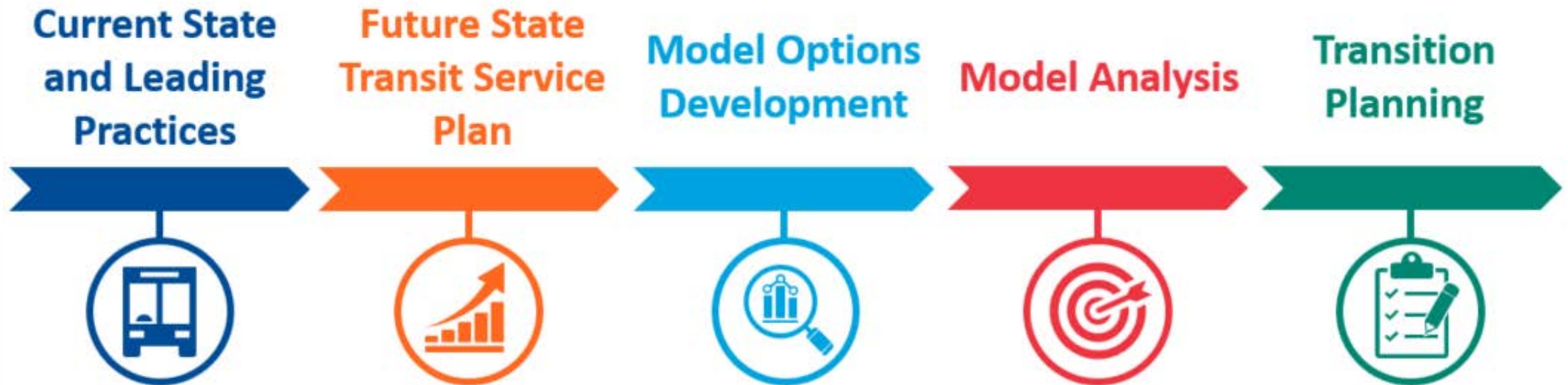




# Niagara Transit Governance Study

# Niagara Transit Governance Study

## Project Milestones



# Niagara Transit Governance Study

## Recommendation

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The Full Commission model brings the right balance of autonomy and flexibility to innovate, drive growth, and meet the diverse and changing needs of the region.

# Niagara Transit Governance Study

## Recommendation



### Autonomy of the Full Commission

- Exclusively focused on transit
- Responds to trends and pressures
- Responsible for strategic and operational decisions
- Nimble → idea to action
- Negotiating power



### Financial Benefits

- More cost efficient
- Less costly per-trip
- Flexibility to be strategic
- Regionally focused investments

The Full Commission is best suited to grow transit in the region while delivering high quality, innovative, and seamless transit services.

# Niagara Transit Governance Study

## Recommendation

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### Members of Regional Council

**5 Voting Members**

- (1) Welland
- (1) St. Catharines
- (1) Niagara Falls
- (2) **Niagara Municipalities** [*Selected amongst representatives of: West Lincoln, Lincoln, Grimsby, Pelham, Thorold, Niagara-on-the-Lake, Wainfleet, Fort Erie, and Port Colborne*]

### Skills-Based or Public Members

**4 Voting Members**

- (4) Skills-based or Public Members (*appointed/nominated by Regional Council*)

### Ex-Officio

- (1) Transit Commission General Manager (*non-voting member*)

# Niagara Transit Governance Study

## Recommendation

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### Advisory Committee

- (12) Niagara residents (one per municipality)
- (2) Members of the Accessibility Advisory Committee
- (2) (1) Member of student association from Niagara College and Brock University
- (1) Member(s) of Niagara Chamber(s) of Commerce
- (1) Transit Commission General Manager, or designate

By establishing an advisory body, the Commission will gain insights into current and upcoming challenges or opportunities, and explore these in a thorough way



# Niagara Transit Governance Study

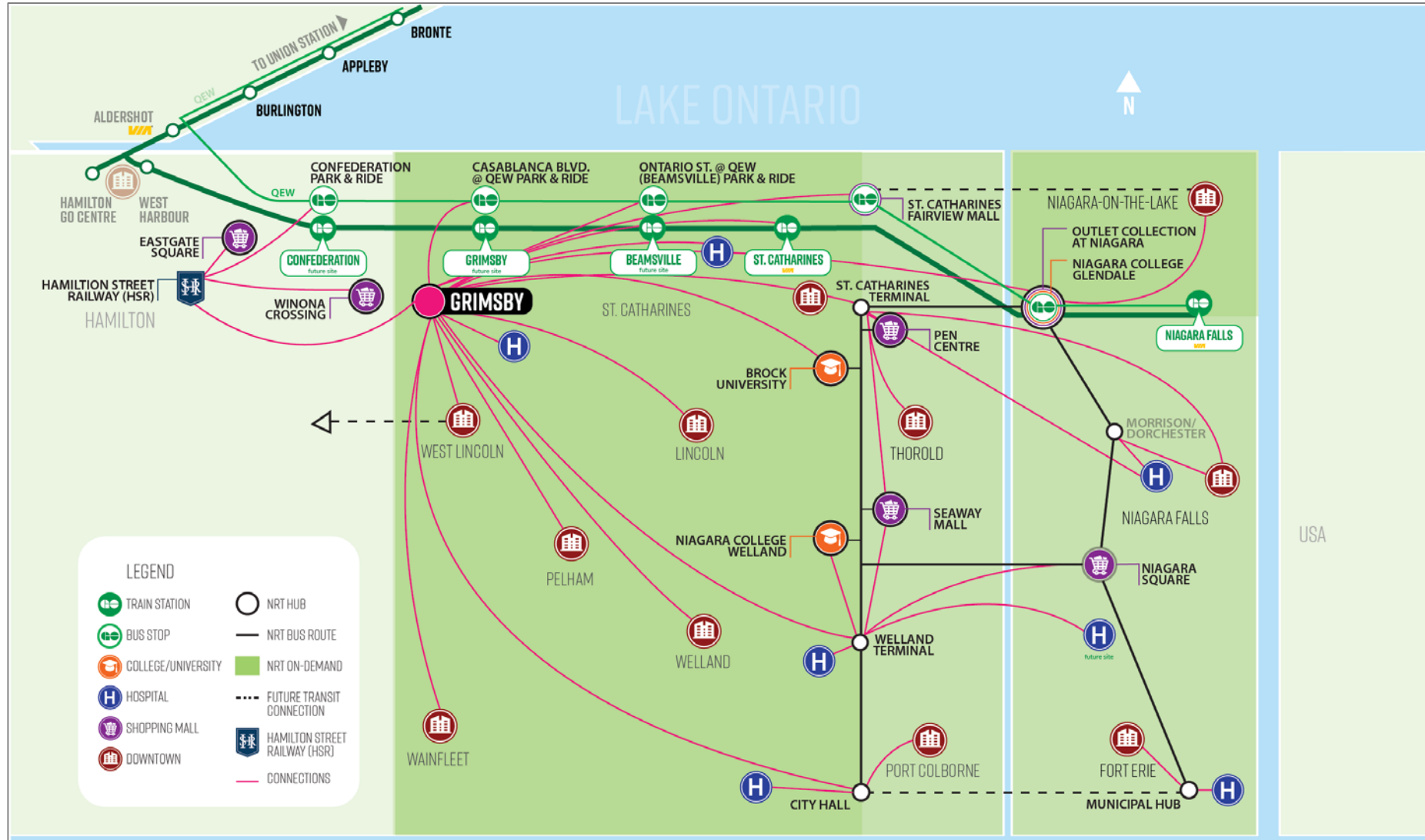
## Transition Plan





# Connecting [*Insert Local Area Municipality*] Residents

# Connecting [Insert LAM] Residents



Note: This slide is indicative only, and will be tailored to each Local Area Municipality. Grimsby is presented for illustrative purposes.

# Connecting [*Insert LAM*] Residents

## Enhancements and Benefits



NRT On-Demand



GO Transit



Economic Growth



Tourism



Social Equity



Enhanced Service

# Connecting [*Insert LAM*] Residents

## Financial Strategy Overview

### Key Features

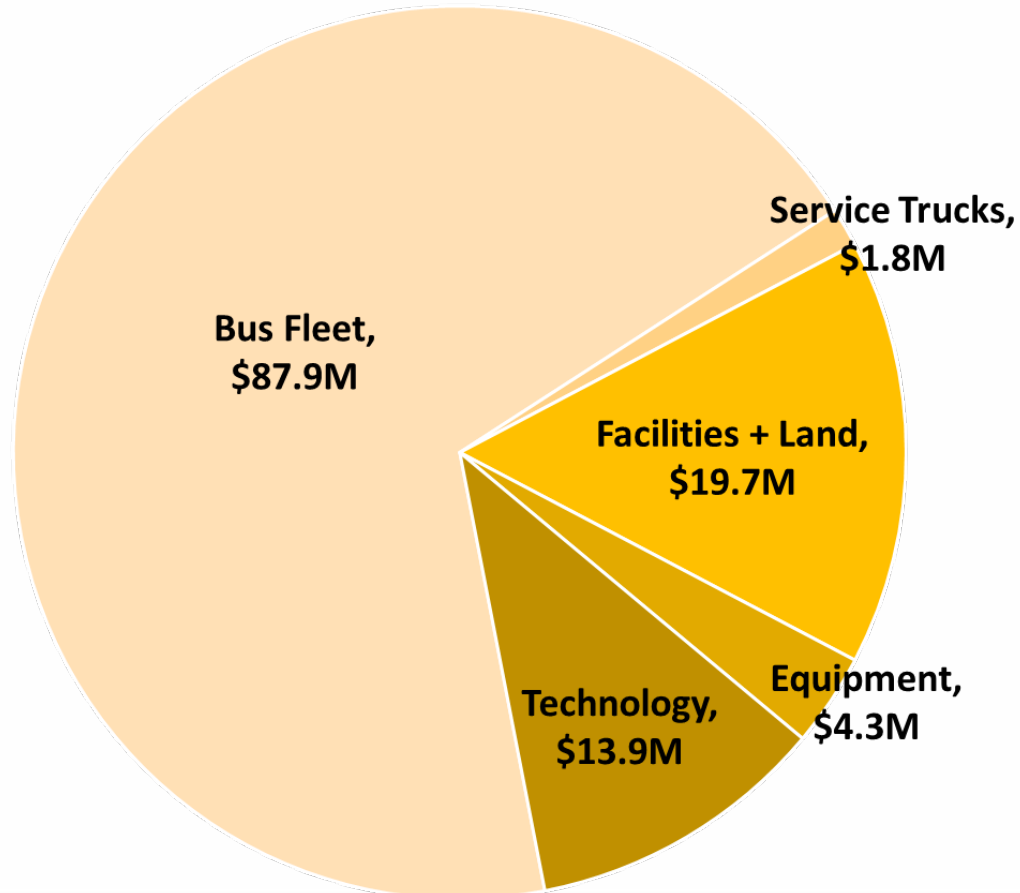
|   |   |   |   |
|---|---|---|---|
| Municipal Levy<br>Eliminated in 5 years | Transit Service<br>Enhancement/ Expansion           | Shared Access to Existing<br>Transit Assets           | Enhanced Regional<br>Integration                          |
| Single Regional Tax Levy<br>Up to 9.5%  | Five (5) Year Transfer for Larger<br>Municipalities | < Two (2) Year Transfer for Smaller<br>Municipalities | No Reduction in Service Hours for First<br>Five (5) Years |

| 2021                      | 2022 | 2023  | 2024  | 2025  | 2026  | 2027  | 2028 | 2029 | 2030 | 2031 |
|---------------------------|------|---|-------|-------|-------|-------|------|------|------|------|
| Transition Costs (\$2.7M) |      |   |       |       |       |       |      |      |      |      |
| 0.70%                     |      |   |       |       |       |       |      |      |      |      |
|                           |      | Transfer of Existing Local Transit (\$27.4M) + Inflation (\$6.8M) |       |       |       |       |      |      |      |      |
|                           |      | 1.40%   | 1.40% | 2.00% | 2.00% | 2.00% |      |      |      |      |
|                           |      | Transit Service Expansion (Growth Strategy TBD)                   |       |       |       |       |      |      |      |      |

# Connecting [*Insert LAM*] Residents

## Leveraging Prior Capital Investments

**Transit Capital Assets**  
Transferred Previous Investment of \$127M



### Shared Access to Transit Assets

Includes buses, service trucks, land, facilities, equipment & technology

### Cost \$127.5M

St. Catharines \$64M  
Niagara Falls \$29M  
Welland \$15M  
Niagara Region \$19M

### Net Operating Expenditures

**\$43.4M**

\$9M (20%) supports Administration & Facilities

### Cummings Principle

Transfer of assets without additional compensation – taxpayers do not pay twice for same asset

# Connecting [*Insert LAM*] Residents

## [*Insert LAM*] Benefits and Investment

- One Regional Levy funds 100% of Commission by 2027
- Financial Strategy supports transit expansion in Grimsby
- Commission positioned to lead growth strategy

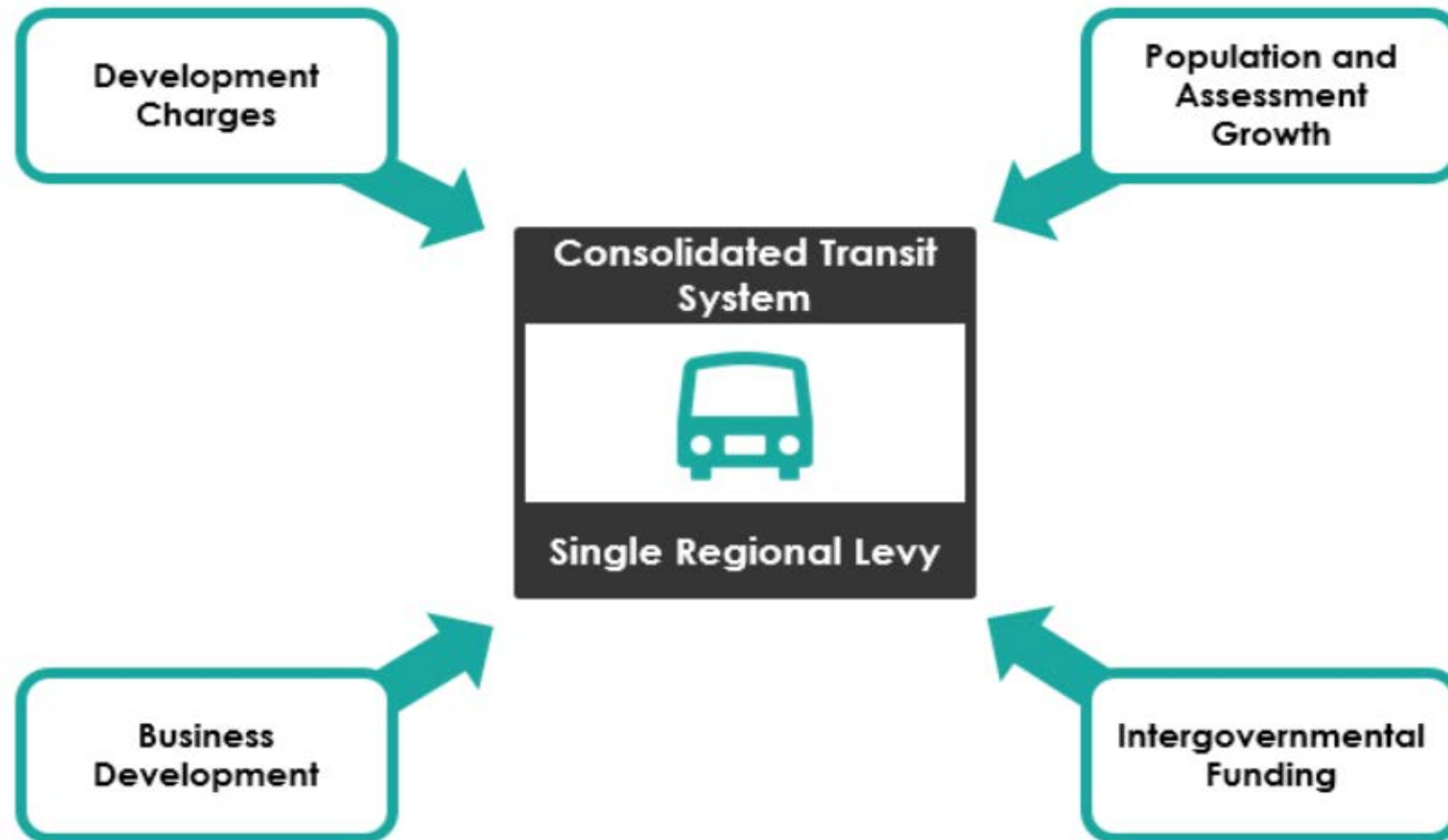
|                                 | NRT + Transition Costs |             | Local Transit Upload to Commission Levy Phase-In |             |             |             | Consolidated Transit Regional Levy |             |
|---------------------------------|------------------------|-------------|--|-------------|-------------|-------------|------------------------------------|-------------|
| <i>incl. inflation</i>          | 2021                   | 2022        | 2023   | 2024        | 2025        | 2026        | 2027                               | 2028        |
| <b>Grimsby</b>                  | <b>1.1</b>             | <b>1.4</b>  | <b>1.8</b>                                       | <b>2.2</b>  | <b>2.8</b>  | <b>3.4</b>  | <b>4.0</b>                         | <b>4.1</b>  |
| <i>All Other Municipalities</i> | 13.5                   | 17.0        | 21.9   | 26.7        | 33.7        | 40.8        | 47.9                               | 48.6        |
| <b>Total Regional Levy</b>      | <b>14.7</b>            | <b>18.4</b> | <b>23.8</b>                                      | <b>28.9</b> | <b>36.6</b> | <b>44.3</b> | <b>52.0</b>                        | <b>52.7</b> |
| <b>Total Municipal Levy</b>     | <b>27.4</b>            | <b>27.4</b> | <b>23.0</b>                                      | <b>18.7</b> | <b>12.5</b> | <b>6.2</b>  | <b>-</b>                           | <b>-</b>    |

Note: This slide is indicative only, and will be tailored to each Local Area Municipality. Grimsby is presented for illustrative purposes.

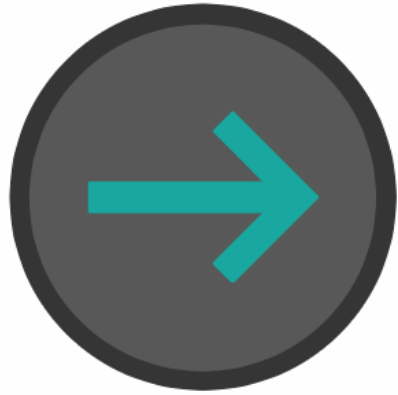
# Future Transit System Mitigations

## Inputs to Consolidated System

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# Next Steps

# Next Steps

## Summary

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Local area municipal feedback and support is being sought for a Full Commission governance model and the associated financial strategy, as reflected in the motion included as Appendix 1

### Key Considerations

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Full Commission  
Governance Model

Single Regional Levy  
with Five (5) Year  
Transfer

Minimum of 2021  
Service Hours  
Maintained for Five (5)  
Years

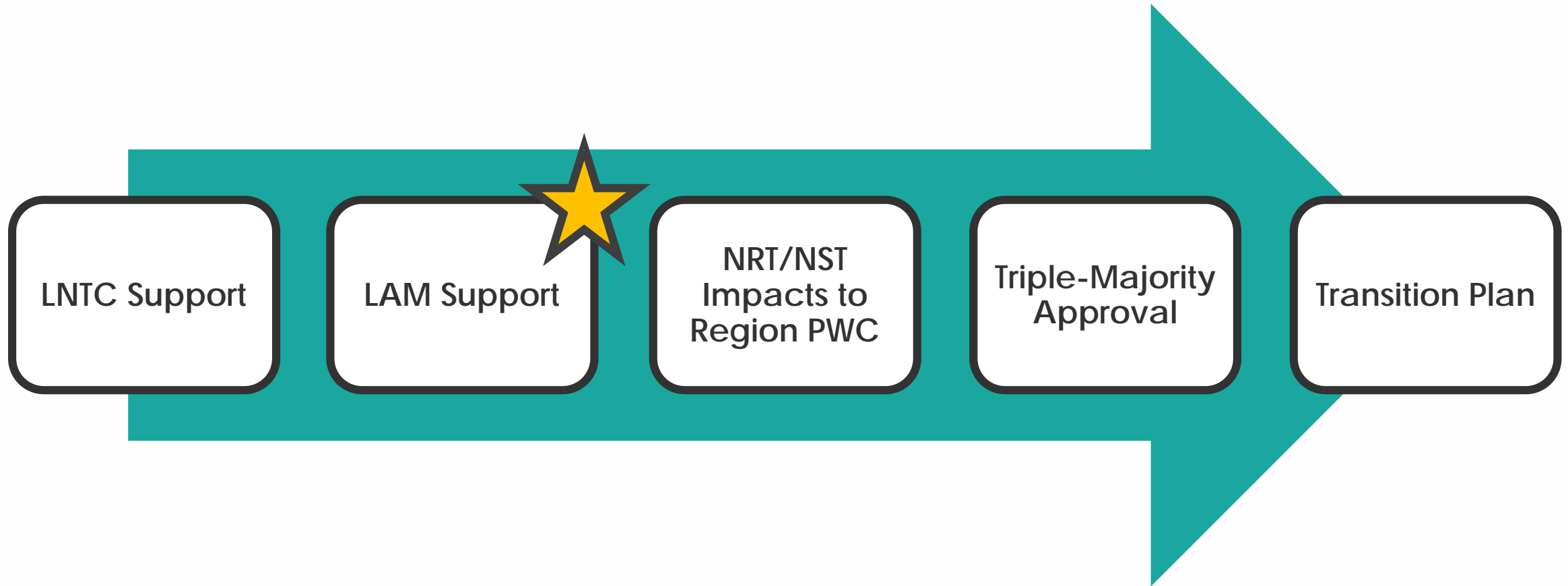
Transfer of Assets,  
Employees, and  
Contracts

Feedback provided by February 28, 2021

# Next Steps

## Path Forward

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# MOVING TRANSIT FORWARD

## Discussion

**THE REGIONAL MUNICIPALITY OF NIAGARA  
LINKING NIAGARA TRANSIT COMMITTEE  
MINUTES**

**LNTC 3-2020**

**Wednesday, October 21, 2020**

**Council Chamber / Video Conference**

**Niagara Region Headquarters, Campbell West  
1815 Sir Isaac Brock Way, Thorold, ON**

Committee Members Present in the Council Chamber: M. Siscoe (Municipal Councillor - St. Catharines) (Committee Chair), M. Robinson, Director, GO Implementation Office

Committee Members Present via Video Conference: Campion (Mayor - Welland), Redekop (Mayor - Fort Erie), Sendzik (Mayor - St. Catharines), Fertich (Regional Councillor), C. Dabrowski (Municipal Councillor - Niagara Falls), G. Miller (Municipal Councillor - St. Catharines), L. Van Vliet (Municipal Councillor - Welland) (Committee Vice-Chair), S. Chemnitz, Chief Administrative Officer (City of St. Catharines), K. Todd, Chief Administrative Officer (City of Niagara Falls), R. Tripp, Acting Chief Administrative Officer (Niagara Region), S. Zorbas, Interim Chief Administrative Officer (City of Welland)

Absent/Regrets: Ip (Regional Councillor)

Staff Present in the Council Chamber: H. Chamberlain, Deputy Treasurer/Director, Financial Management & Planning, S. Fraser, Transportation Lead, S. Guglielmi, Technology Support Analyst, A.-M. Norio, Regional Clerk, H. Talbot, Financial & Special Projects Consultant, B. Zvaniga, Interim Commissioner, Public Works

Staff Present via Video Conference: C. Lam, Program Financial Analyst, R. Salewytch, Transit Service Planning Coordinator, L. Tracey, Project Coordinator, GO Implementation, M. Trennum, Deputy Regional Clerk

Others Present via Video Conference: C. Briggs, St. Catharines Transit Commission, G. Morrison, St. Catharines Transit, T. Price, Niagara College, R. Rehan, Brock University Student Union, D. Stuart, Niagara Falls Transit.

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**1. CALL TO ORDER**

Committee Chair M. Siscoe called the meeting to order at 2:02 p.m.

**2. DISCLOSURES OF PECUNIARY INTEREST**

There were no disclosures of pecuniary interest.

### 3. **PRESENTATIONS**

#### 3.1 **Niagara Transit Governance Study - Final Report**

Matt Robinson, Director, GO Implementation Office, provided introductory remarks respecting the Niagara Transit Governance Study.

Brendan McIlhone, Optimus SBR, Yuval Grinspun, & Eric Gillespie, Left Turn, Right Turn, provided information respecting the Niagara Transit Governance Study - Final Report. Topics of the presentation included:

- Project Overview
- The Case for Integration
- Current State and Leading Practices
- Forecasting the Future
- Model Options, Analysis
- Recommendation: Full Commission Model
- Commission Composition
- Transitioning to the Commission
- Funding Model

Heather Talbot, Financial and Special Projects Consultant, and Scott Fraser, Transportation Lead, Niagara Region, provided information respecting the Niagara Transit Governance Study - Final Report: Funding Model & Next Steps. Topics of the presentation included:

- Financial Strategy
- Transition to Regional Levy
- Asset Transfer
- Summary
- Recommendations and Next Steps

#### **Councillor Information Request(s):**

Provide information respecting the net taxpayer redistribution from the local area municipal levies to the regional levy. Councillor Redekop.

### 4. **DELEGATIONS**

There were no delegations.

5. **ITEMS FOR CONSIDERATION**

5.1 **LNTC-C 4-2020**

Niagara Transit Governance Study

Moved by Councillor Campion

Seconded by Councillor Fertich

That Report LNTC-C 4-2020, dated October 21, 2020, respecting Niagara Transit Governance Study, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the Linking Niagara Transit Committee **SUPPORTS** the Full Commission as the recommended governance model for the consolidation of Niagara's public transit system;
2. That Report LNTC-C 4-2020 **BE FORWARDED** to the Clerks of Niagara's twelve (12) local area municipalities and that they **BE REQUESTED** to have the Council's of the twelve (12) local area municipalities consider the resolution outlined in Appendix 1 to Report LNTC-C 4-2020, advising the Regional Clerk of any municipal feedback, no later than March 31, 2021; and
3. That Council **DIRECT** staff to undertake an assessment of the proposed resolution outlined in Appendix 1 to Report LNTC-C 4-2020 and **REPORT BACK** to the Public Works Committee, no later than March 31, 2021, evaluating the expected impacts to Niagara Region Transit, Niagara Specialized Transit, Niagara Region Transit OnDemand, and the Regional tax levy from the proposed resolution.

The following friendly **amendment** was accepted by the Committee Chair, and the mover and seconder of the motion:

2. That Report LNTC-C 4-2020 **BE FORWARDED** to the Clerks of Niagara's twelve (12) local area municipalities and that they **BE REQUESTED** to have the Council's of the twelve (12) local area municipalities consider the resolution outlined in Appendix 1 to Report LNTC-C 4-2020, advising the Regional Clerk of any municipal feedback, no later than ~~March 31, 2021~~ **February 28, 2021**; and
3. That Council **DIRECT** staff to undertake an assessment of the proposed resolution outlined in Appendix 1 to Report LNTC-C 4-2020 and **REPORT BACK** to the Public Works Committee, no later than ~~March 31, 2021~~ **February 28, 2021**, evaluating the expected impacts to Niagara Region Transit, Niagara Specialized Transit, Niagara Region Transit OnDemand, and the Regional tax levy from the proposed resolution.

The Committee Chair called the vote on the motion, as amended, as follows:

That Report LNTC-C 4-2020, dated October 21, 2020, respecting Niagara Transit Governance Study, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the Linking Niagara Transit Committee **SUPPORTS** the Full Commission as the recommended governance model for the consolidation of Niagara's public transit system;
2. That Report LNTC-C 4-2020 **BE FORWARDED** to the Clerks of Niagara's twelve (12) local area municipalities and that they **BE REQUESTED** to have the Council's of the twelve (12) local area municipalities consider the resolution outlined in Appendix 1 to Report LNTC-C 4-2020, advising the Regional Clerk of any municipal feedback, no later than February 28, 2021; and
3. That Council **DIRECT** staff to undertake an assessment of the proposed resolution outlined in Appendix 1 to Report LNTC-C 4-2020 and **REPORT BACK** to the Public Works Committee, no later than February 28, 2021, evaluating the expected impacts to Niagara Region Transit, Niagara Specialized Transit, Niagara Region Transit OnDemand, and the Regional tax levy from the proposed resolution.

**Carried**

## 5.2 LNTC-C 5-2020

2021 Linking Niagara Transit Committee meeting schedule

Moved by G. Miller

Seconded by Councillor Campion

That Correspondence Item, LNTC-C 5-2020, being a memorandum from A.-M., Norio, Regional Clerk, dated October 21, 2020, respecting 2021 Linking Niagara Transit Committee meeting schedule, **BE RECEIVED** and the following recommendation **BE APPROVED**:

1. That the Linking Niagara Transit Committee meetings **BE HELD** on Wednesdays at 2:00 p.m. on the following dates in 2021:

February 3, February 24, March 31, April 28, June 2, June 30, July 28, September 1, September 29, October 27, and November 24.

**Carried**



**6. CONSENT ITEMS FOR INFORMATION**

**6.1 LNTC 2-2020**

Linking Niagara Transit Committee Minutes - March 4, 2020

Moved by Councillor Sendzik

Seconded by Councillor Campion

That Report LNTC 2-2020, being the minutes of the Linking Niagara Transit Committee meeting held on March 4, 2020, **BE RECEIVED** for information.

**Carried**

**7. OTHER BUSINESS**

There were no items of other business.

**8. NEXT MEETING**

The next meeting will be held on Wednesday, November 25, 2020 at 2:00 p.m. in the Council Chamber.

**9. ADJOURNMENT**

There being no further business, the meeting adjourned at 4:25 p.m.

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Mat Siscoe  
Committee Chair

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Matthew Trennum  
Deputy Regional Clerk

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Ann-Marie Norio  
Regional Clerk