



# Niagara Transit Governance Study

Final Report

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→ October 2, 2020

Niagara  Region



Niagara Transit  
Governance Study

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→ Final Report

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# Purpose of this Document

- In 2019, the consulting firms of Optimus SBR and Left Turn, Right Turn (LRTR), were retained by the Region of Niagara, in partnership with the region's local area municipalities, to undertake a study of different integrated transit governance models and recommend the best path forward to ensure that the present and future transit needs of the region can be met.
- This document is the Final Report of the study undertaken (the Niagara Transit Governance Study) – setting the stage for transit integration across Niagara Region. It provides a comprehensive summary of all work undertaken during the course of this study.
- In this Final Report, readers will find:
  1. A summary of the current state of transit in Niagara Region;
  2. Lessons learned from other jurisdictions that have integrated transit services;
  3. A future state service plan that identifies the potential growth of transit in the region; and outlines the opportunity that integration can bring;
  4. An overview and analysis of different models for transit integration;
  5. The recommended model option for the region; and,
  6. A transition plan to guide the implementation of an integrated system.



# Report Snapshot

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## Key Highlights

Research into the benefits and feasibility of an integrated transit system in Niagara Region has been considered for several years, and has culminated in **this Niagara Transit Governance Study**.

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A review of the current state of transit in Niagara and a forecast of demand for transit services over the coming 10 years has shown that there is a **significant opportunity to increase transit usage in Niagara (over 80% by 2031)**.

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To determine how Niagara could best accommodate this future growth, **three potential transit governance model options were developed**, each one reflecting a different approach to integrating transit in the region.

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Each potential model was assessed against key evaluation criteria, and ultimately, an **independent Full Commission Model was recommended** as it provides the greatest opportunity for success by bringing the right degree of autonomy and flexibility to innovate, drive growth, and meet the diverse and changing needs of Niagara.

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In order to create this new Commission, a five-phased Transition Plan has been developed to guide implementation activities. It is expected that **this Commission will be operational by the end of 2022**, and there is opportunity to **take advantage of government funding** to support the cost of transition to the Commission model.

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# Niagara Transit Governance Study

## Executive Summary

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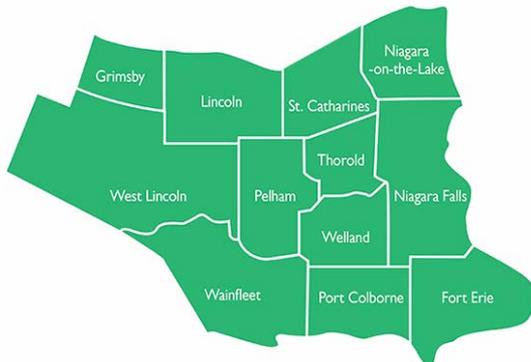


# Context for this Study

Research into the benefits and feasibility of an integrated transit system in Niagara Region has been considered for several years, and has culminated in this project, the Niagara Transit Governance Study.

## Transit in Niagara Region

- Niagara Region constitutes 12 municipalities that have varying levels of transit services available.



- The three largest providers are St. Catharines Transit, Niagara Falls Transit, and Welland Transit, who also support the existing Regional service.

## 2017 Service Delivery & Governance Review

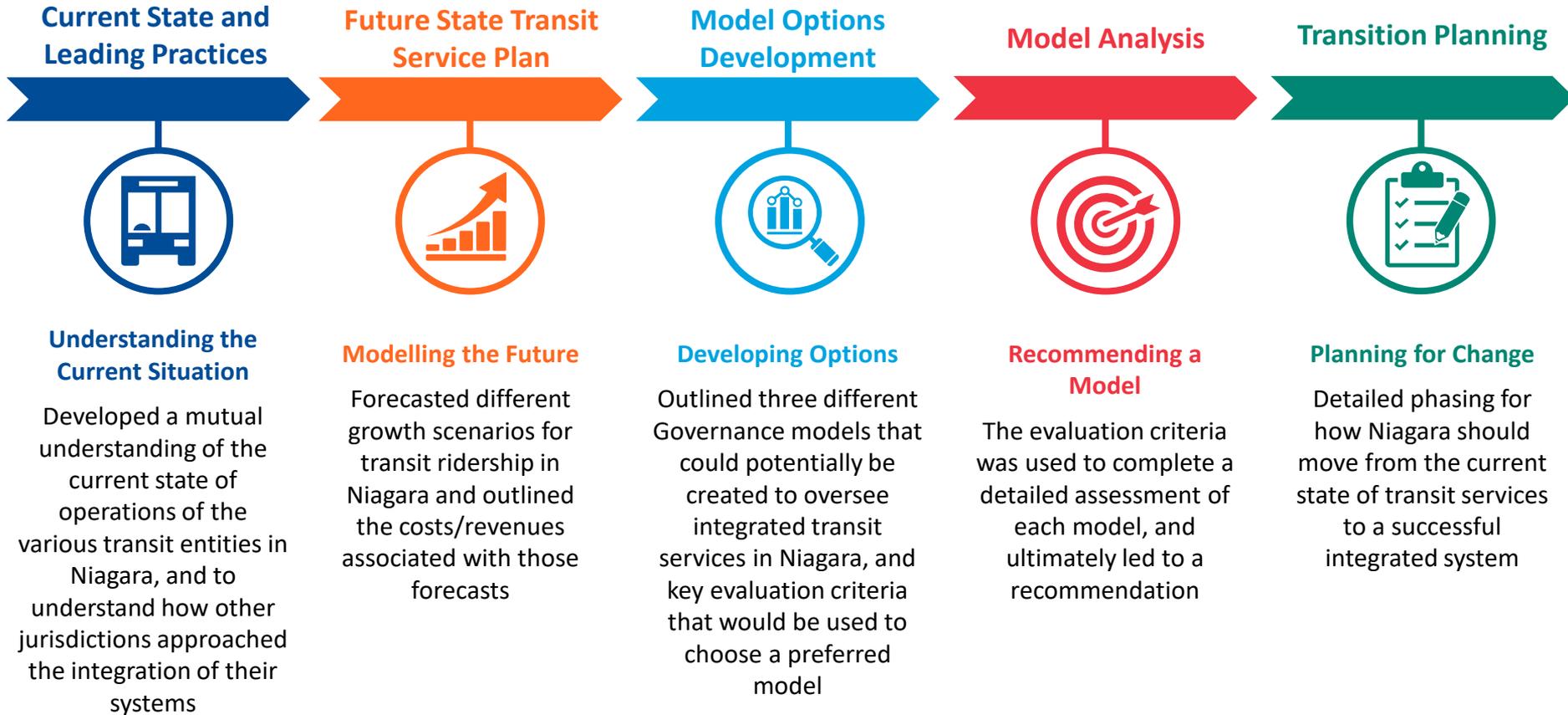
- Following agreement on Guiding Principles for integration in 2015, the Region completed the *Niagara Transit Service Delivery and Governance Strategy Report* in 2017. The report identified several recommendations for service improvements and the following steps with respect to transit governance:
  - Approve consolidated transit model
  - Obtain triple majority for recommended model
  - Develop consolidated transit model implementation plan
  - Implement inter-municipal transit service strategy

## Governance Models

- To support the development of an integrated approach to transit, the Region formed the Linking Niagara Transit Committee (LNTC), and a working group was formed to evaluate transit governance models, consisting of the CAOs of St. Catharines, Niagara Falls, Welland, and Lincoln, and the Director of the Go Implementation Office.
- The consulting firms of Optimus SBR and Left Turn Right Turn (LTRT) were engaged by the working group to evaluate various transit service delivery models and to identify which option best accommodates Niagara's future transit operational and planning needs.

# A Systematic Approach was Followed

To determine a preferred governance model for Niagara’s integrated transit system, Optimus SBR and LRTT followed a systematic approach that followed five main steps. This report contains a summary of the key information and insights from each of these steps.



This report represents the culmination of research, analysis, and input from key stakeholders across Niagara Region to establish a way forward for transit integration



# Guiding Principles for Transit

Guiding principles for transit in Niagara were developed in 2015 and helped inform the development and recommendation of the recommended transit governance model. These principles will continue to be important throughout the transition to an integrated system and in the life of the new transit entity.

**Customer  
Driven**

**Unconventional  
Solutions**

**Integrated**

**Economically  
Responsible**

**Fair**

Adherence to guiding principles will be a fundamental factor in ensuring the success of the integration and the future of transit in Niagara for the benefit of all



# There is a Significant Opportunity to Increase Transit Usage in Niagara Region

By way of investments and harmonization of services and fares, transit under an amalgamated system is anticipated to become a more frequently used means of transportation in the region, with ridership outpacing the status quo.

## How?

Transit ridership forecasts indicate a **latent demand for inter-municipal transit** travel, which can be capitalized on through improved inter-municipal and connections to GO Transit rail services.

By investing in targeted projects and services to grow the transit mode share throughout the region, **transit ridership region-wide could grow by over 80% by 2031 under an amalgamated transit service.**

It is anticipated that Niagara Region, like its peer jurisdictions will experience a **transit mode share growth of 30% to 130% within ten years of amalgamation.**

By 2031, **operating costs in the high growth scenario will increase by approximately 55% over the status quo.**

**Capital investment of between \$70M and \$155M** between 2021 and 2031 may be required to address service and demand growth. Provincial Gas Tax revenue could result in up to \$50M - \$80M in revenue over the same ten years. Over \$ 70M-worth of near- and mid-term projects have committed funds from the federal and provincial governments through ICIP.

**An integrated single fare is critical to driving ridership growth** and could be achieved in a way that is revenue-neutral if implemented progressively as ridership grows. While an integrated payment system and harmonized fare structure will be required at the start of service, a single fare region-wide can be implemented over time.

**The COVID-19 pandemic presents an opportunity** to look beyond the status quo, bring the transit systems in Niagara together, and build a new and improved service that takes capitalizes on current funding programs to see this forecasted ridership growth become a reality.

# Recommendation: Full Commission Model

Following the completion of the current state review, a jurisdictional scan, and the development of a future state service plan, three potential governance models were developed, and the **Full Commission Model** was ultimately recommended:

## Limited Commission

- Transit Service is governed by a regional commission with representation from local elected officials.
- Commission reports to Regional Council
- Strategic decision making for Transit Service is directed by Regional Council
- Relies on corporate services but retains transit-related services in-house

## Full Commission

- Distinct entity independent from Regional Council
- Governed by a board of appointed members, equitably selected by Regional Council
- Responsible for all transit planning and delivery
- Budget allotment approved by Regional Council
- Makes limited use of Regional services except where service sharing does not impede agility or independence

## Regional Division

- Division within Niagara Region's Public Works department
- Regional Council remains the governing body of the transit division
- Strategic decision making for Transit Service is directed by Regional Council
- Integrated into the Regional administration similar to other service delivery departments

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.



# Benefits of the Full Commission

Ultimately, the analysis led to the conclusion that the Full Commission is the most suitable model for Niagara. While many factors went into this recommendation, two of the chief benefits that made the Full Commission more attractive than other models were:



## The Autonomy of the Full Commission

- The independence of the Full Commission grants it several advantages that make it the most suitable option for the growth potential of transit in Niagara.
- With this independence, the Full Commission can remain more focused solely on transit and is more capable of formulating its own responses to trends and pressures, making and owning decisions, and driving necessary change at a strategic and operational level.
- This governance model is able to move from idea to action quickly and reprioritize its resources to meet emerging demands and accommodate growth.
- The autonomy of the Full Commission provides it advantages with respect to negotiating important elements such as collective bargaining agreements and the transfer of assets.



## The Financial Benefits

- The Full Commission will likely have the most cost-efficient service, in part due to a more streamlined decision-making process and being restricted to provide the most effective service within the means previously defined in the annual budget.
- From a dollars and cents perspective, a Full Commission is the more costly of the models in terms of administrative costs, but less costly on a per trip basis than other models due to a higher utilization of services.
- This is particularly important when looking to the future and considering what ridership growth may be, and how services may expand to serve regional needs.
- The Full Commission has the greatest flexibility to make strategic decisions which drive financial outcomes for transit services and is best positioned to make regionally-focused investments in service growth.

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



# Proposed Composition of the Commission

Outlined below is the proposed composition of the Commission, which would be appointed by a Nominating Committee of the Regional Council.

## Members of Regional Council

(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*]

## Skill-based or Public Members

(4) Skills-based or Public members (appointed/nominated)

## Ex-Officio

(1) General Manager (non-voting member)

*9 voting members*

A Hybrid governance structure was recommended as it allows a combination of elected officials and skills-based members to provide guidance and oversight.

# Transition to the Commission

A five-phased transition plan has been developed to guide implementation activities over the coming years to ensure the successful creation of the transit Commission.



The creation of a Regional Transit Commission will be transformative for Niagara, and its success is dependent on maintaining public and political support while transitioning services from the LAMs to create an effective regional network.

# Funding the Transition

Regional staff are currently developing an initial funding model for the start-up budget of the Commission, that will strive for a fair and equitable funding baseline commensurate with the existing baseline services within each municipality. This funding model will be provided to all decision makers upon its completion.

The preliminary cost estimates of transition to the Full Commission model is between **\$3,845,000 and \$4,955,000**. Given the complexity and ongoing impact of the global pandemic, fluctuations in these costs should be considered.

Category	Items Included	Cost
<b>Capital Costs</b>	<ul style="list-style-type: none"> <li>• Transit System Branding</li> <li>• Facility and Office Improvements</li> <li>• Transit Service Design</li> <li>• Technology and Equipment</li> </ul>	\$1,670,000 to \$2,225,000
<b>Operating Costs</b>	<ul style="list-style-type: none"> <li>• Transit Integration Team</li> <li>• Legal Fees</li> <li>• Public Consultation</li> <li>• Human Resources Fees</li> </ul>	\$2,175,000 - \$2,730,000
		<b>\$3,845,000 - \$4,955,000</b>

Suitable investments into the start-up of the Commission will be critical in its early development and long-term success.



# Niagara Transit Governance Study

**Full Report**

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→ Niagara Transit Governance  
Study

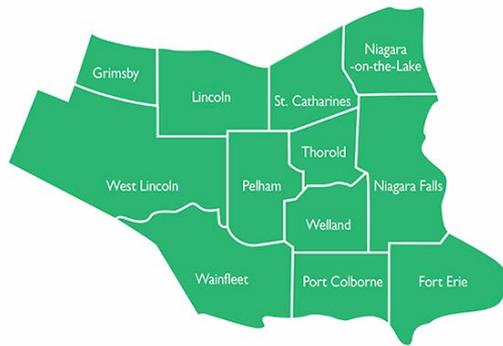


Introduction

# Context for this Study

## Transit in Niagara Region

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## Governance Models

- To support the development of an integrated approach to transit, the region formed the Linking Niagara Transit Committee (LNTC), and a working group was formed to evaluate transit governance models, consisting of the CAOs of St. Catharines, Niagara Falls, Welland, and Lincoln, and the Director of the Go Implementation Office.
- The consulting firms of Optimus SBR and Left Turn Right Turn (LTRT) were engaged by the working group to evaluate various transit service delivery models and to identify which option best accommodates Niagara's future transit operational and planning needs.

The concept of integrating transit systems in Niagara has been around for many years. Now, in 2020, a myriad of transit and non-transit related factors and pressures present an opportunity for the region's systems to reflect on its strengths and challenges, and consider new avenues for innovation and growth.

# The Case for Integration

A multitude of global and local trends make the need to rethink transit more apparent than ever before. Globally, emerging technology and philosophies around transit, including concept of mobility as a service, has engendered the need to see different transportation methods jointly rather than as individual elements. Economic and cultural trends are also resulting in a trend towards lower personal vehicle ownership due to a reduction in buying power, and evolving perspectives on the environment and the importance of public transit in curbing climate change.

Locally, there is a strong desire improve mobility not only within the region, but with neighboring regions as well, along with a growing need to address the disparity of transit service across the region. Moreover, the current system does not provide the integrated and seamless experience that users are growing to expect, and as new commercial and residential developments emerge, the importance of quick and reliable transit will as well.

Finally, there is a need to look at transit and its benefits not at the local level, but more broadly. Transit can be a cornerstone of a strong and vibrant community and region, and is a key enabler to attracting new residents, tourists, and businesses. An integrated transit system that can more easily respond to the needs of the region can also help strengthen economic development, support environmental sustainability, and enhance quality of life for residents and visitors alike.

Unfortunately, the innovation and growth required to capitalize on these opportunities and accommodate these shifting needs won't be achieved by maintaining the status quo; an evolution of the current system is needed.

Integration isn't about creating a larger version of what already exists today, nor is it about bringing the status quo under a single roof. Rather, **integration is about bringing a scale and flexibility to transit** that will allow for greater innovation, more beneficial partnerships, and the ability to better accommodate the variety of transit needs in the region that won't be able to be served within the constraints of the current system.



# Integration and COVID-19

The 2020 COVID-19 pandemic has undoubtedly affected transit ridership in Niagara, Ontario, and Canada as a whole. With ridership down 75% nationally,<sup>1</sup> operating revenues for transit agencies have also seen a significant decline. However, despite the devastating impacts that COVID-19 has had on the health of Canadians, the use of public transit, and the overall economy, now is an apt time to redesign transit in Niagara.

The ongoing pandemic has demonstrated the need for, and benefits of, enhanced levels of coordination and organization between transit providers across the region. In the early days of the pandemic, significant effort was undertaken to align and coordinate across delivery agencies the rapidly evolving changes to service levels, fare policy, cleaning protocols, and other operational and strategic changes necessary to effectively respond to the pandemic on behalf of Niagara residents.

In addition, there is an opportunity to align efforts with current funding programs associated with the province's economic recovery. In July 2020, the province announced that it had secured one-time urgent funding to support its municipalities' critical public services, including transit services. This Safe Restart Agreement funding may include up to \$2 billion for transit in the province and is already beginning to flow to municipalities and transit agencies, with eligible projects including service improvements and governance restructuring. This unique funding opportunity only strengthens the case for integration and the need for collaboration and alignment of effort across the region.

As transit providers continue to monitor the changing environment and implement recovery plans over the coming years, now is the ideal time to move integration forward and align efforts, especially given the significant work that will be needed to grow ridership in a safe and effective way, and the funding opportunities made available to municipalities.

Municipalities in the region need to look beyond the current situation and how to return to the status quo. Now is the time to reflect on what has worked and not worked in the past, take advantage of funding and growth opportunities, and collaborate on building a new system that provides a high-quality and user-friendly service for the region.

<sup>1</sup> Statistics Canada. *Urban Public Transit, June 2020*. <https://www150.statcan.gc.ca/n1/daily-quotidien/200831/dq200831d-eng.htm>



# Guiding Principles for Integrated Transit

Guiding principles were first established in 2015 and subsequently endorsed by the Linking Niagara Transit Committee (LNTC). They have informed the development of the transit governance model for Niagara.

To achieve success the new transit entity will need to make regionally-focused decisions aligned to guiding principles. This will ensure that potential growth in ridership, efficiency of operations, and improved service delivery are realized.

## 1 Customer Driven

- Continuously improve the rider experience, including improvements throughout the pilot phase;
- Understand customers, particularly those who rely on transit the most;
- Provide seamless connections and routes based on demand;
- Take people to work, school, healthcare, shopping and recreation as efficiently as possible;
- Respect established local service levels and routes; and,
- Maintain and improve transit to Niagara College and Brock University users.

## 2 Unconventional Solutions

- Investigate leading-edge technologies and delivery systems that establish Niagara as an innovator in the transit field; and,
- Explore partnerships with other providers (e.g. GO Transit) where service delivery gaps exist.



# Guiding Principles for Integrated Transit

Guiding principles were first established in 2015 and subsequently endorsed by the Linking Niagara Transit Committee (LNTC). They have informed the development of the transit governance model for Niagara.

## 3 Integrated

- Be seamless with other modes of transportation and evolve according to overall transportation plans across Niagara (e.g. Transportation Master Plan and local Master Transit plans);
- Integrated with and support daily GO train service;
- Connect municipalities at hubs that are most appropriate for customers and the community;
- Evolve according to long-term transportation planning, growth planning, and economic development opportunities; and,
- Promote interconnectivity with systems that connect Niagara with the GTHA (e.g. GO Transit, Hamilton Street Railway).

## 4 Economically Responsible

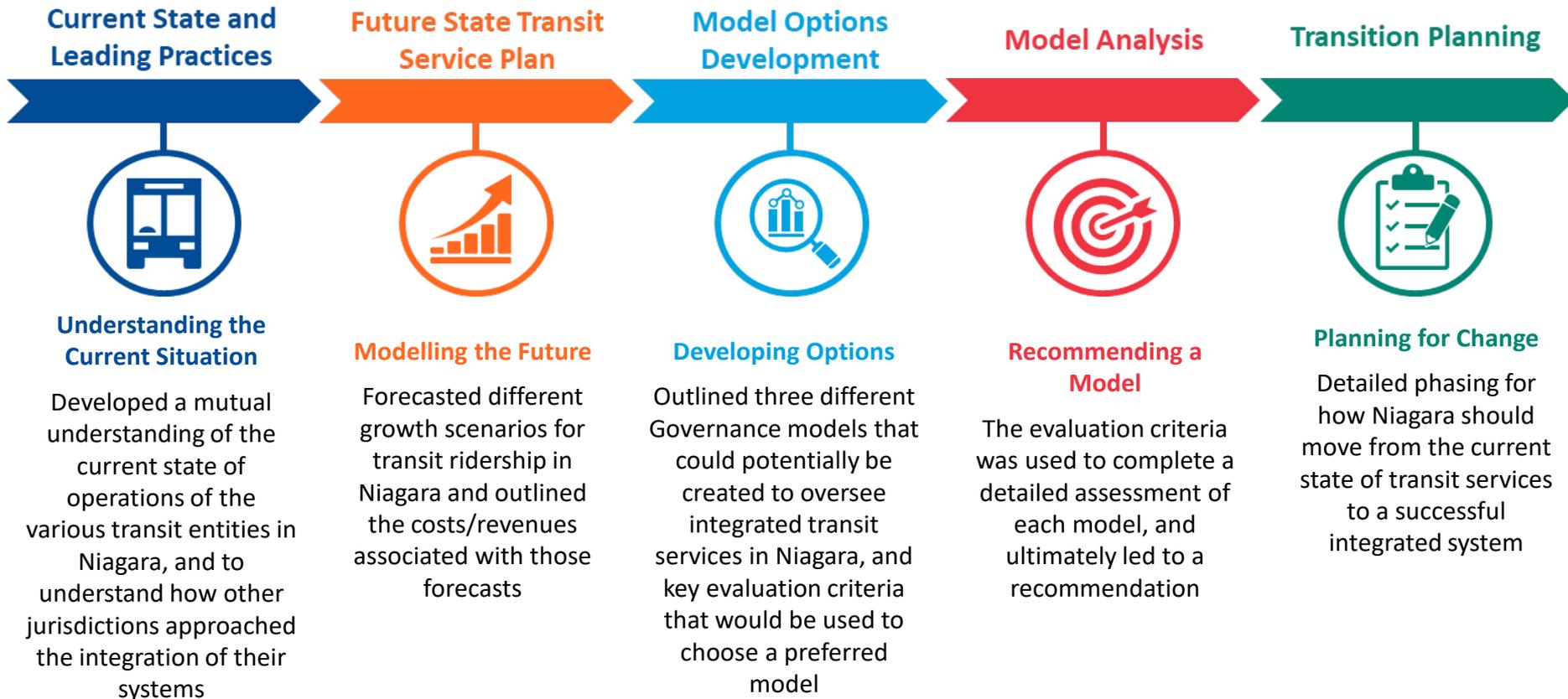
- Recognize inter-municipal transit is a public service funded through property taxes, grants, and partial cost recovery through user-fees;
- Balance financial costs with potential ridership and benefits;
- Build on past transit investments by enhancing, not duplicating, existing services; and,
- Explore alternative modes of delivery, particularly in small communities and rural areas.

## 5 Fair

- Respect existing investments made by communities with public transit and existing service levels;
- Provide a basic level of services that can be accessed by as many Niagara residents as possible;
- Balance respect for taxpayers with the ability of transit riders to pay fares; and,
- Respect existing transit collective agreements.

# Reaching a Preferred Governance Model

To determine a preferred governance model for Niagara's integrated transit system, Optimus SBR and LRTT followed a systematic approach that followed five main steps. This report contains a summary of the key information and insights from each of these steps.



This report represents the culmination of research, analysis, and input from key stakeholders across Niagara Region to establish a way forward for transit integration.

→ Niagara Transit Governance  
Study

Current State &  
Leading Practices

## Introduction

The first phase of this project involved a thorough review of the current state of transit in Niagara to identify what was working well and what challenges exist, hear different stakeholder perspectives, and better understand the benefits that an integrated system could bring to the region.



### Understanding the Current Situation

Before work on evaluating and selecting different models for an integrated transit system could begin, it was critical to undertake a thorough review of what transit looks like in the Niagara Region today. A clear picture of the current state allowed us to understand what was feasible and not feasible with respect to transit integration in Niagara. Through this understanding, it was possible to devise different options for moving forward, assess which option had the most potential, and develop a realistic transition plan for getting there.

This was accomplished through a review of key data, engaging with representatives from transit system and external organization (e.g. Amalgamated Transit Union, Brock University), and also included a review of other jurisdictions that have undergone similar transit system integrations in the past.

The findings from this phase of the project not only provided a sense of the transit-specific strengths/gaps in the current system and the potential size of an integrated one, but also enabled us to understand what was particularly important to different stakeholder groups with respect to transit in Niagara and what their initial impressions of an integrated system were. The data collected during this phase was also a key first step in forecasting future transit demand, and the information gained from researching how other jurisdictions structured and implemented their integration provided important insights and lessons learned that were applied to all subsequent phases of work.

In the following slides, please find a summary of the Current State and Leading Practices Report, which includes an overview and key statistics about transit in the region, a financial summary, a snapshot of themes identified during engagement with key stakeholders, and a summary of insights gained from the review of other jurisdictions.

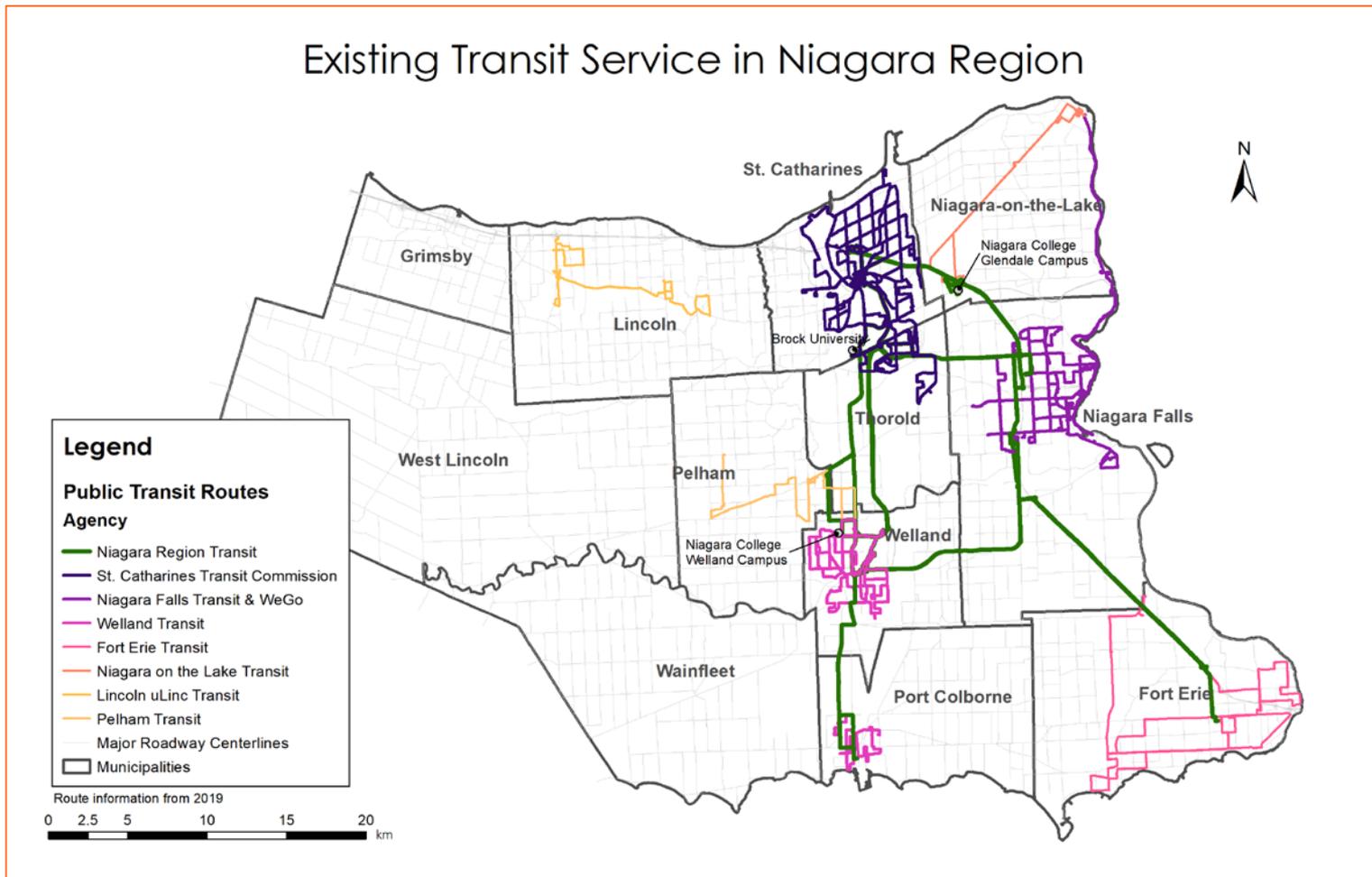
→ Current State & Leading Practices

# System Assessment



# Niagara Transit System Overview

Niagara Region is home to twelve lower-tier municipalities and eight transit service providers. Cities, towns and hamlets are dispersed with large swaths of farmland and natural expanse between them.



# Niagara Transit System Overview

The region experiences diverse levels of transit services. Higher-quality transit services are generally correlated with higher levels of urbanization.

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## Overview

Niagara Falls, St. Catharines and Welland are the largest local transit services and provide contracted service throughout the region.

- Niagara Region contracts service on all intermunicipal routes to Niagara Falls, St. Catharines and Welland
  - Thorold contracts service from St. Catharines Transit
  - Port Colborne contracts service from Welland Transit
- 

Niagara Region, in partnership with several municipalities in western Niagara, launched NRT OnDemand, an alternative transit service on August 17, 2020.

- The service was initially designed as a regional transit alternative connecting the communities of Grimsby, Wainfleet, Lincoln and West Lincoln with the larger urban centres in Niagara Region
  - Grimsby opted to introduce a new local transit service as part of NRT OnDemand to provide transit access within the community and connectivity to the planned GO Station.
  - Additionally, Lincoln and Pelham have completely replaced their local fixed-route transit services with NRT OnDemand.
- 

Fort Erie and Niagara-on-the-Lake operate their own local fixed-route transit services through third-party private contractors

- The contractors are responsible for all service as well as supply and maintenance of vehicles, equipment and other assets
  - Only Niagara-on-the-Lake reports into the Canadian Urban Transit Association
- 

Wainfleet and West Lincoln Townships have no existing local transit service, but expansion of NRT OnDemand remains a future consideration.

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# Niagara Transit System Overview

The following is a summary of 2019 key characteristics for transit in the region for the different systems:

Municipality	Ridership	Service Hours	Routes	Revenue Vehicles	Operating Expenses	Operating Revenue	Specialized Ridership
Niagara Region Transit	1,065,933	85,070	18	21	\$ 12,228,435	\$ 4,878,503	29,995
Niagara Falls Transit	2,009,784	95,538	31	45	\$ 12,521,213	\$ 3,842,111	24,722
St. Catharines Transit Commission	4,731,453	152,181	24	73 14 Specialized	\$ 21,643,836	\$ 8,704,665	28,166
Thorold (Provided by St. Catharines Transit)	286,037	11,779	3	N/A	\$ 1,347,798	\$ 460,034	3,722
Welland Transit	738,998	42,509	9	18 4 Specialized	\$ 3,128,392	\$ 1,359,467	12,802
Port Colborne (Provided by Welland Transit)	12,700*	2,600	2	N/A	\$ 278,684	\$ 18,838	N/A
Fort Erie (Provided by 3 <sup>rd</sup> Party)	40,467	13,313	4	3	\$ 972,740	\$ 35,076	9,880
Lincoln (Provided by 3 <sup>rd</sup> Party)	2,000	2,064	3	1	\$ 317,680	\$ 51,851	N/A
Niagara-on-the-Lake (Provided by 3 <sup>rd</sup> Party)	29,510*	6,545*	2	2	\$ 667,416	\$ 22,357	N/A*
Pelham (Provided by 3 <sup>rd</sup> Party)	7,895	5,458	2	2	\$ 445,090	\$ 32,600	910

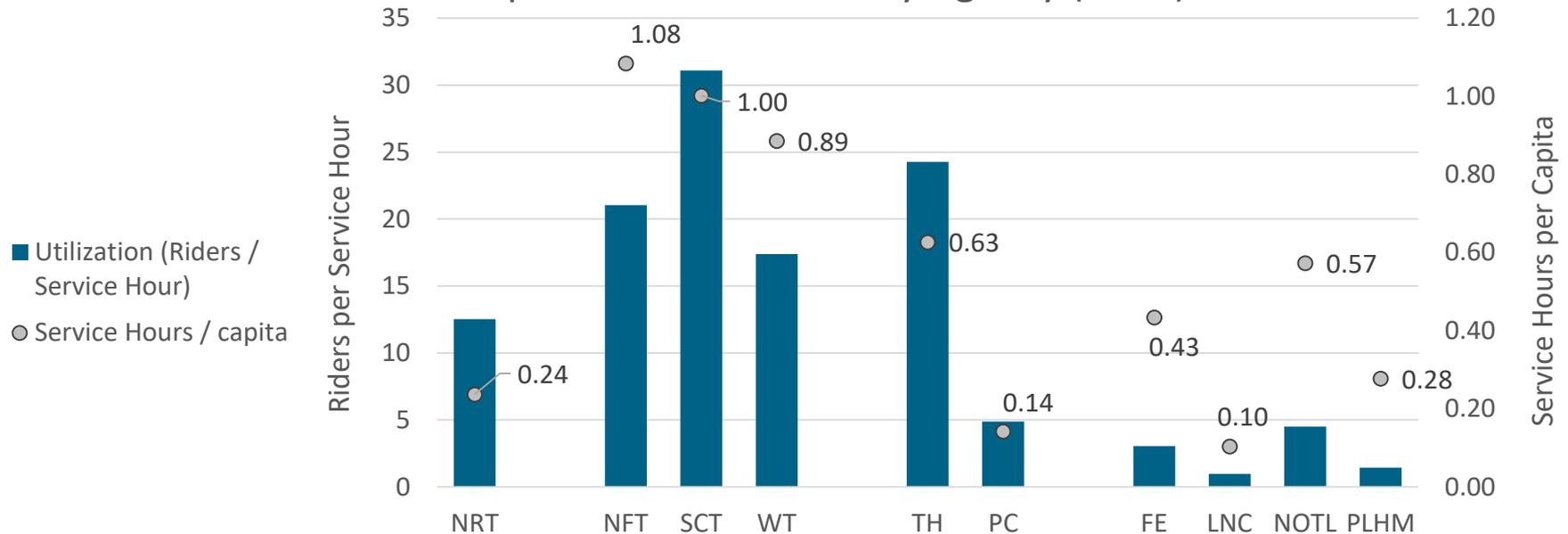
\*Note that at the time of collection some data remains approximate since reporting may not yet have been complete



# Access to Services

Conventional transit services are accessible to over 390,000 people or approximately 85% of the region's residents.

### Ridership and Service Hours by Agency (2019)



- There is a stark discrepancy in the amount of service and the utilization of that service in large urban areas versus the smaller municipalities;
- While this could be largely related to the density and urban form, it does call attention to the fact that utilization is driven by availability and utility of the service; and,
- Note that service in Thorold is provided by St. Catharines Transit Commission and is considerably better performing than other smaller municipalities on the basis of riders per service hour.

→ Current State & Leading Practices

# Financial Analysis



# Financial Performance

A financial performance summary was compiled based on CUTA statistics and information from each of the transit operators in Niagara for the year 2018.

## Key findings from the financial performance summary

The three largest systems provide the most service per capita and ultimately have a lower cost per trip and the highest revenue recovery since increased service frequency results in more ridership and revenue.

Previous U-Pass contracts at Brock University and Niagara College generate significant revenue and service obligations. However, as a result of COVID-19, the viability of these contracts is unknown.

The Capital Asset profiles and future capital needs are primarily for transit buses and their replacement.

The three largest systems use a different lifespan for buses so 12 years was used for comparative purposes, aligning with the standard warranty period on most transit vehicles.

Financing of transit comes from a mix of fares, budgets, tax levies and Provincial and Federal funding.

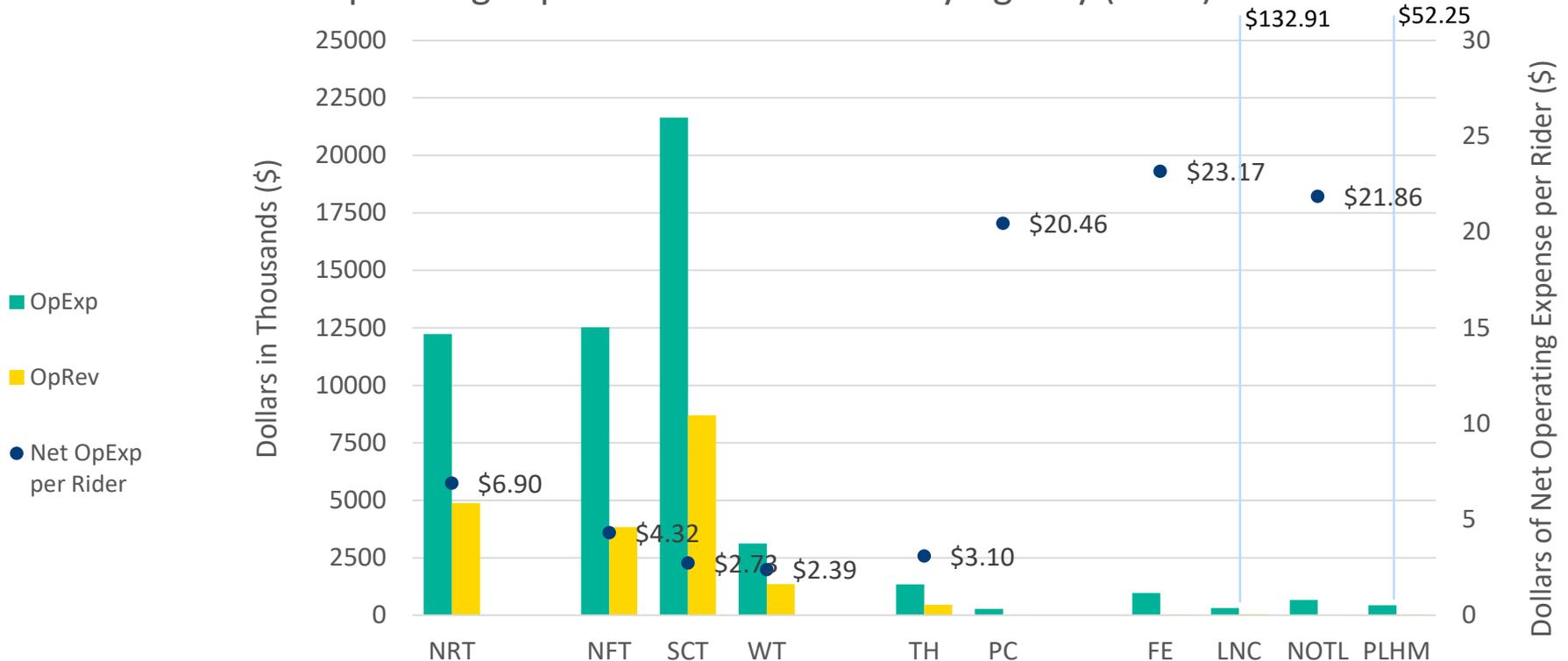
A Regional Development Charge for transit investment can be used to fund infrastructure and growth.



# Operating Expenses and Revenues

This chart reflects the considerably large disparity in the investment in service and the service area that these agencies are responsible for.

### Operating Expenses and Revenues by Agency (2019)



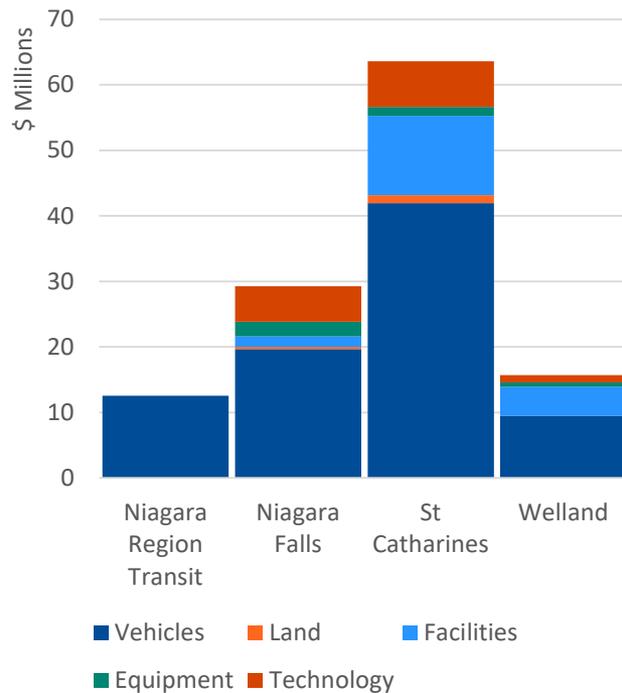
- St. Catharines, Niagara Falls and the Region have a considerably larger operating budget than any of the other agencies;
- Fixed route services require discrete capital investments to provide base services and are often under utilized in smaller rural communities resulting in higher net operating costs per rider; and,
- Note that for these purposes, operating revenue does not include grants and funding from external sources, such as gas tax funding applied to operating costs.



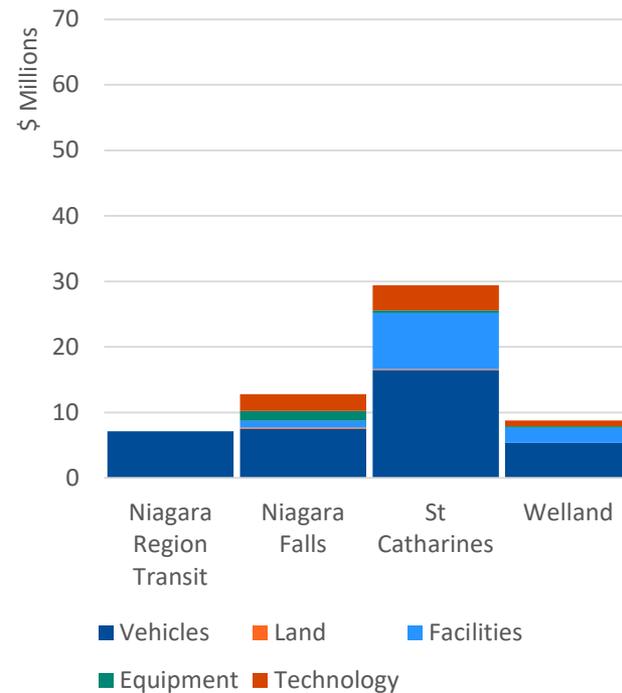
# Capital Asset Summary by Agency

This slide provides an overview of the purchase and book value of different agency's capital assets

### Capital Assets – Purchase Value



### Capital Assets – Net Book Value



- Niagara Region Transit owns 21 vehicles that are designed to the standards by the local agency that operates the vehicle on behalf of the Region. Otherwise, the Region has no other major capital assets;
- Niagara Falls, St. Catharines and Welland have the largest capital asset inventory of the municipalities;
- The smaller agencies and municipalities contract out service, and do not own the assets for service; and,
- The exception is Fort Erie, which owns the smart card fare system technology onboard their vehicles.

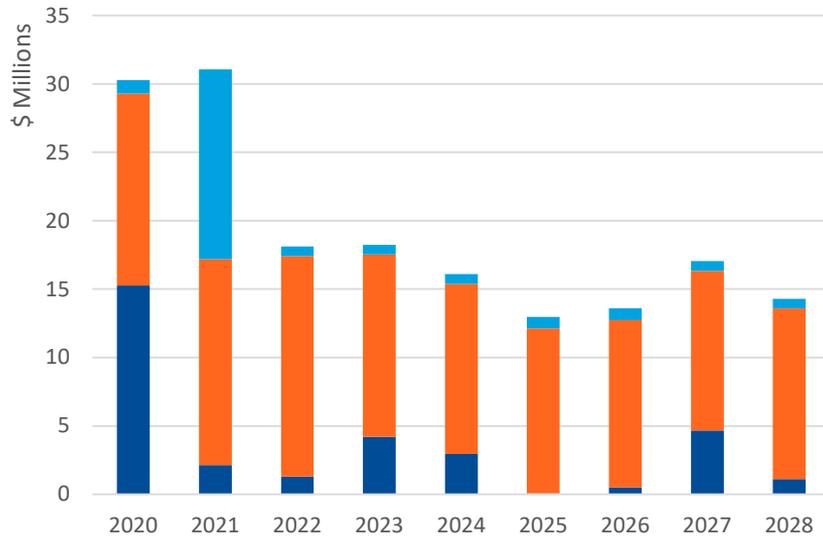
Note that all agencies use a different amortization period for their vehicles. For the purposes of this comparison, a 12-year amortization period (useful life) was used for conventional transit vehicles, cutaway minibuses were given a 7-year useful life and paratransit vans a 5-year useful life.



# Total Forecast Capital Expenses

Local transit agencies are planning for large investments over the coming years.

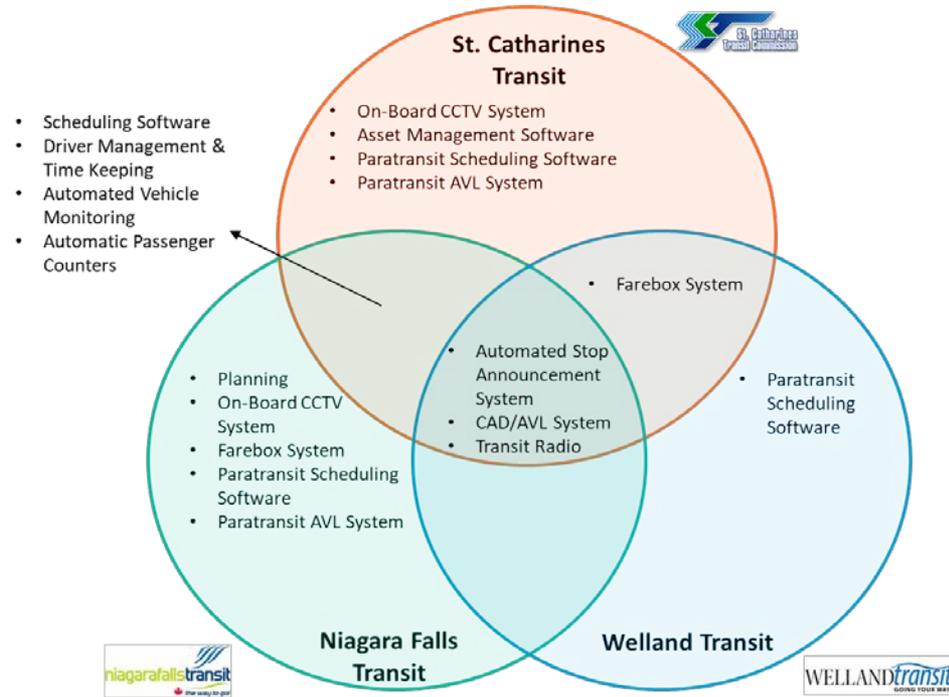
### Total Forecast Capital Expenses 2020-2028



■ Niagara Falls Transit ■ St. Catharines Transit Commission ■ Welland Transit

In addition to fleet renewal and minor infrastructure improvements, the three properties have plans for major facility improvements. Many of these initiatives already have committed funding as part of ICIP, including matching municipal funds:

- Niagara Falls Transit had earmarked \$ 7M for transit terminal and storage facility expansion in 2020
- Welland Transit had earmarked \$ 13M for a new operations facility in 2021
- St. Catharines Transit had earmarked funds annually for major garage improvements totalling \$15M



While core operating technologies (such as the CAD/AVL system and related components) are shared and integrated across all three local transit agencies, ancillary technologies such as fareboxes, paratransit scheduling and AVL, and asset management systems are not presently integrated.

*\*Note that vehicles procured for Niagara Region Transit are configured based on the specifications of the local agency that will be providing the service and maintenance on the vehicle*

*\*Note that Niagara Region Transit intermunicipal service fleet requirements are included in the capital projections*



# Funding and Financing Service and Investment

## Operating Subsidies and Tax Levies

- Most municipalities contribute to funding transit agencies within their cities and towns through either through their annual budgeting process, or by dedicated tax levies that are specifically allocated to transit;
- In Niagara Region, most transit agencies operate as a division of the local municipality they reside in, and are funded directly through the annual municipal budget process; and,
- St. Catharines Transit Commission, which operates on a commission model, has secured a dedicated transit property tax levy approximately 0.07% or roughly \$210 per year on a \$300,000 home.

## Provincial Funding

- Niagara Region Transit, as well as the local municipalities receive Gas Tax disbursements that are allocated to operating and capital transit investment. The 2018/19 allocations are listed below:

	Total	NRT	NFT	SCT	TH	WEL	PC	FE	LNC	NOTL	PEL
<b>Operating</b>	\$1,649,400	\$267,309	\$ 532,000	-	\$250,993	-	\$112,754	\$287,173	-	\$147,837	\$ 51,334
<b>Capital</b>	\$4,806,134	\$493,722	\$ 914,000	\$2,633,000	-	\$765,129	-	-	-	-	-
<b>Total</b>	\$6,455,534	\$761,031	\$1,446,374	\$2,633,000	\$250,993	\$765,129	\$112,754	\$287,173	-	\$ 47,837	\$ 51,334

- Lincoln will begin collecting Gas Tax disbursements in 2019/20.
- Funding from the Safe Restart Agreement is beginning to flow to municipalities and transit agencies as part of the COVID-19 response, with eligible projects including service improvements and governance restructuring



# Funding and Financing Service and Investment cont.

## Federal Funding

- Niagara Region Transit as well as Niagara Falls, St. Catharines and Welland applied for Public Transit Infrastructure Fund (PTIF) funding with the federal government for capital improvements and funding has been made available;
- PTIF funding, which was made available to transit agencies across Canada, is a limited pool of \$3.4 Billion that is allocated to transit agencies based on reported CUTA ridership figures;
- Active applications for PTIF funding will be ongoing until the funds expire; and,
- Investing in Canada Infrastructure Program (ICIP) funding has been approved, and provincial and federal funds have been committed for over \$ 74M worth of capital investments through the first round of funding

→ Current State & Leading Practices

Stakeholder Perspectives



# Stakeholder Engagement Findings

A number of stakeholders were engaged to gather insights and perspectives about the current state of transit services and key considerations for an integrated system. Some key considerations raised by stakeholders with regards to service and system planning included:

## Findings

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**Connecting to Hubs:** Integrated system should focus on connecting residents to important community hubs and landmarks in an efficient manner (e.g. hospitals, malls, schools, etc.). No trip to the hospital should take 2-3 hours.

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**Seamless Rider Experience:** Prioritize aligning service schedules and stops so that riders can move from point A to point B – with integrated fares.

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**Collaboration with Regional and Municipal Staff:** A coordinated effort will need to be undertaken to look at routes and determine the need that current construction projects will have for future transit service.

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**Connecting with other Transit Entities:** Integrating and/or connecting with other transit systems in the area, including GO, HSR, or coach bus.

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**Building for Niagara's Current and Future Needs:** Ensuring that appropriate services are built to accommodate future residential and business developments and creating inter-municipal corridors will be important.

---

**Accessibility:** Consider an automated booking service that allows users to book in advance given consistent medical needs.

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**Community Engagement:** Importance of ongoing and regular public communication and engagement in transit planning to ensure the voice of the rider is understood.

---

→ Current State & Leading Practices

Leading Practices

# Leading Practice Overview

The following is a summary of the findings from the jurisdictional scan of four municipalities, including the regions of Durham, Waterloo and York, and the Edmonton Metropolitan Region.



Both Commission model and Centralized Delivery in use

## Transit & Operations



Service Enhancements requires prioritization and considerable, investment

## Lessons Learned

Transfer of human resources to a new organizational structure is a significant undertaking

Need to consider the magnitude of cultural change and legacy systems involved in transition planning

A phased-in single tax levy has been successful elsewhere

Ongoing communication is an important factor in bringing key stakeholders onboard

## Financial



Cumming Principle used for asset transfers and there is a varied approach to levies

## Transition



Significant communications efforts required to engage staff, unions and the public

# Summary of Findings: Leading Practices

The following is a summary of the findings from the jurisdictional scan of four municipalities, including the regions of Durham, Waterloo and York, and the Edmonton Metropolitan Region.

<b>Governance</b>	<ul style="list-style-type: none"><li>• A governance body was set up for both the study for amalgamation, and the transition period. Membership often continued into the transition planning period.</li><li>• With the exception of Waterloo Region, which was a staff-only led Committee (and reported directly to Regional Council), the remaining amalgamations had an operationally focused oversight body that reported to a politically appointed oversight body.</li><li>• York and Waterloo Regions both selected a governance model where transit resided as a department within the Regional Corporation, and reports to Regional Council through the Chief Administrative Officer. Edmonton and Durham selected a Commission model.</li></ul>
<b>Transit Service Planning &amp; Operations</b>	<ul style="list-style-type: none"><li>• Due to the difference in transit services across the amalgamated municipalities, often considerable service enhancements were identified. These were prioritized and completed in a phased approach over 5 to 7 years.</li><li>• Significant planning and resourcing is required for the transfer of human resources related matters, including contract negotiation, and placing staff within a revised organizational structure.</li><li>• Fares were integrated across the amalgamated regions.</li><li>• Collection of service metrics continued to be a challenge well after the transition period as amalgamated bodies reconciled legacy systems across local transit providers.</li></ul>
<b>Financial Considerations</b>	<ul style="list-style-type: none"><li>• There was a varied approach to the fee levy: Durham and York Regions instituted a unified levy, Waterloo implemented a differentiated fee levy (with the goal of a unified levy), and Edmonton will receive funding from municipalities based on budgeted operating revenues and expenses.</li><li>• Municipalities typically started with applying area rated tax levies to apportion the cost of the transit services being provided to each community, then moved to introduce single urban tax levy and maintain area rates for rural areas.</li></ul>

# Summary of Findings: Leading Practices

The following is a summary of the findings from the jurisdictional scan of four municipalities, including the regions of Durham, Waterloo and York, and the Edmonton Metropolitan Region.

<b>Financial Considerations</b>	<ul style="list-style-type: none"><li>• The Cumming Principle was utilized in most cases for transfer of assets.</li><li>• Transit related development charges were transferred to the regions of Durham and Waterloo.</li></ul>
<b>Transition Planning</b>	<ul style="list-style-type: none"><li>• All municipalities documented the transition plan in a joint agreement between transit providers and established a transition period between 1 to 2 years.</li><li>• Most Plans focused that transition period on bringing the transit systems together, not on significant changes to services and service levels.</li><li>• Significant communication resources required to inform and engage both impacted staff and unions, and members of the public.</li></ul>
<b>Lessons Learned</b>	<ul style="list-style-type: none"><li>• Consideration needs to be taken on how and why resources are transferred to the amalgamated organizational structure.</li><li>• A single tax levy being implemented from the beginning, through a phased approach had been made successful through a concurring commitment to provide service in areas that had no transit services.</li><li>• Do not underestimate the magnitude of cultural change and legacy systems involved in transition planning.</li><li>• Ongoing communication to the public, province, and municipal governments is an important factor in bringing key stakeholders onboard.</li></ul>

→ Current State & Leading Practices

Summary

# Summary

The current state has broad implications for the future of transit in Niagara, and the long-term design and development of an integrated transit agency. Key findings that a future integrated system will need to consider include:

## Implications for Integration

availability and frequency of service, and ensuring basic levels of equity for accessing services. with respect to

Manage the differences in transit service expectations from residents of different municipalities. The relative lack of population density in a large part of the region and the pockets of density located in the major municipalities – including the fact that 85% of the region’s population still lives within a 15-minute walk of transit services, and over half of the population within a 5-minute walk.

The large swathes of rural and undeveloped land within the region and how these will be served.

The differences in financial contribution of the three largest municipalities in terms of operating dollars per capita compared to the smaller transit agencies.

That the larger municipalities have substantial planned investments that will need to be maintained toward fleet and facility renewal.

That agencies have already begun to integrate technologies across the region.

The financial and legal impact of transferring existing contracts municipalities to the future integrated system.

How the three CBAs with the ATU are to be consolidated into a single agreement.

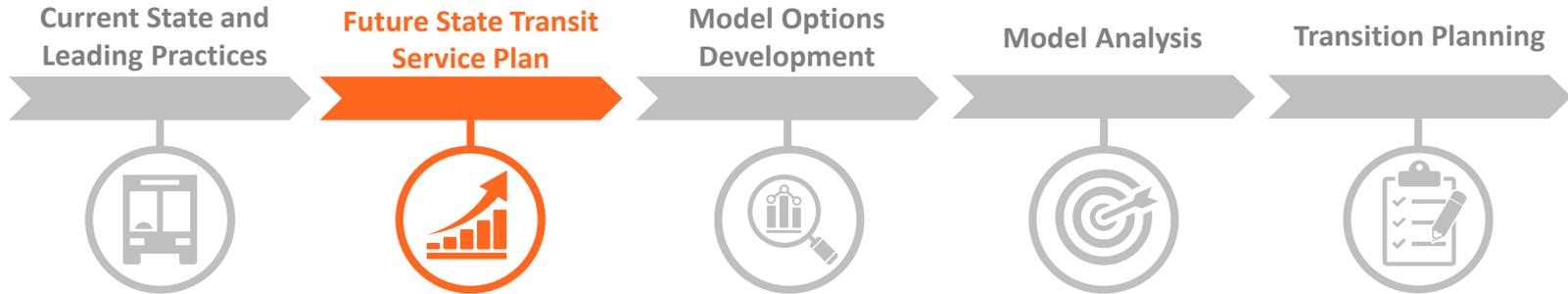
The means and degree to which the new integrated agency will take on the current staff complements of the different transit agencies, and the method by which leadership positions will be filled.

→ Niagara Transit Governance  
Study

Future State Transit  
Service Plan

# Introduction

The second phase of work in this project, the Future State Transit Service Plan, was a critical milestone as it provided insight into the potential growth of transit in Niagara Region and its implications for an integrated transit system.



## Modelling the Future

Understanding the future demand on the Region's transit network is an important consideration in planning for it. By forecasting ridership growth, and capital and operating costs, one can gain a clearer picture of the benefits that an integrated transit system could bring to Niagara, and also better understand the environment that this integrated system will be operating in. While not a direct input into the governance structure recommendations, the results of the Future State Transit Service Plan provide critical context of how residents and workers in Niagara Region will utilize the services provided by this new entity.

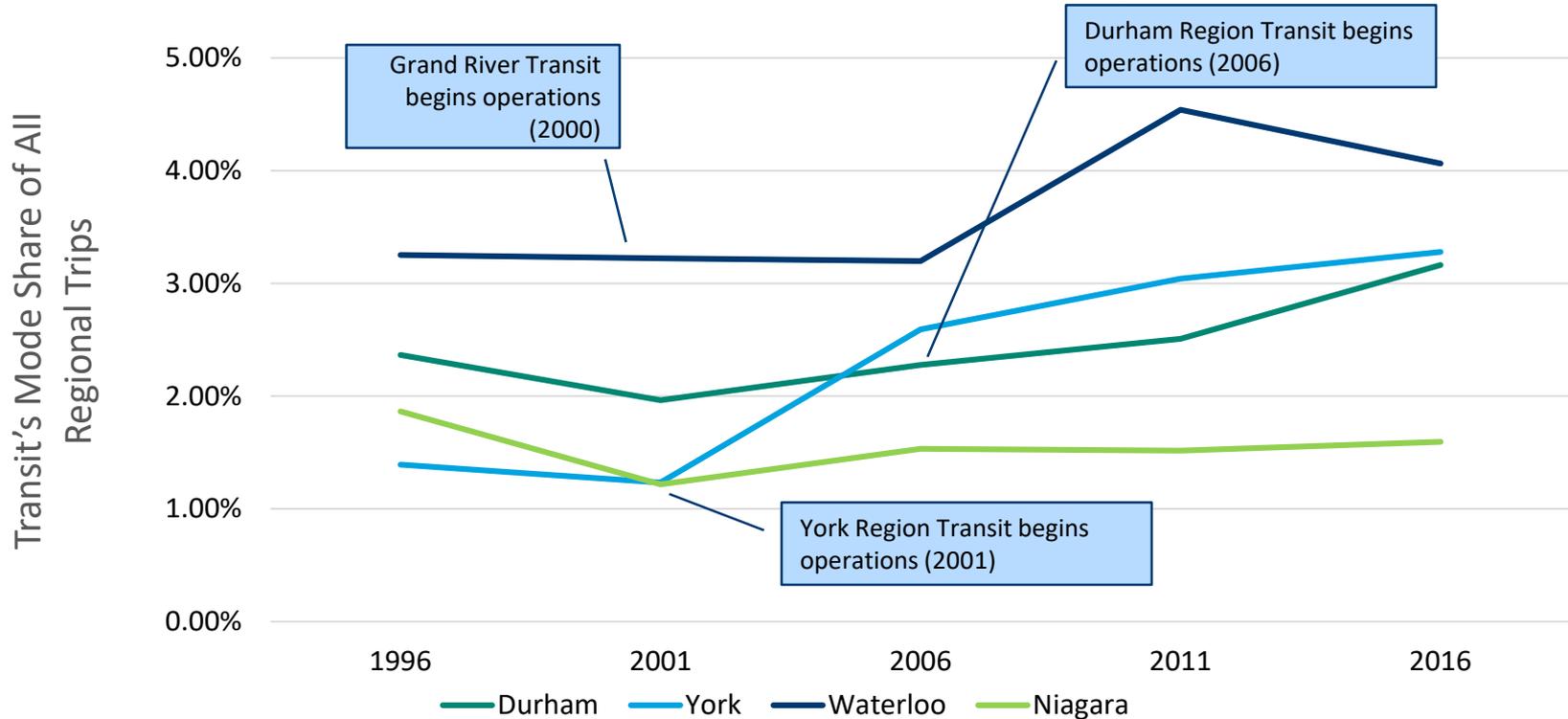
As part of this study, an in-depth analysis of the Transportation Tomorrow Survey and the Ontario Growth Plan was undertaken, as well as observed transit data to identify a set of changing trends and important considerations for the 2031 horizon. In addition to this, a forecast of future demand estimates for the preferred network was undertaken, which was achieved by adjusting information related to routes, headways, fare policy, and more.

The following slides contain a summary of this Future State Plan that outlines the potential growth in transit ridership in Niagara. The assessment has identified a latent demand for transit that the current status quo system is unable to accommodate because of its inability to effectively support inter-municipal trips with first- and last-mile connections. Through integration, however, Niagara has the opportunity to spur this latent demand and accommodate ridership growth throughout the Region. This new entity will have the capacity, scale, and flexibility to build a system that reacts to not only the demand within a particular municipality, but that drives transit ridership growth across the Region.



# Within 10-years of amalgamation, transit mode share could increase between 0.9% – 1.8%

This is consistent with peer jurisdictions, who experienced between 30% and 130% mode share increases post amalgamation, independent of population growth.



After amalgamation of local transit services, Durham, Waterloo and York Regions all experienced a substantial increase in transit utilization.

In contrast, the local transit mode share in Niagara Region has remained largely constant over the past twenty years.

*Note: this chart excludes all "GO Transit Only" trips, and focuses entirely on transit trips that utilize some form of local transit*



# Transit Demand in the 2031 Horizon

In all tested scenarios with fully integrated transit services, the total number of transit trips greatly outpaces the status quo

The consultants worked in collaboration with IBI Group to produce a set of comparable 2031 AM Peak Period transit forecasts using the Region's Transportation Model. The future network in the model was updated to the preferred network, including the express service options, and a preliminary fare-policy was recommended.

The high growth scenario considers the results of the advanced modelling analysis and includes recent trends in growth and demand and identifies an apparent latent demand for improved regional transit integration. This scenario employs the increasing trends in modal share observed at peer transit agencies after amalgamation of local transit services. While this represents a considerably greater demand for transit in the 2031 horizon, the approach employed to consolidate these results ensures that the most current transit ridership trends are adequately captured.

Total Trips Originating from and/or Destined within Niagara Region			
	Status Quo	Low Growth	High Growth
AM Peak Period Transit Demand	4,770	6,990	15,180

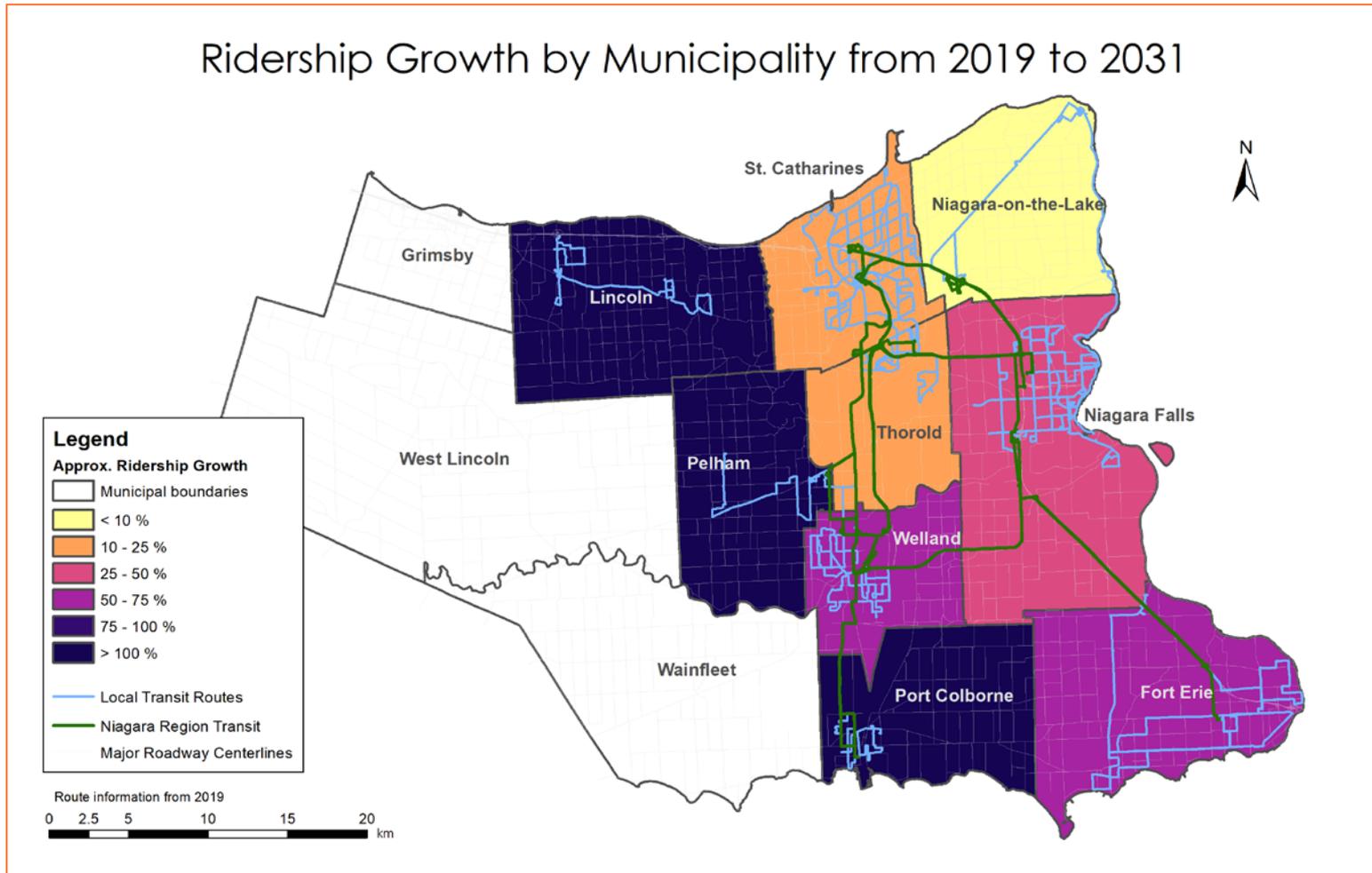
*Note that this assessment does not represent a rigorous modelling exercise and should only be leveraged for the purposes of providing broader context to the overall transit governance strategy.*

*The Status Quo scenario assumes 2% annual growth.*



After service integration, transit ridership is expected to grow by up to 80% region-wide by 2031 in the High-Growth Scenario

Service integration will allow for more seamless travel region-wide. With appropriate service enhancements, every local municipality will have substantial growth in transit ridership



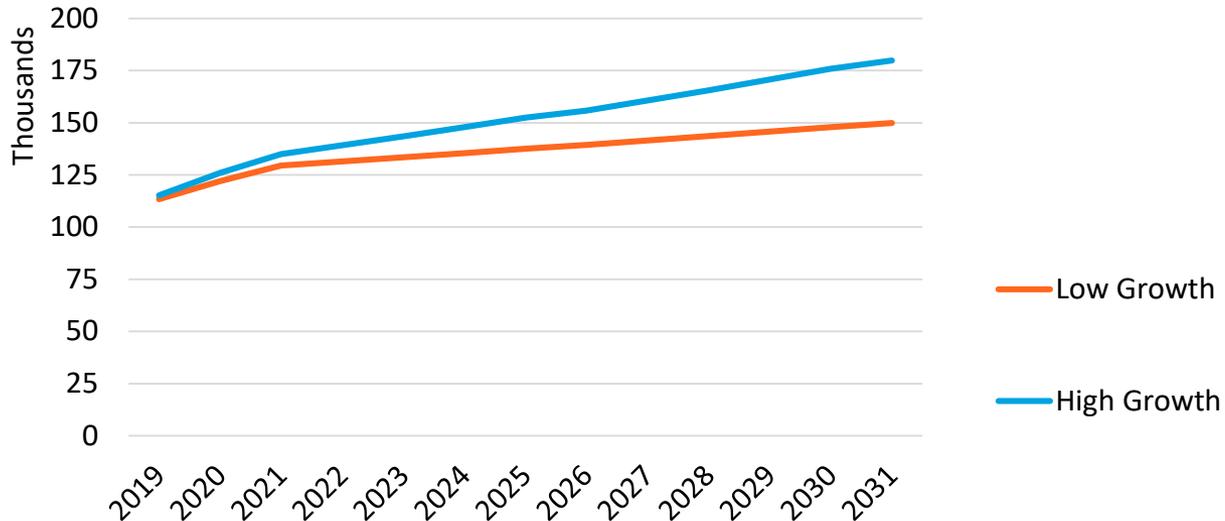
Note that growth rates for Grimsby, Wainfleet and West Lincoln are excluded since there was no transit service in 2019

Demand for specialized transit service is expected to grow between 20% and 40%

LNTC-C 4-2020  
Appendix 2

	2018 Observed	2021 Forecast	2031 Forecast
Total Clients	4,390	4,580 – 4,780	5,300 – 6,360
Total Trips	124,087	129,460 – 135,025	149,865 – 179,840
<i>Ambulatory / Non-ambulatory Patient Trips</i>	30,684 / 93,403	32,015 – 33,390 / 97,445 – 101,635	37,058 – 44,470 / 112,810 – 135,370
<i>Trips with / without a support person</i>	22,725 / 101,362	23,710 – 24,730 / 105,750 – 110,295	27,445 – 32,935 / 122,420 – 146,905

Growth in Specialized Transit Trips





# Expected Service Growth

Transit service must increase dramatically over the first ten years to meet ridership demand after amalgamation. Region-wide, capacity must increase by over 300,000 service-hours (approximately 95% increase over 2019) in the high-growth scenario.

Municipality	Ridership (2019)	Anticipated Annual Trips (2031)	Service Hours (2019)	Estimated Service Hours Required (2031)
Intermunicipal Services	1,065,933	2,080,000 – 3,420,000	85,070	105,000 – 198,000
Niagara Falls	2,009,784	2,085,000 – 3,430,000	95,538	99,000 – 165,000
St. Catharines	4,731,453	4,600,000 – 7,100,000	152,181	148,000 – 230,000
Welland	738,998	870,000 – 1,440,000	42,509	50,000 – 83,000
Port Colborne	12,700	20,000 – 40,000*	2,600	8,500+
Thorold	286,037	255,000 – 450,000	11,779	12,000 – 19,000*
Fort Erie	40,467	49,000 – 81,000*	13,313	16,000 – 27,000
Niagara-On-The-Lake	29,510	22,000 – 37,000*	6,545	8,500+
Grimsby (On-Demand)~	N/A	5,000 – 9,000*	N/A	3,500+
Lincoln (On-Demand)~	2,000	6,000 – 10,000*	2,064	3,500+
Pelham (On-Demand)~	7,895	15,000 – 26,000*	5,458	5,500+
West Niagara (On-Demand)~	N/A	290,000 – 475,000*	N/A	42,000 – 56,000
<b>Summary</b>	<b>8,924,777</b>	<b>10,030,000 – 16,200,000</b>	<b>417,057</b>	<b>502,000 – 803,000</b>

- \*Note: the demand models employed are less effective at predicting ridership precisely in smaller municipalities and areas with now existing transit service; these values should be considered carefully in this context.
- +Note: service hour growth for Port Colborne and Niagara-on-the-Lake is required for ensuring customers have equal access to transit throughout the region by providing equivalent service levels and span-of-service to other local municipalities
- ~Note: West Niagara Intermunicipal On-Demand is separate from local on-demand service in Grimsby, Lincoln or Pelham

# Service Improvement Increments

## Initialization Phase

2021 – 2022



- Initialization of the new integrated service
- Harmonize costs and hourly rates for operators and staff
- Initial phases of harmonized fares are implemented
- Implement an integrated fare system and associated technology to support region-wide travel
- Improve services in Port Colborne, Fort Erie and Niagara-on-the-Lake to ensure consistency across the region

## Growth Phase

2023 - 2026



- Considerable investment in service hours across the region
- Expansion of fleet and facilities to accommodate growth
- Potential demand for incremental investment in transit priority measures such as queue jump lanes, transit signal priority and dedicated right-of-way

## Future Outlook

2026 - 2031



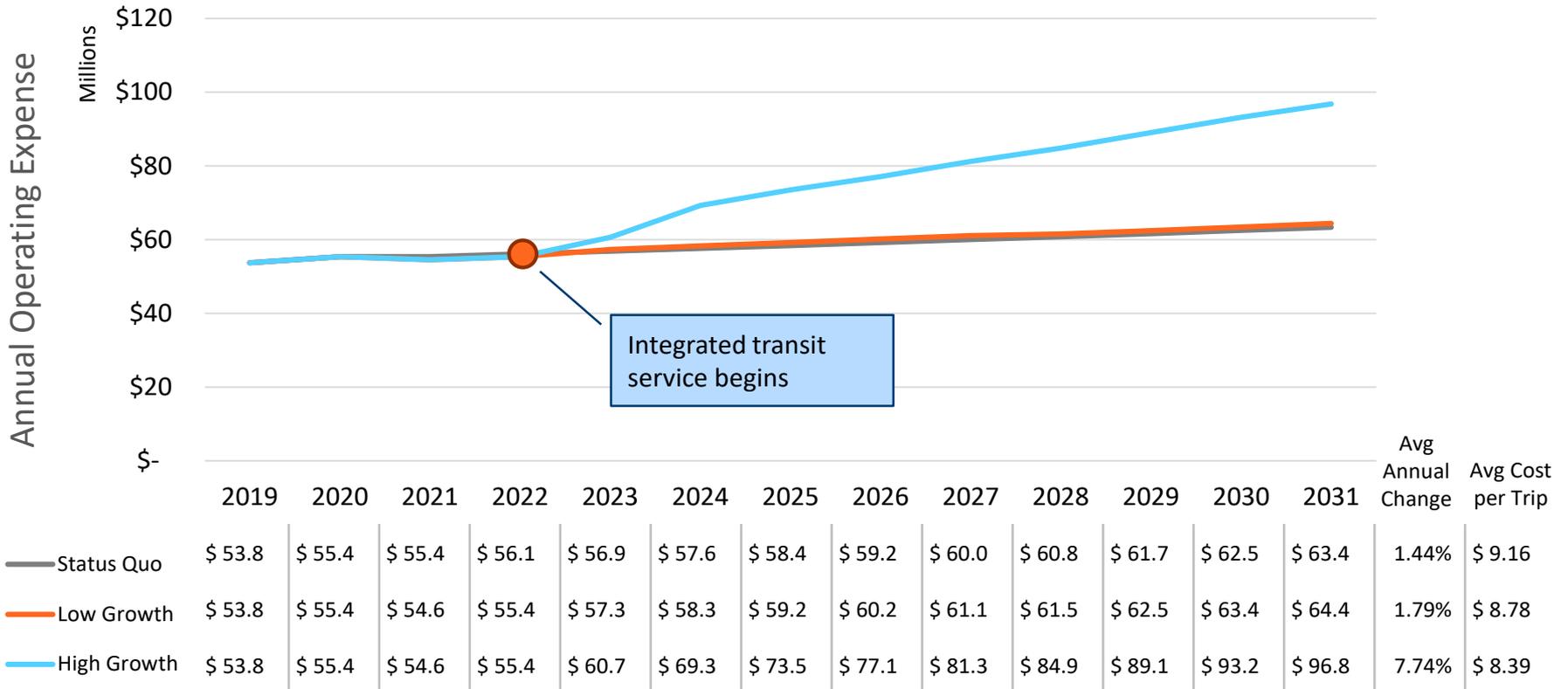
- Incremental transition to an integrated fare for region-wide travel to drive ridership growth and ensure seamless and fair access to opportunities by transit
- New services and infrastructure investment into higher-order transit such as Bus Rapid Transit
- Implementation of fixed-route services into West-Niagara to satisfy growing transit demand



# Operating Cost Comparison Across Scenarios

Assuming a "Go-Live" date in the fiscal year of 2022, the new entity will need to make considerable investments in order to satisfy the demand for transit services in the region.

Service investment in order to achieve high growth is approximately 55% greater than the Status Quo scenario. Savings in the low-growth scenario are driven by lower more strategic investment in services and a reduced administrative burden over the status quo. Notice that the average cost-per-trip is lower in both the low growth and high growth scenarios.



Note that costs and revenues represent real dollars (\$2019) and are not adjusted for inflation

Operating Costs in Millions

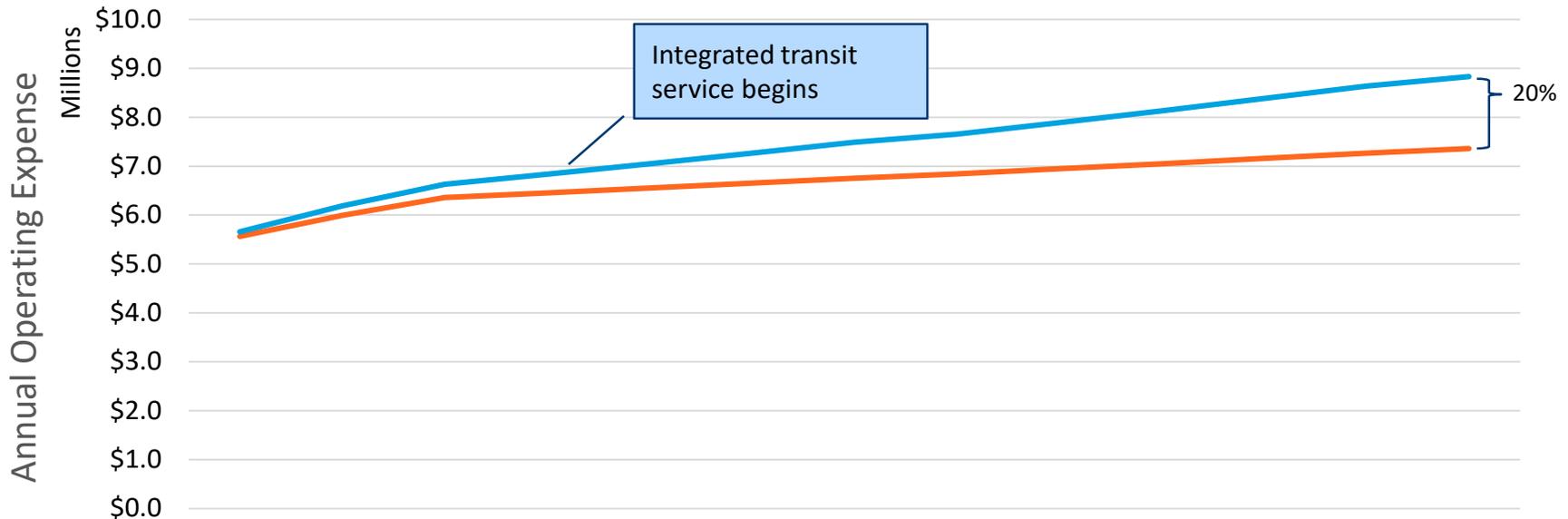
# Implementing an integrated fare structure is critical to achieving ridership growth targets

Additional consideration should be made for the impact on changing fare policy on the post-secondary student pass programs at Brock University and Niagara College. Note that for this analysis it is assumed that the Post-Secondary UPass Program is tied to enrollment, not student ridership, and thus remains constant under all future scenarios.

	2022		2031	
	Start-of-Service	Status-Quo	Integrated Transit Fares	
Regional Cash Fare	\$ 6.00	\$ 6.00	\$ 3.00 - \$ 3.50	
Local Cash Fare	\$ 3.00	\$ 3.00	\$ 3.00 - \$ 3.50	
<b>Total Customer Journeys</b>	<b>6.2M – 6.5M</b>	<b>6.8M</b>	<b>7.3M – 10.8M</b>	
Student Customers	3.6M	3.7M	4.0M – 5.4M	
Non-student Customers	2.7M – 2.9M	3.0M	3.3M – 5.4M	
<b>Total Revenue</b>	<b>\$ 18.2M - \$ 18.5M</b>	<b>\$ 20.1M</b>	<b>\$ 20.3 – \$ 29.2M</b>	
Post-Secondary Pass Program Revenue	\$ 10.5M	\$ 11.6M	\$ 11.6M	
General Fare Revenue	\$ 7.7M - \$ 8.0M	\$ 8.5M	\$ 8.7M – \$ 17.6M	
<b>Average Revenue per Trip</b>	<b>\$ 2.84 – \$ 2.91</b>	<b>\$ 2.91</b>	<b>\$ 2.53 – \$ 2.77</b>	

Note that costs and revenues represent real dollars (\$2019) and are not adjusted for inflation

# Specialized Transit Operating Cost Comparison



	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Low Growth	\$ 5.6	\$ 6.0	\$ 6.4	\$ 6.5	\$ 6.6	\$ 6.7	\$ 6.8	\$ 6.8	\$ 6.9	\$ 7.1	\$ 7.2	\$ 7.3	\$ 7.4
High Growth	\$ 5.7	\$ 6.2	\$ 6.6	\$ 6.8	\$ 7.0	\$ 7.3	\$ 7.5	\$ 7.7	\$ 7.9	\$ 8.1	\$ 8.4	\$ 8.6	\$ 8.8

Operating Costs in Millions

Note that costs and revenues represent real dollars (\$2019) and are not adjusted for inflation



# Major Capital Investments

While several key investments in technology and infrastructure will be required to address service growth throughout the region, over \$ 74M-worth of projects have committed funding from the federal and provincial governments through ICIP and are anticipated to advance within the next few years.



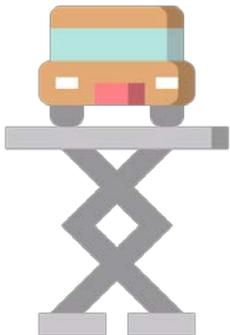
- Up to 82, 40' transit vehicles and 38, 60' articulated transit vehicles by 2031 (in the High Growth scenario)
- Further consideration for facilities may be required as alternative propulsion methods (e.g. hydrogen, battery-electric, etc.) are considered

\$ 95,000,000 between 2021 and 2031 (\$ 9.5M/year on average)



- Niagara Falls Transit indicated that they intend to commit capital funding to improve existing terminal facilities within the City.

\$ 4,500,000 in 2020/2021



- A new facility will replace the existing Welland Transit Garage, and is particularly useful for the high growth scenario
- The site is ideally situated in close proximity to most endpoints of inter-municipal services, making it preferable for servicing and overnight storage of those vehicles, in addition to vehicles assigned to Welland, Port Colborne and Fort Erie

\$ 13,000,000 to \$ 16,000,000 in 2022 to 2025

- St. Catharines Transit has indicated that garage facility upgrades will be required within the next ten years
- Services in St. Catharines will also experience the largest growth requirements for fleet, which will further strain existing garage facilities

\$ 15,000,000 to \$ 20,000,000 in 2025 to 2027



- Integrated electronic fare collection system is required at launch
- It is anticipated that the existing ITS systems will require replacement towards the end of the ten-year horizon.
- With a larger fleet and an expectation of changing technologies, this investment will be substantial

Up to \$ 7,500,000 for fare system depending on technology  
  
\$ 20,000,000 to \$ 30,000,000 in 2028 to 2030

*Note that these are intended for consideration and high-level estimation of capital cost requirements and not intended to replace a more fulsome business case or investment study.*

→ Future State Transit Service  
Plan

# Summary

# Integration Will Drive Ridership Growth

By way of investments and harmonization of services and fares, transit under an amalgamated system is anticipated to become a more frequently used means of transportation in the region, with ridership outpacing the status quo.

## Key Highlights

Transit ridership forecasts indicate a **latent demand for inter-municipal transit** travel that the existing disconnected transit providers are unable to accommodate. As a result, transit ridership growth across the region is driven by improved inter-municipal transit trips and improved connections to GO Transit rail services.

By investing in targeted projects and services to grow the transit mode share throughout the region, **transit ridership region-wide could grow by over 80% by 2031 under an amalgamated transit service.**

It is anticipated that Niagara Region, like its peer jurisdictions will experience a **transit mode share growth of 30% to 130% within ten years of amalgamation.**

**Capital investment of between \$70M and \$155M** between 2021 and 2031 may be required to address service and demand growth. Provincial Gas Tax revenue could result in up to \$50M - \$80M in revenue over the same ten years. Over \$ 70M-worth of near- and mid-term projects have committed funds from the federal and provincial governments through ICIP.

**An integrated single fare is critical to driving ridership growth** and could be achieved in a way that is revenue-neutral if implemented progressively as ridership grows. While an integrated payment system and harmonized fare structure will be required at the start of service, a single fare region-wide can be implemented over time.

## Key Considerations

**Operating costs could be impacted by governance decisions** around harmonization of salaries and hourly rates for staff and operators

**Subsidy and alternative revenue generation will have to be considered**, particularly the allocation of gas tax funds to capital and operating expenses.

**The new entity will be responsible for delivering and investing in service** to drive aspirational ridership growth, no matter what governance structure is implemented.

**The new organization will be responsible for establishing transit service standards region-wide**, which must balance cost effectiveness of various transit modes with the necessary levels of service to increase ridership and improve the public perception of transit's effectiveness in Niagara Region.

→ Niagara Transit Governance  
Study

Model Options,  
Analysis, and  
Recommendation

## Introduction

The third and fourth phases of work involved developing potential model options, evaluating their potential, and ultimately recommending a preferred model for Niagara's integrated transit system.



### Developing and Evaluating Potential Options

Once a thorough understanding of the current state of transit and the potential future growth in Niagara was complete, the information gained was used to develop three potential governance models that would be capable of delivering transit services in the region and meeting service expectations now, and in the future.

All three of these options were considered to be capable of meeting Niagara's transit needs, but in order to determine which model would be best suited for the region, a thorough analysis was undertaken during which each option was evaluated against a series of criteria that spanned the domains of operations, finance, stakeholder equity and input, and ease of implementation. Once that analysis was completed, the preferred model was identified.

This section contains an overview of each of the proposed transit system models, a description of the evaluation criteria used to evaluate them against each other, and a summary of the results of this analysis. Moreover, the closing slides of this section contain a summary of the rationale for the recommended model, a brief overview of some key risks and considerations that will need to be addressed as the integration moves forward, and additional information around organizational and governance structure that has been recommended.

→ Model Options, Analysis, and  
Recommendation

Model Options  
Overview

# Model Options Overview

Following the completion of the current state review, the jurisdictional scan, and the development of the future state plan, three potential governance models were developed:

## Limited Commission

- Transit Service is governed by a regional commission with representation from local elected officials.
- Commission reports to Regional Council
- Strategic decision making for Transit Service is directed by Regional Council
- Relies on corporate services but retains transit-related services in-house

## Full Commission

- Distinct entity independent from Regional Council
- Governed by a board of appointed members, equitably selected by Regional Council
- Responsible for all transit planning and delivery
- Budget allotment approved by Regional Council
- Makes limited use of Regional services except where service sharing does not impede agility or independence

## Regional Division

- Division within Niagara Region's Public Works department
- Regional Council remains the governing body of the transit division
- Strategic decision making for Transit Service is directed by Regional Council
- Integrated into the Regional administration similar to other service delivery departments

### Transit System Examples

- Durham Region

- Edmonton
- TTC
- St. Catharines

- York Region
- Waterloo Region

# Model: Limited Commission

The governance models highlighted in the previous slide have many similarities and differences. The following slides contain a comparison of them by reviewing a few key characteristics:

<b>Governance Structure &amp; Decision Making</b>	<ul style="list-style-type: none"><li>• Commission membership is a combination of Local and Regionally elected representatives and would have representation from all local area municipalities in the Region, selected by their respective Council and appointed by Regional Council. There is also opportunity for non-elected members of the public to be members of Commission.</li><li>• Commission acts as an Advisory group to Council where strategic decisions for service standards, service levels, budgets, and fares are made by Regional Council.</li><li>• Commission decision making is focused on operating policies to implement and deliver transit services and collect fares.</li></ul>
<b>Organizational Structure and Shared Services</b>	<ul style="list-style-type: none"><li>• Will take advantage of Regional corporate services and therefore can expect a reduction in FTE. Shared corporate support services can be purchased from Niagara Region for areas such as Finance, HR, Legal, Service Planning, etc.</li><li>• To ensure adaptability, the Commission will retain such transit-related services as procurement, fleet maintenance, and communications to ensure transit-specific autonomy is provided but also allows leveraging of corporate supports.</li></ul>
<b>Funding Sources</b>	<ul style="list-style-type: none"><li>• Regional Council will make the funding decisions based on recommendations from the Commission regarding annual service levels and fare strategy.</li><li>• Funding sources include transit fares, Provincial and Federal funds, with the Municipality subsidizing net operating costs and funding the capital program.</li></ul>

# Model: Full Commission

<b>Governance Structure &amp; Decision Making</b>	<ul style="list-style-type: none"><li>• Commission would be a distinct entity incorporated through the Municipal Act and independent from Regional Council. The Commission would be an agency of the Region of Niagara through the <i>Municipal Act</i>.</li><li>• Governed by a Commission of appointed members, who are composed of a combination of elected and non-elected individuals, nominated and appointed by Regional Council.</li><li>• Commission is single point of responsibility for transit service planning and delivery and is empowered to make strategic and operational decisions regarding transit service planning and delivery based on the funding approval from Regional Council.</li></ul>
<b>Organizational Structure and Shared Services</b>	<ul style="list-style-type: none"><li>• Commission is a ‘purpose-built’ transit planning and delivery agency.</li><li>• Financial reporting for Transit Commission is independent of Regional Council and has agency specific methods and systems in place.</li><li>• Transit agency-specific methods and systems in place for IT, HR, legal, service planning.</li></ul>
<b>Funding Sources</b>	<ul style="list-style-type: none"><li>• Commission will set fare policy and deliver service within the budget allotment approved by Regional Council.</li><li>• Funding sources include transit fares, Provincial and Federal funds, with the member municipalities subsidizing net operating costs and funding the capital program.</li></ul>

# Model: Regional Division

<b>Governance Structure &amp; Decision Making</b>	<ul style="list-style-type: none"><li>• The Regional Council remains the governing body of the transit division (much like Niagara Region Transit currently).</li><li>• A Transit Committee of Council should be created to provide oversight during transition and early years of operation. Regional Council makes decisions for service standards, service levels, budgets and fares.</li><li>• Staff administers the Transit program as approved by Regional Council to deliver transit services and collect fares.</li><li>• Decision making for Transit Service is directed by Regional Council which has locally elected representation.</li></ul>
<b>Organizational Structure and Shared Services</b>	<ul style="list-style-type: none"><li>• Transit Services are integrated into the Regional administration similar to other service delivery departments.</li><li>• Corporate support services will be provided and charged to transit services as determined by internal Regional policy.</li></ul>
<b>Funding Sources</b>	<ul style="list-style-type: none"><li>• Regional Council will make the funding decisions based on recommendations from Staff regarding annual service levels and fare strategy.</li><li>• Funding sources include transit fares, Provincial and Federal funds, from the Municipality subsidizing net operating costs and funding the capital program.</li><li>• Regional Council will determine tax levy and capital program needs and financing through debentures, capital reserves and development charges.</li></ul>

→ Model Options, Analysis, and  
Recommendation

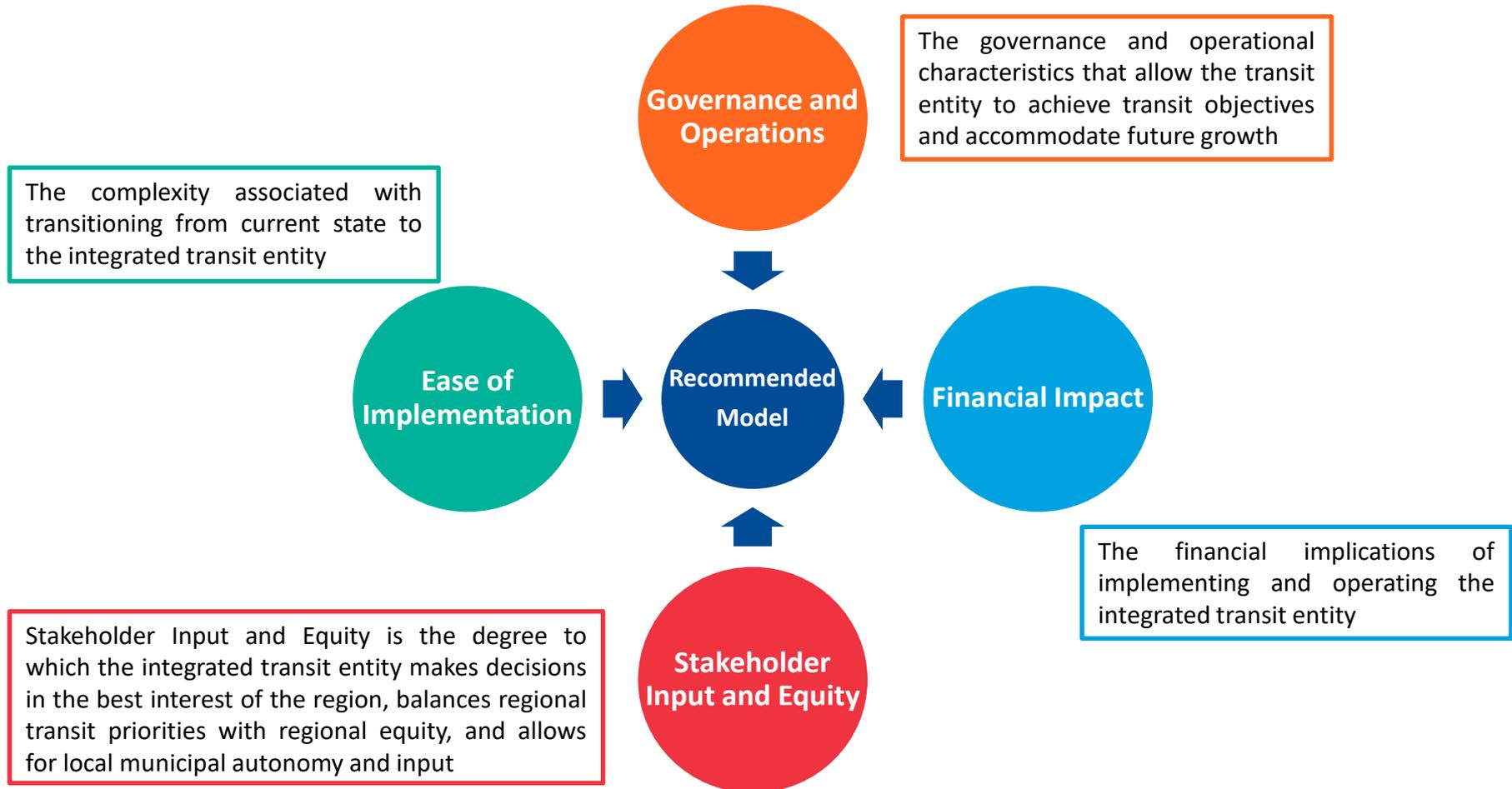


Evaluating the  
Different Model  
Options



# Overview of Criteria

Four separate evaluation categories were used to evaluate and compare the different model options. Within each category are more detailed criteria upon which models were evaluated. The results of this evaluation will then enable the selection of a recommended model.





# Overview of Analysis

The following points provide additional context for the development of evaluation criteria and how evaluation was conducted:

## Perspective Taken for Analysis

- The objective of the model analysis is to determine which governance model would best deliver on the ambitions outlined in the Future State Transit Service Plan.
- The Future State Transit Service Plan was not a direct input into the governance structure recommendation, however it provided critical context of how residents and workers in Niagara region will utilize the services. Evaluation criteria may be perceived differently by different stakeholders. With regards to the evaluation, models were assessed by looking at which best serves the interest of the region and its aspirations to make transit a more viable alternative for commuters, students, residents, and tourists alike.

## Structure of this Section

- The Summary of Analysis section in the following slides provides the scores within the four evaluation categories with a high-level rationale. The Harvey Ball Method was used, which depicts a visual representation of the model comparison. This method was chosen as they are useful in demonstrating the results of relative analysis, particularly for more qualitative measures. In the full 'Model Analysis Report', greater detail is provided on the rationale for the ratings of each criteria.

## Evaluation Category and Criteria Weighting

- To further analyze the results of the model options analysis, several different weighting scenarios were applied to understand the impact that placing different levels of importance of particular categories or criteria would have on the final recommendation. It was found that there was no impact and therefore no weighting was applied.

# Assumptions

To compare these different model options, some key assumptions were made to ensure a thorough and fair evaluation:

## **1. Initial transit services will be based on transfer of existing services**

Meaning that service levels and commitments will remain largely the same for all municipalities at launch of the integrated transit entity for a defined period of time (likely 2-3 years, in agreement with Local Area Municipalities), with some expansion of service over the few years to ensure consistency across the region.

## **2. Cummings Principle will be used to transfer assets**

The premise of the Cumming 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. This Principle has been applied for over four decades in the municipal setting throughout Ontario, and in the vast majority of transit consolidations reviewed as leading practices. The use of the Cummings Principle is also well aligned to the guiding principle of fairness, which respects the existing investments made by communities on behalf of taxpayers.

## **3. Investments in service will meet the transit demands across the network**

This includes ensuring that the span of service across the Region is consistent and that all parts of the region have access to some form of transit service on a prioritized basis over time, and that as demand grows, service levels will increase to meet the demand.

→ Model Options, Analysis, and  
Recommendation

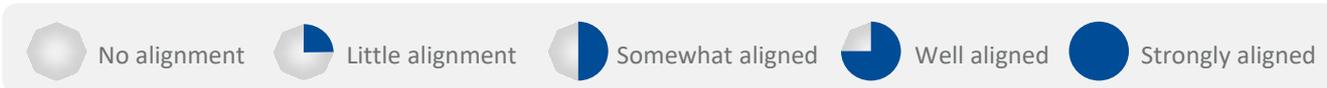
Summary of Analysis:  
Governance and  
Operations



# Summary

The governance and operational characteristics that allow the transit entity to achieve transit objectives and accommodate future growth.

Criteria	Description	Limited Commission	Full Commission	Regional Division
<b>Authority and Accountability in Driving Change</b>	Speaks to the accountability and decision making power held by the transit entity.			
<b>Agility and Flexibility</b>	Ability for the entity to move from decision to action, and to react quickly to environmental changes, new legislation, advancing technology, and changing user demands.			
<b>Accommodates Future Growth</b>	Ability of the future transit entity to respond to projected ridership and service growth forecasted in the Future State Transit Service Plan.			
<b>Public Perception</b>	Public perception refers to the brand and image of the transit entity in the eyes of the citizens it is designed to serve.			



# Authority and Accountability in Driving Change

A transit entity with greater authority to drive change is one that can make decisions to build the desired transit network in Niagara while demonstrating accountability to the public in order to maintain ongoing support for continued transit investment and growth.

Model	Assessment	Rationale
<b>Limited Commission</b>		The Limited Commission drives operational decision making and makes recommendations to Council on strategic matters, but may be viewed as less regionally accountable where recommendations are more locally focused resulting in lost support for transit growth.
<b>Full Commission</b>		The Full Commission is a separate body that operates independently of Regional Council apart from regular reporting and budgetary approvals, and are accountable for their own decisions, to maintain public and political support for ongoing transit investment.
<b>Regional Division</b>		The Regional Division model would rely on Regional Council for decision making and is expected to make more regionally-focused recommendations, although their accountability and support will be based on the broader perception of other Regional services delivery.

While Regional Council maintains control over annual funding approvals, the Full Commission is still more empowered to drive change and influence transit in Niagara Region than the other two models and will be directly accountable for their decisions to maintain public and political support for ongoing transit investment.

# Agility and Flexibility

The agility and flexibility of the transit entity refers to its ability to move from decision to action, and to react quickly to environmental changes, new legislation, advancing technology, and changing user demands.

Model	Assessment	Rationale
Limited Commission		The challenges associated with the Limited Commission being an external organization but still relying on Council for key decisions and approvals will reduce its agility significantly.
Full Commission		The Full Commission's ability to make decisions and quickly reprioritize as needed makes it more agile and flexible than the other models.
Regional Division		The Regional Division benefits from its location within the Regional structure to make best use of shared services and understand competing priorities, but must still seek Council approval and coordinate with other Departments before taking action on strategic matters.

Full Commissions is more capable of reacting to environmental change, moving from idea to action, and mobilizing their workforce to pivot and respond to external pressure and needs.

# Accommodates Future Growth

Accommodation of future growth speaks to the ability of the future transit entity to respond to projected ridership and service growth forecasted in the Future State Transit Service Plan.

Model	Assessment	Rationale
Limited Commission		Though exclusively focused on transit and able to leverage economies of scale, the Limited Commission may be less apt to making growth decisions with a regional lens.
Full Commission		The Full Commission's ability to make regionally-focused decisions and be flexible to growing and changing needs make it more able to accommodate it.
Regional Division		A Division's ability to secure ongoing funding, make regionally-focused decisions, and better coordinate with other regional services position it well to accommodate future growth.

The ability to accommodate future growth will be largely based on funding and ability to make regionally-focused decisions, thus making the Full Commission and Regional Division the strongest options.

# Public Perception

Public perception refers to the brand and image of the transit entity in the eyes of the citizens it is designed to serve.

Model	Assessment	Rationale
Limited Commission		At launch, a regionally-focused transit entity delivering integrated and equitable service to Niagara residents can be expected to receive favorable feedback from the public.
Full Commission		However, neither a Commission or Regional Division governance model will hold an advantage in the long-term, as these systems have each received a share of scrutiny and critical attention from the public and media in the past.
Regional Division		Ultimately, the new entity's perception will be built around its service consistency and quality, communication, branding initiatives, and accountability.

Either Commission or Regional Division model options are equally susceptible to scrutiny given historical controversies, and risk mitigation strategies and proper accountability measures will need to be incorporated into any chosen model.

→ Model Options, Analysis, and  
Recommendation

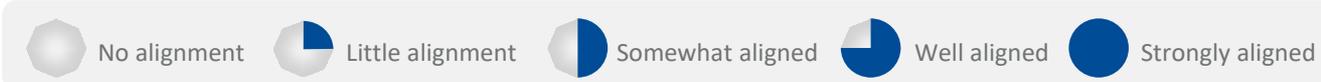
Summary of Analysis:  
Financial Impact



## Summary

The financial implications of implementing and operating the integrated transit entity.

Criteria	Description	Limited Commission	Full Commission	Regional Division
<b>Lower Cost of Implementation*</b>	The costs of implementing each model are associated with the complexity and the size of the organizations proposed.			
<b>Operating Cost Efficiency*</b>	Operating costs and efficiencies relate to how much a transit agency will spend, but more importantly how effectively those dollars are allocated to services throughout the region.			
<b>Financial Decision Making</b>	Financial decision making refers to decisions leading to transit operating and capital costs, and decisions regarding how to generate the necessary funding, and ability to secure budget approvals.			
<b>Potential for Ongoing Financial Support</b>	The potential for ongoing financial support to fund the necessary investment to build and maintain a transit network which offers seamless travel within Niagara, while also supporting connections with GO Transit services.			



\*With regards to Costs of Implementation and Operating Cost Efficiency, a full circle represents lower relative costs

# Lower Cost of Implementation\*

The costs of implementing each model are associated with the complexity and the size of the organizations proposed.

Model	Assessment	Rationale
Limited Commission		Both the Limited and Full Commission models will require an investment in start-up costs. These costs would include the legal costs associated with establishing the Commission in the Municipal Act and associated local bylaws as well as selecting and moving staff and physical resources to a consolidated office location.
Full Commission		
Regional Division		Implementing a Regional Division in municipal bylaw will likely require less effort. However the costs are not anticipated to be substantially lower than the Commission models.

The governance model options are anticipated to have similar order of magnitude' implementation costs





## Operating Cost Efficiency\*

Operating cost efficiency relates to how effectively those operating expenses are at providing highly efficient transit services.

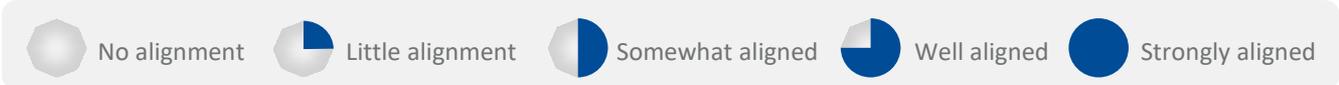
### Model                      Assessment      Rationale

<b>Limited Commission</b>		The Limited Commission will have budgetary restrictions and be required to provide the desired service levels within their approved annual budget. However, a Limited Commission may receive greater local area municipality input on day-to-day service-related decisions which may result in changes to service that require sacrifices to service efficiency to address other priorities.
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<b>Full Commission</b>		The Full Commission will likely have the greatest budgetary restrictions and will have to ensure that all operations and unanticipated changes to the service are accommodated within their approved annual budget. As such, they will likely be required to provide the most effective service within their financial means.
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<b>Regional Division</b>		Regional Division will have greater budgetary flexibility, being able to capitalize on budget savings in other regional departments to make unanticipated changes to service. Additionally, a Regional Division may receive greater local area municipality input in day-to-day service-related decisions which may then be supported by budgetary amendments at council rather than identifying internal efficiencies.
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A Full Commission could provide the greatest value for operating expenses invested in service by ensuring that services are allocated as efficiently as possible within budgetary constraints. This trend seems to be supported by peer agency review.



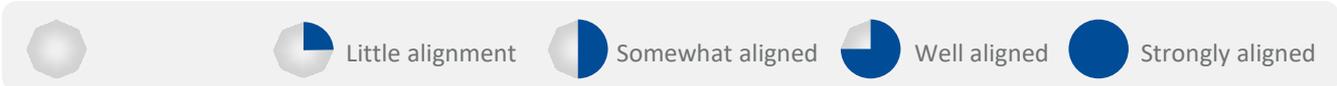
\*With regards to Costs of Implementation and Operating Cost Efficiency, a full circle represents lower relative costs

# Financial Decision Making

Financial decision making refers to decisions leading to transit operating and capital costs, along with decisions regarding how to generate the necessary funding, and the ability to secure budget approvals.

Model	Assessment	Rationale
<b>Limited Commission</b>		The Limited Commission defers to Council for all strategic decisions, which are informed by recommendations from the Commission.
<b>Full Commission</b>		Apart from annual operating and capital budget approvals, all financial decisions are made by the Commission.
<b>Regional Division</b>		The Regional Division must take a broader look at regional priorities when recommending action to Council.

Regional Council holds the ultimate financial decision-making responsibility through the approval of the annual budget for all models, but the Full Commission Model has the most independence to make strategic decisions which drive financial outcomes for transit services.

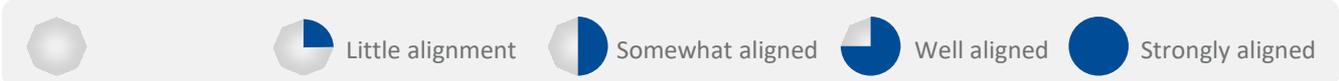


# Potential for Ongoing Financial Support

The potential for ongoing financial support to fund the necessary investment over several years, to build and maintain a transit network which offers seamless travel within Niagara, while also supporting connections with GO Transit services

Model	Assessment	Rationale
Limited Commission		Financial recommendations to Council may not be supported if they are deemed to be too locally focused or not viewed as forwarding regional priorities. The budget request would be separate from the Region’s internal budgetary process.
Full Commission		While exclusively focused on transit, the Full Commission may be less aligned with other regional priorities and achieve less Council support. The budget request would be separate from the Region’s internal budgetary process.
Regional Division		This model offers the closest integration with other regional priorities and thus increases the potential for ongoing financial support.

Regional Council holds the ultimate financial decision-making responsibility, and the Regional Division offers an advantage by being integrated and aligned with other internal Regional priorities and can leverage this to obtain ongoing financial support.



→ Model Options, Analysis, and  
Recommendation

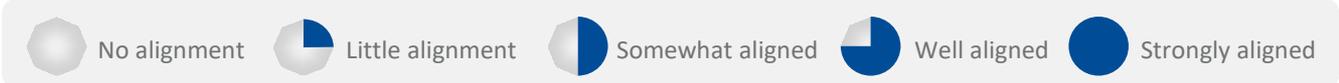
Summary of Analysis:  
Stakeholder Input  
and Equity



## Summary

Stakeholder Input and Equity is the degree to which the integrated transit entity makes decisions in the best interest of the region, balances regional transit priorities with regional equity, and allows for local municipal autonomy and input.

Criteria	Description	Limited Commission	Full Commission	Regional Division
<b>Equity</b>	Ability to balance the needs and perspectives of larger and smaller municipalities.			
<b>Serves the Public Interest</b>	The degree to which the integrated transit agency can make decisions that contribute to the broader public good and the region's aspirations overall, and informed by public engagement and input.			
<b>Municipal Input</b>	The degree to which local area municipalities will be able to provide input into service planning and delivery decisions, while also maintaining local autonomy.			



# Equity

A transit entity with greater consideration of equity will be able to balance the various needs and interests across Niagara Region, and can implement decisions that may not always be the most popular, cost-effective, or well received by a particular community.

Model	Assessment	Rationale
<b>Limited Commission</b>		Due to the Limited Commissions more diverse and LAM-representative composition it is better suited to take on broader municipal input into the design of standards and strive to make them more equitable.
<b>Full Commission</b>		The Full Commission's independence allows it more flexibility to effectively apply the standards, however it is less effective at incorporating a regional focus.
<b>Regional Division</b>		This model can more effectively design standards through a broader approach to equity, but is less suited to apply the standards without influence.

The Limited Commission holds a slight advantage in terms of ability to promote equitable transit service delivery through more diverse and transit-focused decision making, and less impacted by external influence and political considerations.

# Serves the Public Interest

The degree to which the integrated transit agency can make decisions that contribute to the broader public good and the region's aspirations overall, and informed by public engagement and input.

Model	Assessment	Rationale
<b>Limited Commission</b>		A Commission model, whether Limited or Full, is similarly able to gather public input on transit services, in a more focused manner through an emphasis on transit users to inform decision making and long-term plans. It is recommended that an advisory committee be considered to ensure that stakeholder input is heard and reflected within the Commission model.
<b>Full Commission</b>		
<b>Regional Division</b>		Long term planning for transit should not only consider community, and the built environment but can influence future decisions made for the region to align transit and broader community needs.

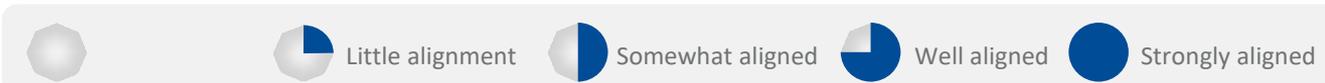
A Regional Division holds an advantage, as the Region already provides a multitude of services that are connected to transit planning. Leading practices demonstrate that transit cannot be viewed as an isolated service, rather it is integrated with other disciplines.

# Municipal Input

The degree to which local area municipalities will be able to provide input into service planning and delivery decisions, while also maintaining local autonomy to influence tax policy related to municipal transit to enhance or increase local service.

Model	Assessment	Rationale
<b>Limited Commission</b>		This model provides LAMs with the greatest degree of input and influence over transit decision making through Regional Council and the representative Commission.
<b>Full Commission</b>		The Full Commission model is more independent and provides flexibility for LAMs to exert local autonomy and increase local services, but decreases their direct influence on overall decision making.
<b>Regional Division</b>		A Regional Division leverages existing decision-making structure and representation within Regional Council to make decisions regarding transit operations.

Overall, both Commission models allow for comparable degrees of municipal input into transit-related decisions and autonomy to influence local service, though the Limited Commission allows for more direct LAM input.



→ Model Options, Analysis, and  
Recommendation

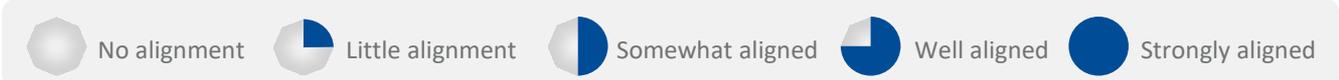
Summary of Analysis:  
Ease of  
Implementation



# Summary

The complexity associated with transitioning from current state to the integrated transit entity.

Criteria	Description	Limited Commission	Full Commission	Regional Division
<b>Staffing Resources Impacts</b>	Degree of suitability of the model with regards to transferring human resources to new entity, including the impact on FTE count.			
<b>Labour Relations</b>	Degree of suitability of the model with regards to conducting negotiations and harmonizing collective agreements.			
<b>Legal Implications</b>	Degree of suitability of the model with regards to the legal formation of the new transit entity.			
<b>Asset Transfer Implications</b>	Degree of suitability of the model with regards to implementing the Cummings Principle to the required transfer of assets from the local municipalities to the new entity.			

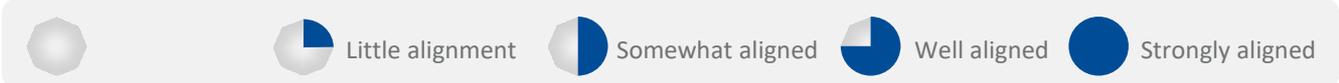


# Staffing Resources Impacts

Degree of suitability of the model with regards to transferring human resources to new entity, including the impact on FTE count.

Model	Assessment	Rationale
Limited Commission		A Limited Commission may require the same or greater investment in staff resources than a Full Commission in order to handle the more frequent interactions with Regional Council despite the natural opportunities for increased utilization of shared services over a Full Commission.
Full Commission		A Full Commission will require greater investment in in-house staff resources since it will likely duplicate the majority of services that could otherwise be shared in a Regional Division.
Regional Division		A regional division will benefit from shared services in lowering their dedicated headcount. However, it is unclear what the FTE impact would be on the divisions responsible for providing the shared services.

The Regional Division will benefit from shared services opportunities to lower the headcount over either commission models. However, consideration must be made for the staffing required in partner divisions that will provide those shared services.

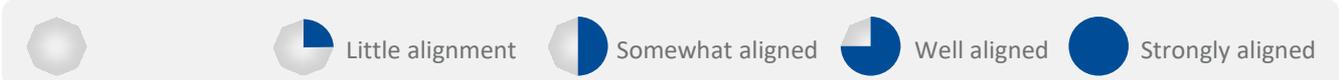


# Labour Relations

Degree of suitability of the model with regards to conducting negotiations and harmonizing collective agreements.

Model	Assessment	Rationale
Limited Commission		While a Limited Commission would be a separate entity and engage in its own bargaining practices, it is likely that decisions will be guided by CBA's already negotiated at other Regional entities.
Full Commission		A Full Commission would have full autonomy over its bargaining agreements with the transit unions across the region, and the shared understanding of transit operations will benefit negotiations to a greater degree than other models.
Regional Division		A Regional Division will be beholden to negotiations and other agreements already in place in other Regional entities. Additionally it is possible that with other bargaining priorities the Region may not be able to negotiate.

Since a full commission will have the greatest autonomy over its own labour relations, it is likely that it will be easiest to transition these resources and agreements of the three proposed models.

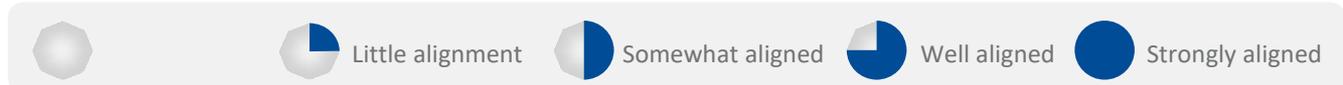


# Legal Implications

Degree of suitability of the model with regards to the legal formation of the new transit entity.

Model	Assessment	Rationale
Limited Commission		Both commission models will require an extensive municipal engagement process in order to change the Municipal Act to form the Transit Commission. This will likely involve obtaining the Triple-Majority from local city councils prior to passage at Regional Council. Only then will the amendment be submitted to the Province for approval. Establishing an appropriate mechanism for local municipalities to exercise their autonomy would be critical in the establishing amendments and how their representation on the commission is structured.
Full Commission		
Regional Division		A regional division can be established directly by Regional Council through a bylaw amendment that allows the Region to assume responsibility of transit services. Negotiating the transfer of transit assets, liabilities and operating agreements may be met with some resistance from the local municipalities and establishing appropriate mechanisms to maintain local autonomy could be challenging.

While the Regional Division will be the most straightforward governance model to implement, owing to the fact that it should not require amendments to the *Municipal Act*, its acceptance by the local municipalities may be contingent on an appropriate mechanism to ensure their local autonomy over decision-making, particularly as it relates to their continued inclusion within this entity and the negotiation of asset transfer.

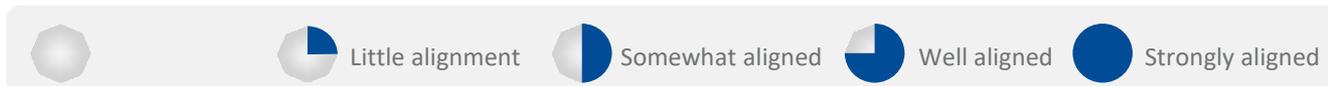


# Asset Transfer Implications

Degree of suitability of the model with regards to implementing the Cummings Principle to the required transfer of assets from the local municipalities to the new entity.

Model	Assessment	Rationale
<b>Limited Commission</b>		With the Limited Commission reporting directly to Regional Council on an ongoing basis for decision-making, there may be some concerns with respect to turning over local control of assets to a commission with less independence.
<b>Full Commission</b>		A Full Commission will likely be best positioned to negotiate the transfer of assets, particularly if sufficient independence is established from Regional Council, and appropriate local municipal representation is provided.
<b>Regional Division</b>		Since a Regional Division will be managed directly by Regional Council without ongoing decision-making input from local municipalities, it is possible that there could be concerns regarding asset transfer from the local municipalities.

The Full Commission is best suited to accomplish the asset transfer through the implementation of the Cummings Principle so long as it is established as sufficiently independent from Regional Council.



→ Model Options, Analysis, and  
Recommendation

Recommended  
Model

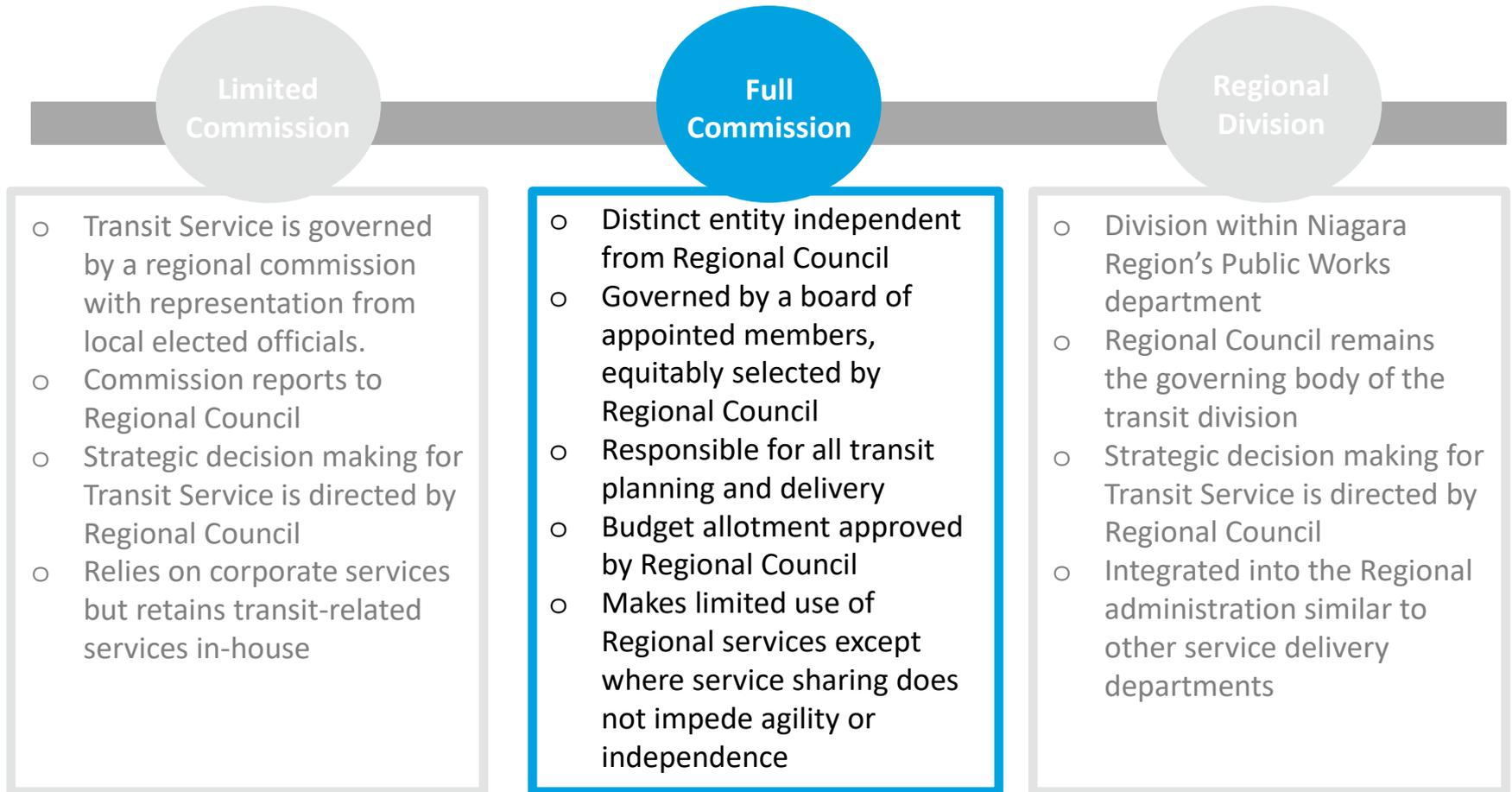
# Summary of Analysis

A side-by-side comparison showing where each model performed best within each evaluation criteria. Based on the in-depth analysis conducted, the Full Commission ranked higher in most categories.

Criteria		Neutral across all models	Limited Commission Preferred	Full Commission Preferred	Regional Division Preferred
Governance & Operations	Authority and Accountability in Driving Change			✓	
	Agility and Flexibility			✓	
	Accommodates Future Growth			✓	
	Public Perception	✓			
Financial Impact	Lower Cost of Implementation	✓			
	Operating Costs and Efficiencies			✓	
	Financial Decision Making			✓	
	Potential for Ongoing Financial Support				✓
Stakeholder Input and Equity	Equity		✓		
	Serves the Public Interest				✓
	Municipal Input		✓		
Ease of Implementation	Staffing Resources Impacts				✓
	Labour Relations			✓	
	Legal Implications				✓
	Asset Transfer Implications			✓	

# Recommendation: Full Commission

As the analysis demonstrates, the preferred model and recommendation is the Full Commission.



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



# Benefits of the Full Commission

Ultimately, the analysis led to the conclusion that the Full Commission is the most suitable model for Niagara. While many factors went into this recommendation, two of the chief benefits that made the Full Commission more attractive than other models were:



## The Autonomy of the Full Commission

- The independence of the Full Commission grants it several advantages that make it the most suitable option for the growth potential of transit in Niagara.
- With this independence, the Full Commission can remain more focused solely on transit and is more capable of formulating its own responses to trends and pressures, making and owning decisions, and driving necessary change at a strategic and operational level.
- This governance model is able to move from idea to action quickly and reprioritize its resources to meet emerging demands and accommodate growth.
- The autonomy of the Full Commission provides it advantages with respect to negotiating important elements such as collective bargaining agreements and the transfer of assets.



## The Financial Benefits

- The Full Commission will likely have the most cost-efficient service, in part due to a more streamlined decision-making process and being restricted to provide the most effective service within the means previously defined in the annual budget.
- From a dollars and cents perspective, a Full Commission is the more costly of the models in terms of administrative costs, but less costly on a per trip basis than other models due to a higher utilization of services.
- This is particularly important when looking to the future and considering what ridership growth may be, and how services may expand to serve regional needs.
- The Full Commission has the greatest flexibility to make strategic decisions which drive financial outcomes for transit services and is best positioned to make regionally-focused investments in service growth.

The Full Commission is best suited to grow transit in the region while delivering the high quality, innovative, and seamless transit services that the citizens of Niagara deserve



# Risks and Considerations

Identifying risks and developing mitigation strategies will be an important consideration for the implementation of the Commission model. While a more detailed exploration of risks is contained in the Transition Plan, some important elements to consider include:

## Public Perception

While the launch of an independent entity designed to make regional transit easy and affordable for residents is likely to be viewed positively in the eyes of the public, the independence of a Full Commission could be a drawback as well, given that Regional Commissions in Niagara have previously faced accusations related to transparency and accountability.

It will be particularly important moving forward that the Full Commission build and maintain open communication and engagement with the public, LAMs, and Regional Council, and continually instill confidence with these stakeholders through strong service and accountable governance and operations.

## Misalignment with Regional Priorities

With its separation from the Regional structure, there is a risk that a Full Commission will not be aligned with other Regional priorities and services. This could include initiatives related to poverty reduction, economic development, environment, accessibility, and more.

Developing strong communication channels and a culture of inter-municipal collaboration, providing regular updates to Regional and Municipal Councils, and viewing transit as a service to be integrated with other priorities, rather than isolated, will be critical to ensuring the integrated entity contributes to overall development of the region.

## Complexity of Integration

Creating a new entity is a complex and challenging undertaking that will require the coordination and support of many different stakeholders. The implementation of this entity, from preliminary engagement of LAMs, to passage at a Council level, to the official launch will require significant and dedicated financial and human resources.

Failure to commit what is needed for implementation could result in delays and overruns. Having the proper resources in place to launch this entity will be critical for navigating the complex early stages of transition.

→ Model Options, Analysis, and  
Recommendation

Organizational and  
Governance Structure  
Recommendations

## Overview

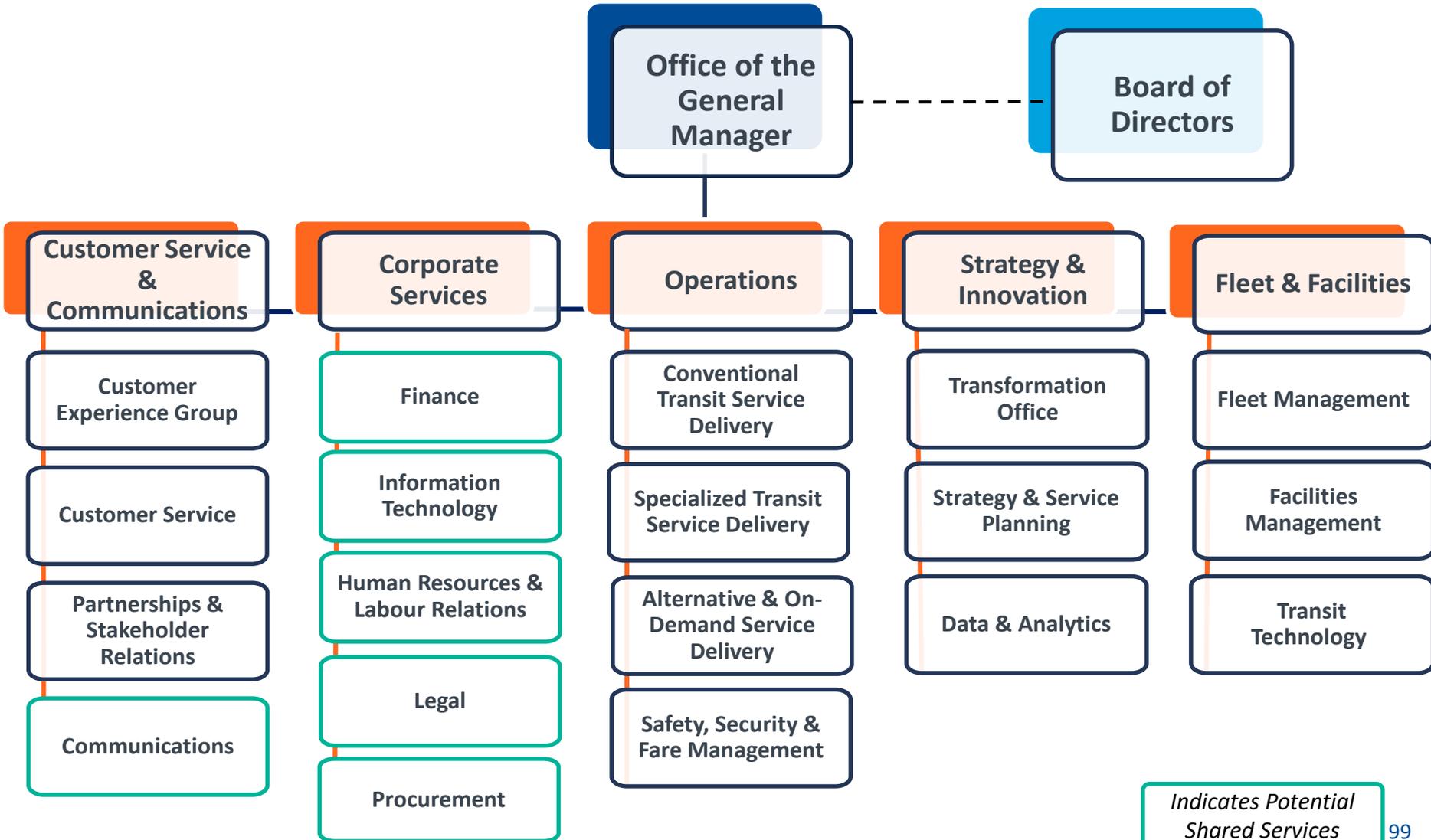
An organizational and governance structure for the new Commission model must be determined. Listed in this section are recommendations regarding key functional areas to include in the organizational structure, as well as considerations and a recommended composition for the Commission governance structure.

- As it relates to the organizational structure, a series of functional areas have been recommended for the consideration of the Commission. These can be amalgamated or divided as the Commission sees fit, however it is important to note that the span of control (the number of pillars across the organization) should complement the size of the organization and preferred leadership structure and encourage cross-functional collaboration.
- The organizational structure and positions within it (*titles and positions shall be determined by the Commission*) should be continually reassessed to ensure that it fits the strategic objectives of the Commission.
- The proposed composition of the Commission took into consideration different models, and best practices for good governance, and should be reviewed after 2 to 3 years of operation, by an independent third party to ensure that the board's size, composition and skills ensure it is an effective governing body and achieving the strategic objectives of the Commission.
- Both the organizational and governance structures of the Commission are preliminary and would be confirmed through the transition and implementation activities, by the Commission.



# Proposed Organizational Structure

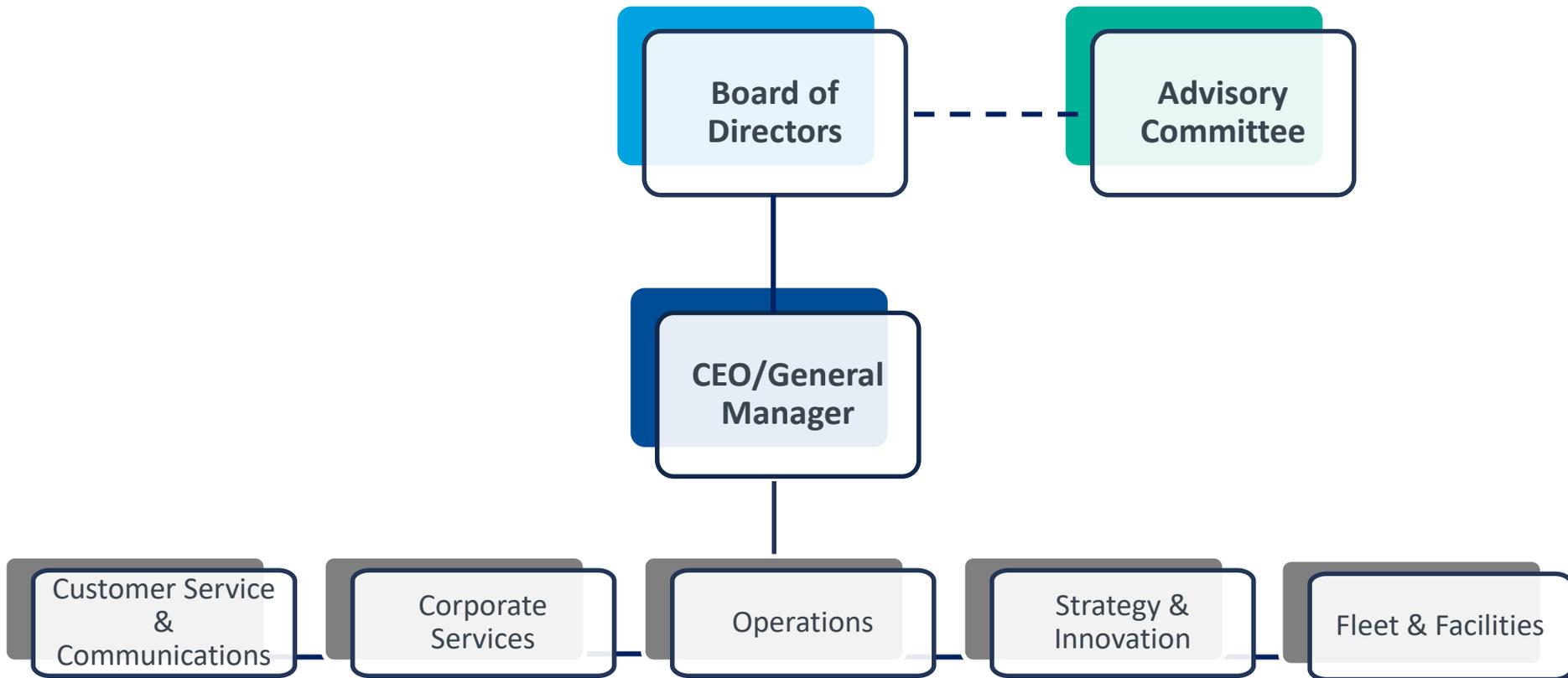
Outlined below is the proposed organizational structure for the Commission:





# Proposed Governance Structure

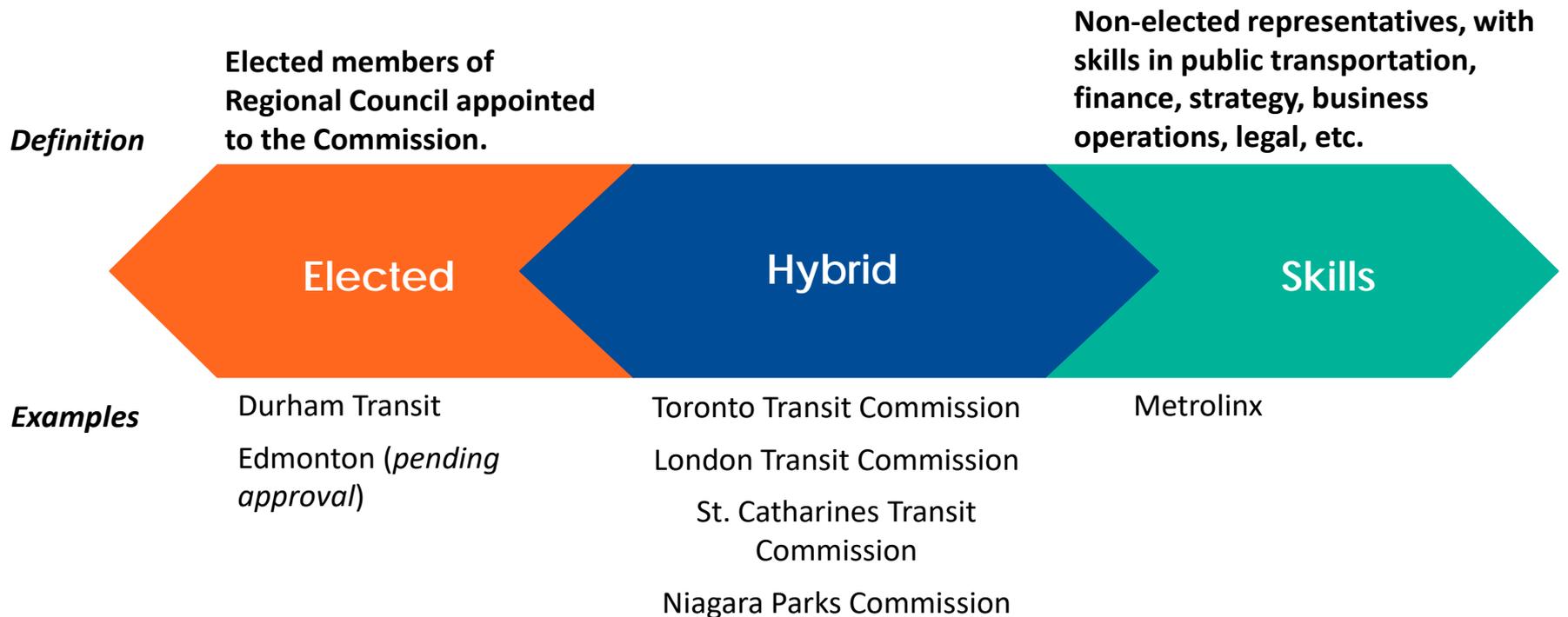
Outlined below is the overall reporting structure for the proposed governance structure of the Commission. The CEO or General Manager would report to the board whereas the Advisory Committee provides non-binding advice to the Commission.





# Commission Membership Options

Membership structure of the Commission may fall on a continuum similar to the one below, each with its own advantages and challenges. Whereas elected officials are accountable to the public and represent local municipal interests, skills-based members bring a diverse set of skills and are less restrained by municipal interests.



A hybrid governance structure is recommended for Niagara, as it allows a combination of elected officials and skills-based members to provide guidance and oversight



# Membership Recommendations

The recommended structure is a hybrid, including elected officials and skill-based members for effective and balanced governance of the Commission.

- A hybrid board governance structure is recommended for Niagara, as it provides a combination of elected officials and skills-based members. This allows member municipalities to represent local interests and for elected officials to have stewardship over the resources allocated to the Commission. In addition, skilled members can fill any gaps in skills or experience particular to the Commission through those who have experience in the industry or more broadly.
- The proposed governance structure should be reviewed after 2 to 3 years of operation, by an independent third party to ensure that the board's size, composition and skills ensure it is an effective governing body and achieving the strategic objectives of the Commission.
- In recommending the proposed governance body, the size of the body as well as the breakdown of elected and skilled members was considered. In line with leading practices, a board between 7 and 12 members is recommended for effective and efficient decision making. The proposed composition also took into consideration the dynamics between elected and skilled members and ensured that there was an almost even split between the two constituencies of the board for balanced oversight.
- It is recommended that a Nominating Committee of the Regional Council should select the Chair from among elected officials and the Vice-Chair be selected from among the skilled members for balanced leadership.
- Alternatively, a larger number of elected representatives of the local area municipalities was considered, however due to the reporting relationship to Regional Council, it was determined that the voice of elected members would be well represented.



# Proposed Composition of the Commission

Outlined below is the proposed composition of the Commission, which would be appointed by a Nominating Committee of the Regional Council.

## Members of Regional Council

**(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*]

## Skill-based or Public Members

**(4) Skills-based or Public members (appointed/nominated)**

## Ex-Officio

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

**9 voting members**



# Membership Criteria

Skills based or Elected Public members of the board would be appointed based on their qualifications, and their ability to contribute to strategic decision making.

Skills based or Elected Public members of the board shall have executive-level and governance experience with a range of skills, knowledge, and experience with one or more large organizations. These members may provide knowledge on several different perspectives including finance, human resources, legal, public transit, etc. Some criteria that is considered for public members includes, but is not limited to:

- strategic business management;
- financial management, accounting, law, and engineering;
- customer service or marketing management;
- management or planning with a rail or public transit organization, or understanding and/or experience with transit operations;
- transformative change management;
- formulation and/or management of public-private partnerships;
- capital project/construction management or capital procurement/supply chain management;
- operations and information technology;
- labour relations/industrial safety management; or,
- professional knowledge and working experience of urban sustainability, intersectionality, and inclusive governance.



# Proposed Advisory Committee

In order to incorporate the local and public interests within the region into the decision-making structure of the Commission, an Advisory Committee is recommended.

## Advisory Committee

- (12) Niagara region residents**
- (2) Members of the Accessibility Advisory Committee**
- (2) Member of a student association from Niagara College and Brock University**
- (1) Member of Niagara Chamber of Commerce**
- (1) General Manager, or designate**

- The composition of the Advisory Committee should balance the membership structure of the Commission and can have input into the policies, procedures and operational concerns
- The Advisory Committee would be supported by Commission, and it is recommended they meet 1 to 2 times annually, as needed.
- By establishing an advisory body, the Commission will gain insights into current and upcoming challenges or opportunities and explore these in a thorough way
- It is recommended that a blended approach of broad public consultation and soliciting input of the advisory committee be employed

→ Model Options, Analysis, and  
Recommendation

Summary

# Summary

The development and analysis of model options, along with the recommendation of the Full Commission, represent one of the most significant undertakings of this study.

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## Key Takeaways

Following the completion of the current state review, the jurisdictional scan, and the development of the future state plan, three potential governance models were developed.

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An analysis of each model option was performed against a range of evaluation criteria to determine which model was the preferred option for Niagara.

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While all models have the potential to successfully integrate and lead transit services in Niagara, the Full Commission Model was recommended as it brings the right balance of autonomy and flexibility to innovate, drive growth, and meet the diverse and changing needs of the region.

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A nine member hybrid governance structure has been recommended as it allows a combination of elected officials and skills-based members to provide guidance and oversight of the Commission.

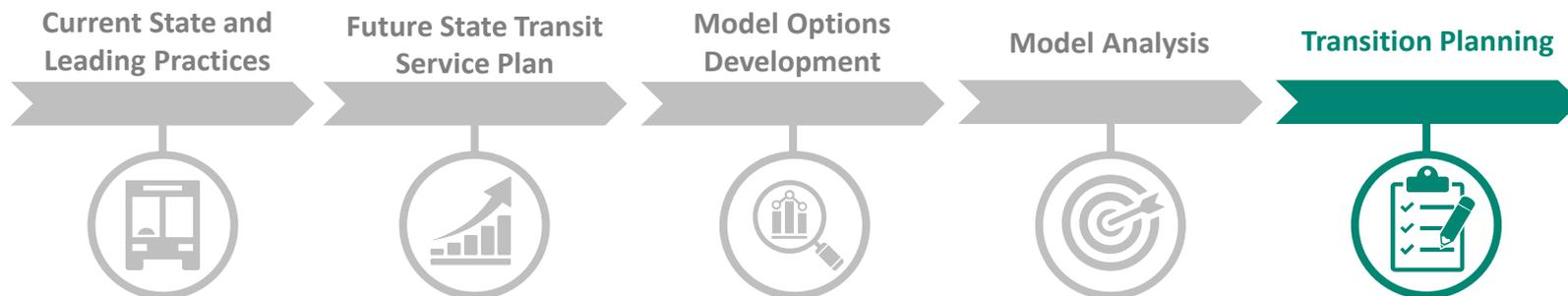
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→ Niagara Transit Governance  
Study

Transition Planning

## Introduction

The fifth and final phase of this study involved plotting out the key steps and timelines required to amalgamate all of the transit systems in the region into the recommended Full Commission Model.



### Planning for Change

Once an integrated transit governance model was identified and recommended for Niagara, the final phase of this project involved outlining implementation activities\* needed to move existing transit services and their supporting resources into this integrated model. In order to ensure a thorough and feasible transition from the current to future state, a five-phase transition plan was developed that identified the key milestones and the expected timelines for their completion.

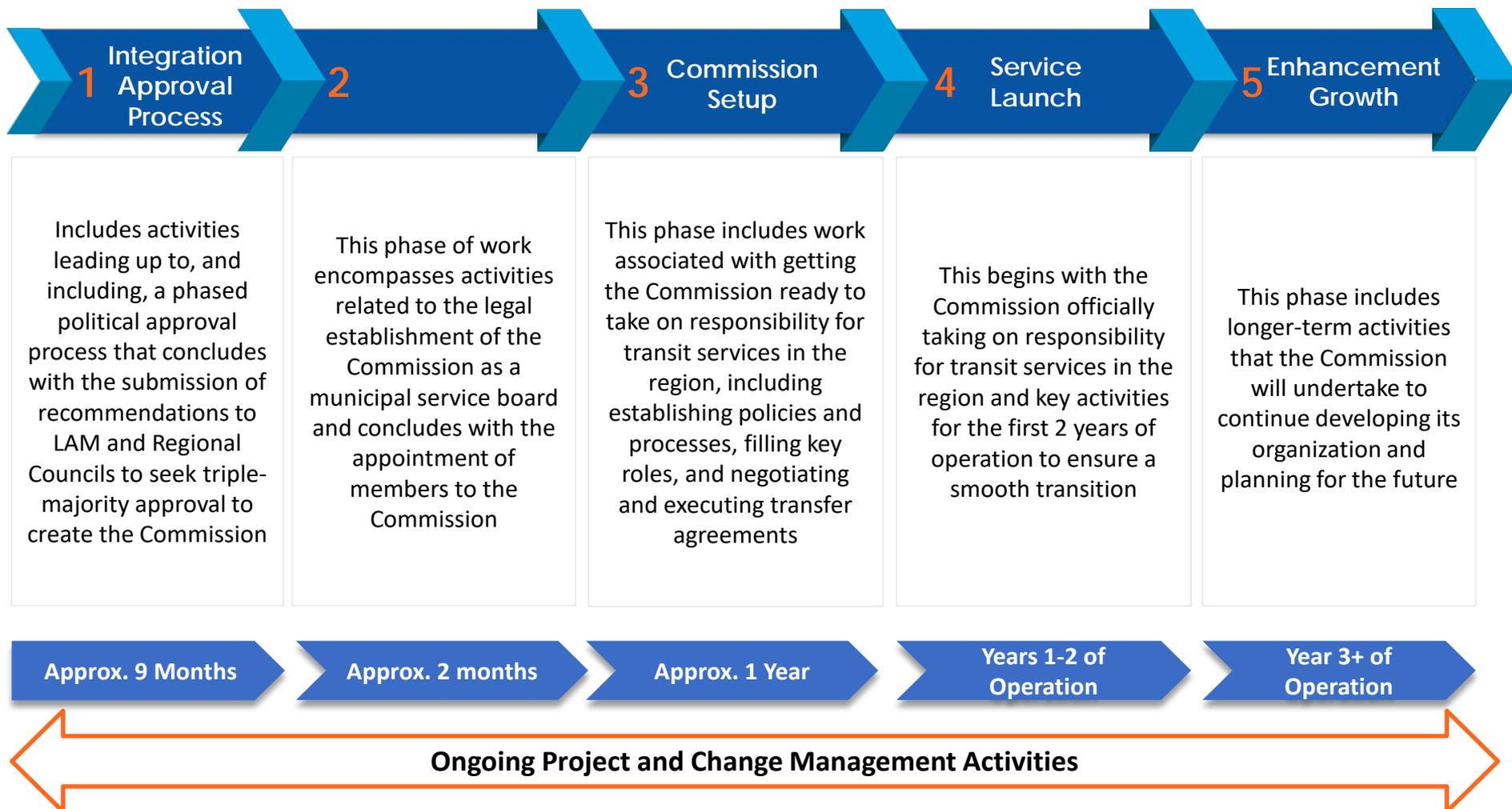
The transition to this integrated system, from preliminary approval all the way through to the new organization taking charge of transit services in Niagara, is expected to take approximately two years, with additional time then required before new services can be launched. In fact, a principle in the development of the Transition Plan was to limit service enhancement and growth activities in the first years of operation. A key learning from the jurisdictional scan was to avoid taking on too many new initiatives early in the life of the Commission and focus rather on integrating existing services and stabilizing operations over a few years before beginning major projects.

In the following slides, please find a high-level summary of the Transition Plan, which provides an overview of key steps and timelines for each phase of implementation. This section also ends with a summary of forecasted costs of the transition to the integrated transit system.

*\*It should be noted that while this Transition Plan recommends activities that need to be carried out, along with their sequencing, the group tasked with leading the transition will need to validate and refine this, and build-out further levels of detail to guide day-to-day activities.*

# Implementation Phases

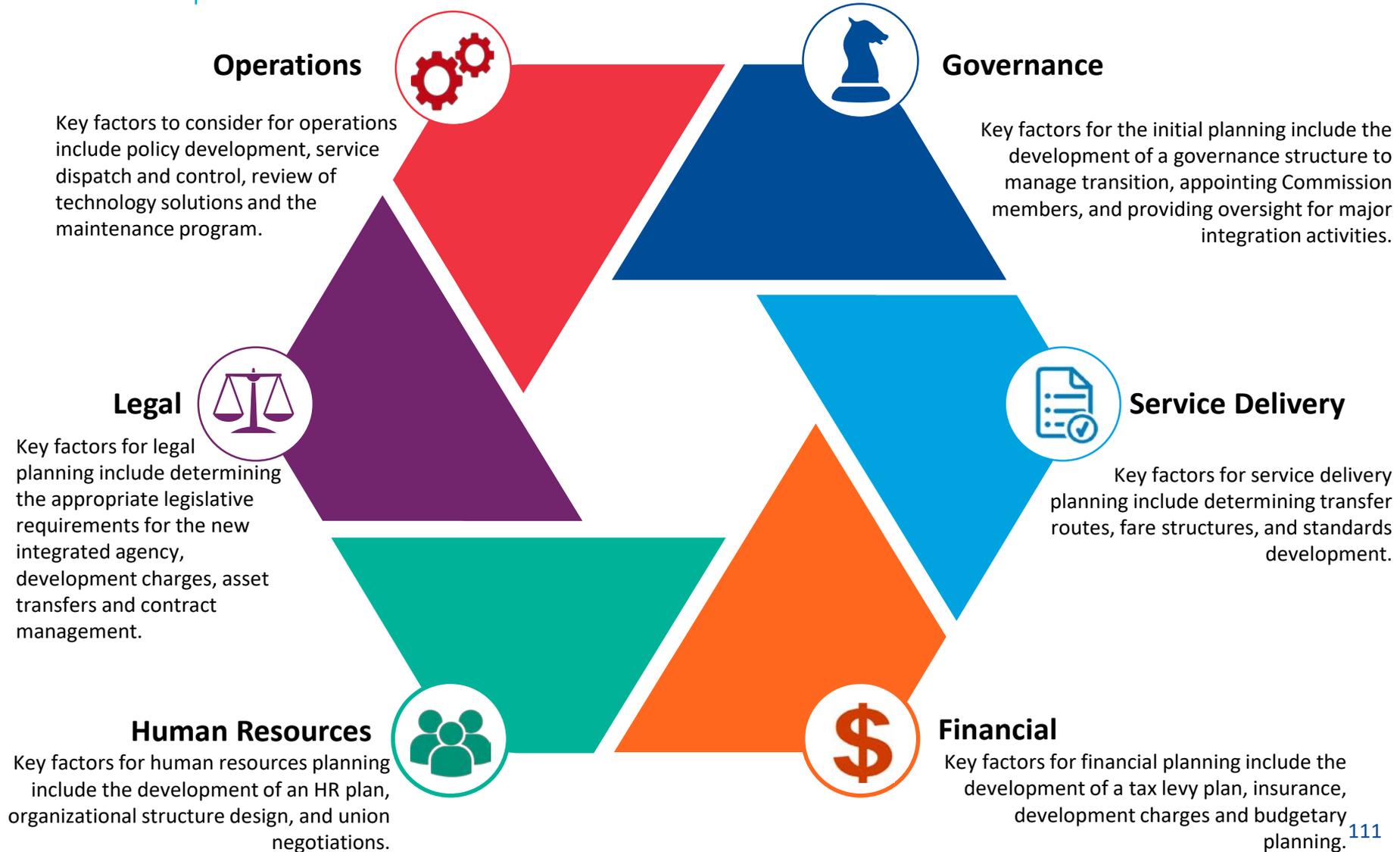
Transition activities are divided across five distinct phases of work:





# Considerations for Transition Planning

Considerations for future-state planning encompassed six primary categories of activities within the phases of work:



→ Transition Plan



# Implementation Activities

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# Integration Approval Process Overview

(Approx. 9 months)

This phase of work includes all activities leading up to, and including, a two-phased political approval process that includes receiving an in-principle endorsement on recommendations, followed by the refinement of recommendations and their submission to LAM and Regional Councils to seek triple-majority approval to create the Commission

## 1 Seek In-Principle Endorsement

Recommendations will be presented to the LNTC and PW Committees, and to the LAMs to seek feedback and a preliminary in-principle endorsement on the creation of the transit Commission

## 2 Staff Report and Public Engagement

Conduct public consultations and incorporate feedback received on the transit governance recommendations and financial model into a staff report to be submitted to support the decision-making process to establish the Commission

## 3 Municipal Transfer Agreements

Draft agreements with LAMs who currently operate transit to outline the steps for transferring assets to the Commission from existing systems, and puts parameters around what transit-related decisions can be made by the LAMs so as not to impact transit integration or unfairly impact the residents

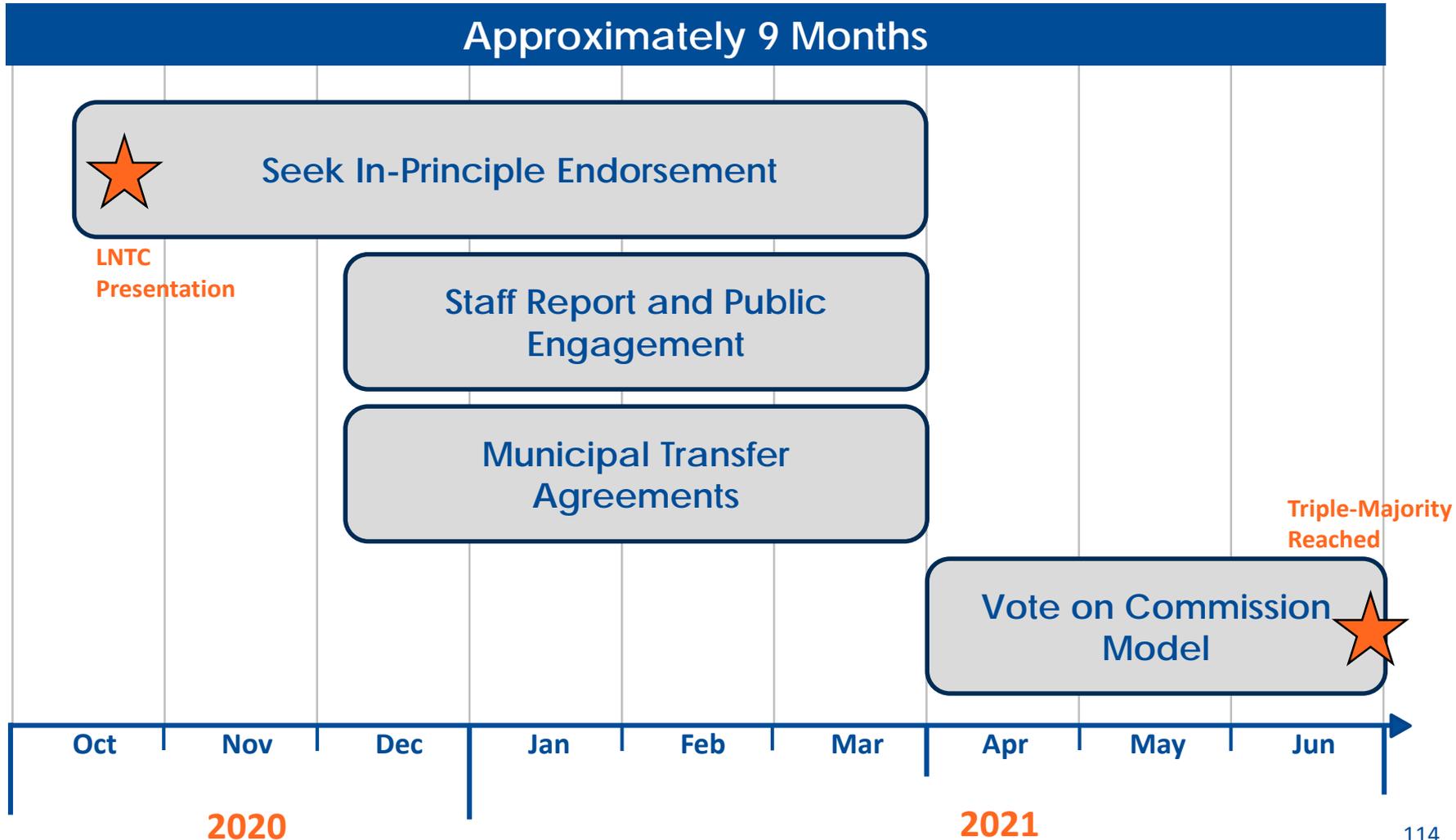
## 4 Vote to Move Forward with Commission Model

The first step in the legal process involves receiving a triple-majority vote to create a by-law that grants power for transit services to the Region so that the Region may then establish the Commission



# Integration Approval Process Timelines

This phase of work begins with the initial LNTC presentation and ends with the triple-majority vote to move forward with the Commission.



# Commission Establishment Overview

(Approx. 2 months)

This phase of work encompasses activities related to the legal establishment of the Commission as a municipal service board and concludes with the appointment of members to the Commission

## Legal Establishment of Commission

- 1 Pass a Regional by-law to create a Municipal Service Board (the Commission) and delegate control and management of transit services to this board

## Setup Governance Infrastructure

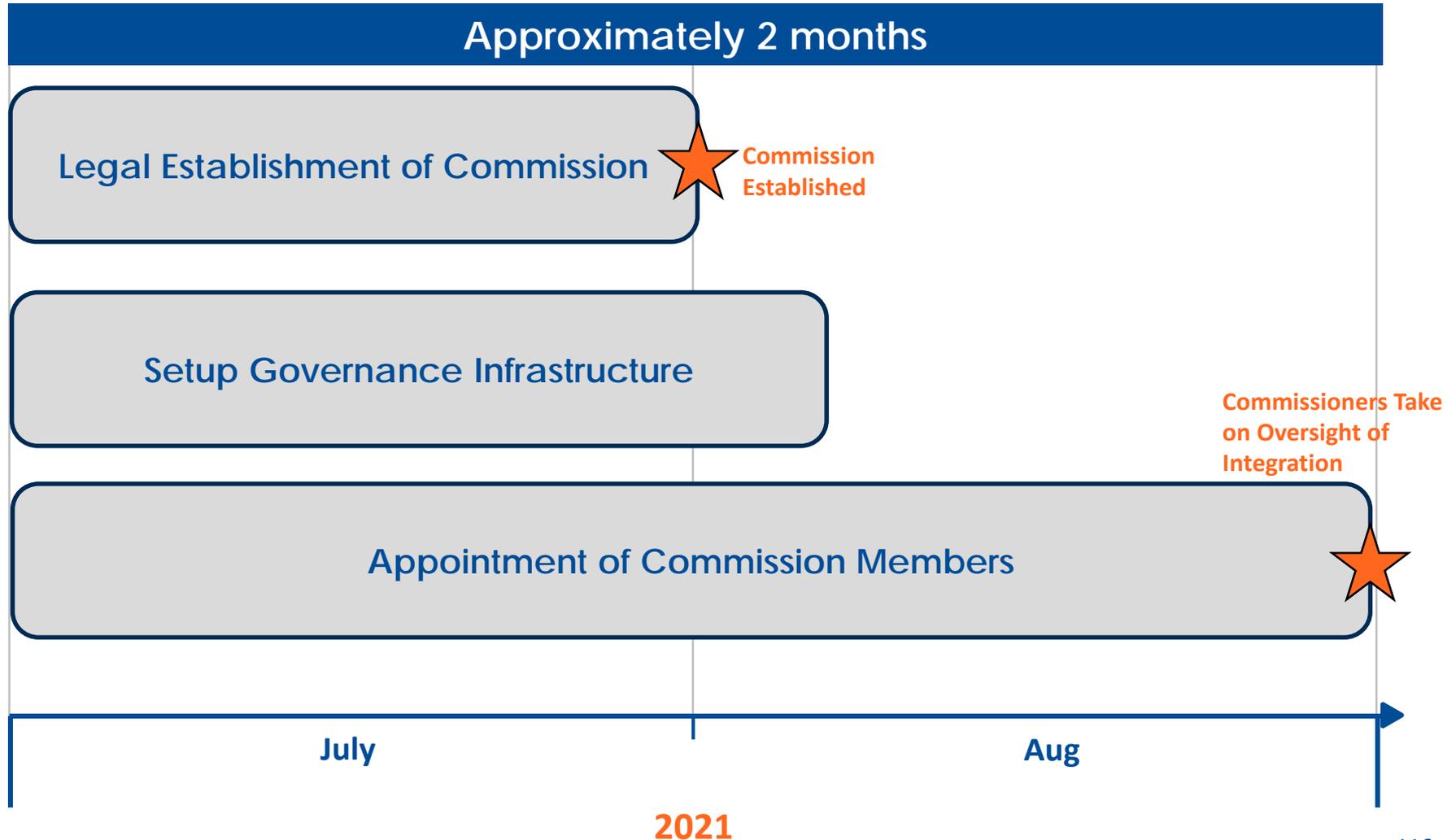
- 2 Establish policies, procedures, committees, and reporting mechanisms for the Commission and formalize their oversight responsibilities during the transition period

## Appointment of Commission Members

- 3 Appoint individuals who will compose the members of the Commission based on agreed-upon Commission governance structure

# Commission Establishment Timelines

This phase of work begins with the creation of a municipal service board (the Commission) and ends with the appointment of Commission members.



# Commission Setup Overview

(Approx. 1 Year)

This phase includes work associated with getting the Commission ready to take on responsibility for transit services in the region, including establishing policies and processes, filling key roles, negotiating and executing transfer agreements

## 1 **Appoint Leadership Team**

Identify the Commission's GM and SLT and confirm the structure of the organization to begin filling roles

## 2 **Develop Human Resources Plan and Negotiate with Bargaining Units**

Develop a Human Resources and Change Management plan to guide all staff-related activities to setup Commission and begin negotiations with bargaining units

## 3 **Fill Functional Roles**

Develop job descriptions/postings for functional positions and fill roles

## 4 **Establish Organizational Infrastructure and Policies**

Develop key business infrastructure, policies, processes, and more required for day-one of service operations

## 5 **Inaugural Strategic and Branding Plans**

Undertake strategic and branding plan exercises to guide the work of all staff and leadership and begin building a unified image for transit in the region

## 6 **Formalize Working Relationships with Partners**

Begin development of formal working relationships with key partner organizations, including LAMs and Regional departments

## 7 **Development of Transfer Agreements**

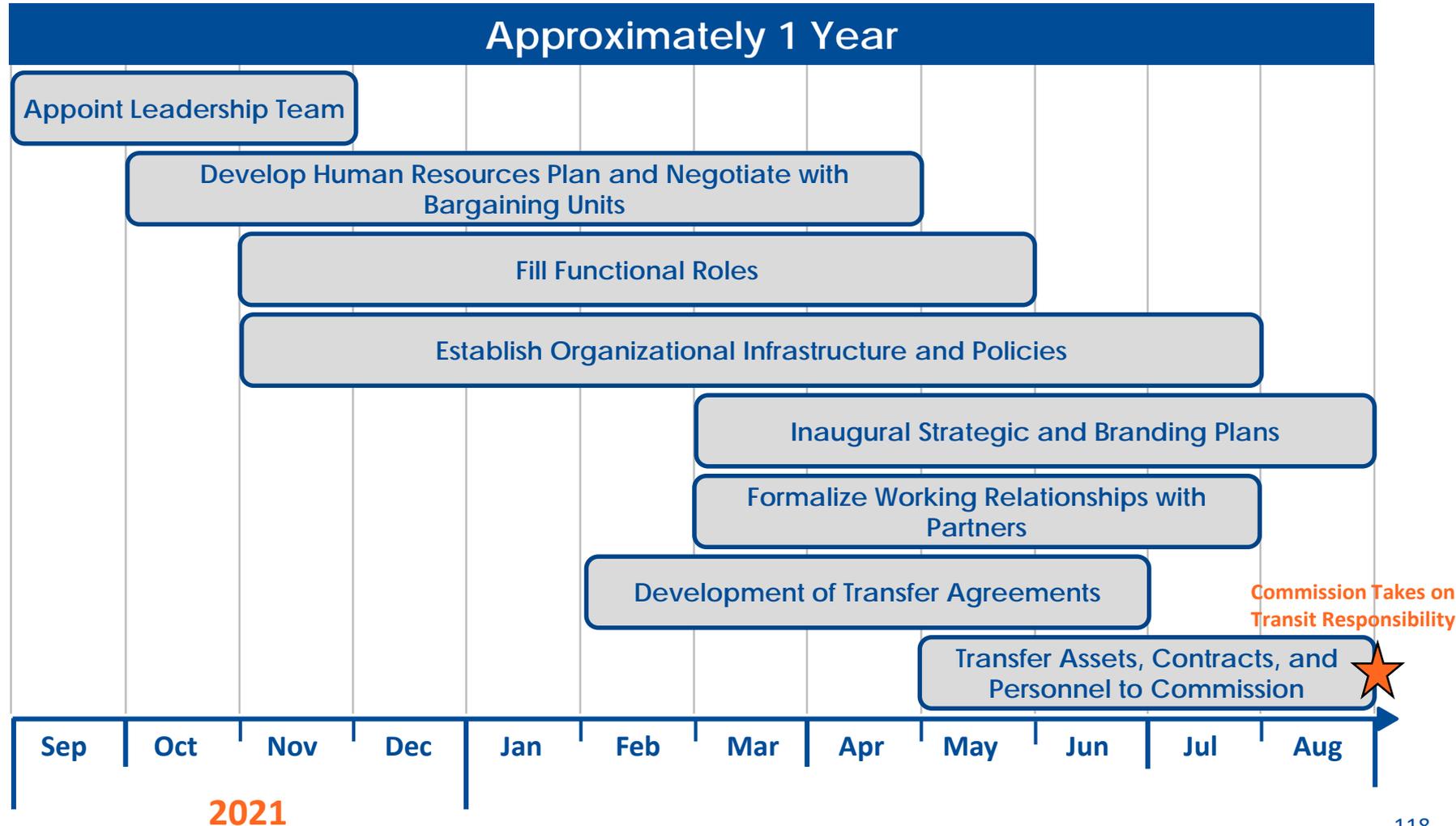
Formalize agreements between the Commission and existing transit entities detailing how assets, liabilities, and contracts will be transferred over to the Commission

## 8 **Transfer Assets, Contracts, and Personnel to Commission**

Transfer of transit related assets and liabilities, and personnel, to the Commission from LAMs and Region to officially take over responsibility for transit in Niagara

# Commission Setup Timelines

This work begins with the appointment of a senior leadership team, involves all work associated with getting the Commission setup to take on responsibility for transit services in the region, and ends with the transferring of assets and resources to the Commission.



# Service Launch Overview

(Years 1 and 2 of Operation)

This begins with the Commission officially taking on responsibility for transit services in the region and key activities for the first years of operation to ensure a smooth transition

## Launch of Transit Services

- 1 The responsibility for transit services across Niagara is transferred to the new Commission, with service levels being maintained while the existing systems cease operations

## Performance Monitoring and Improvement

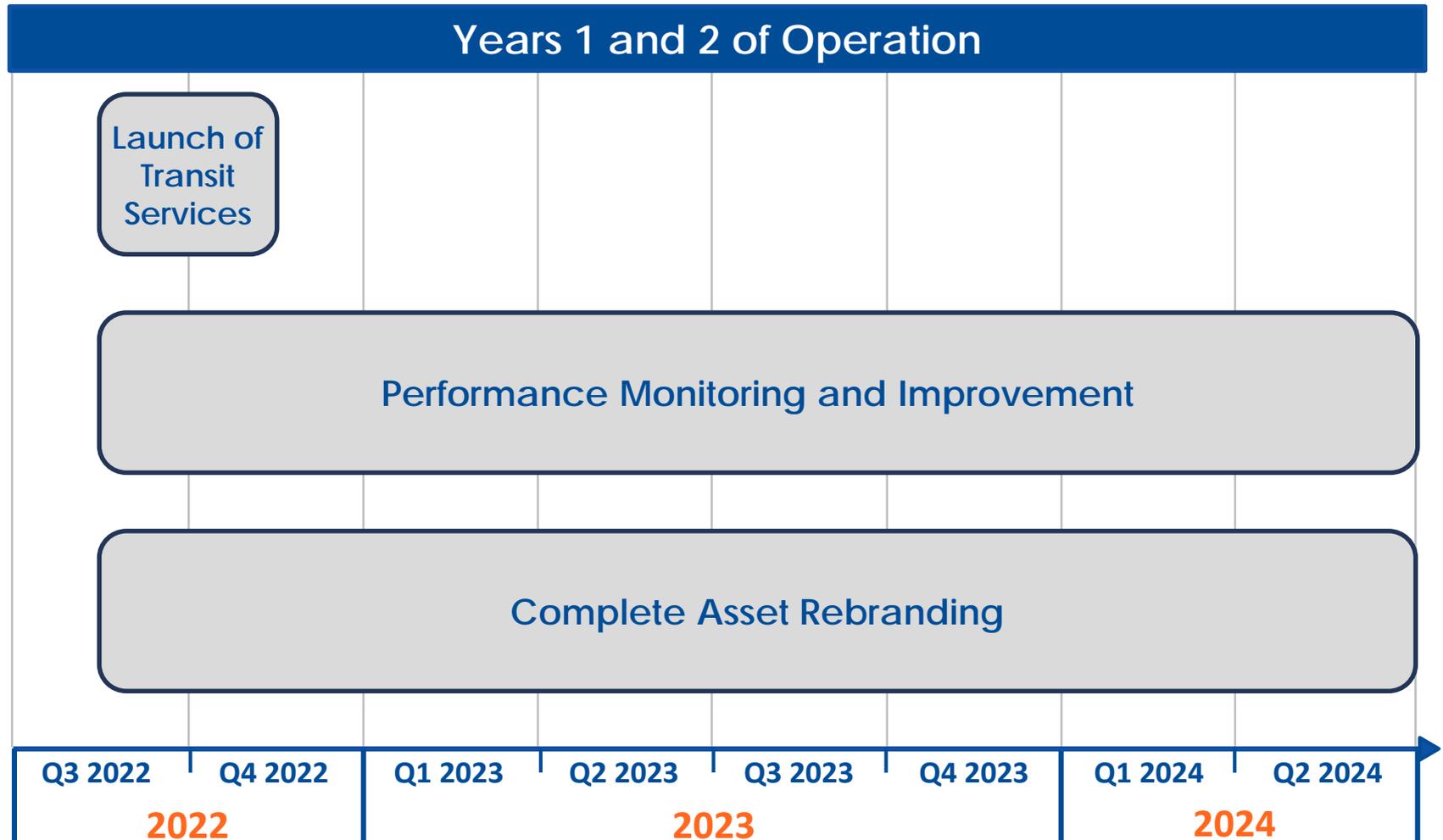
- 2 As the Commission takes on responsibility for transit services, performance monitoring is undertaken to ensure no interruption to service occurs. As the Commission stabilizes and the status quo starts to form, public engagement activities along with minor process and service enhancements are identified and implemented

## Complete Asset Rebranding

- 3 Remaining assets will be modified to align with the Commission's brand

# Service Launch Timelines

This begins with the Commission officially taking on responsibility for transit services in the region and key activities for the first 2 years of operation to ensure a smooth transition.



# Enhancement and Growth Overview

(Year 3+ of Operations)

This phase includes longer-term activities that the Commission will undertake to continue developing its organization and planning for the future

## Ongoing Monitoring, Reporting, and Enhancement

- 1 The Commission will continue to monitor and report on its successes and challenges, while continually building ties with the Region and LAMs to ensure alignment of priorities

## Transit Service Planning

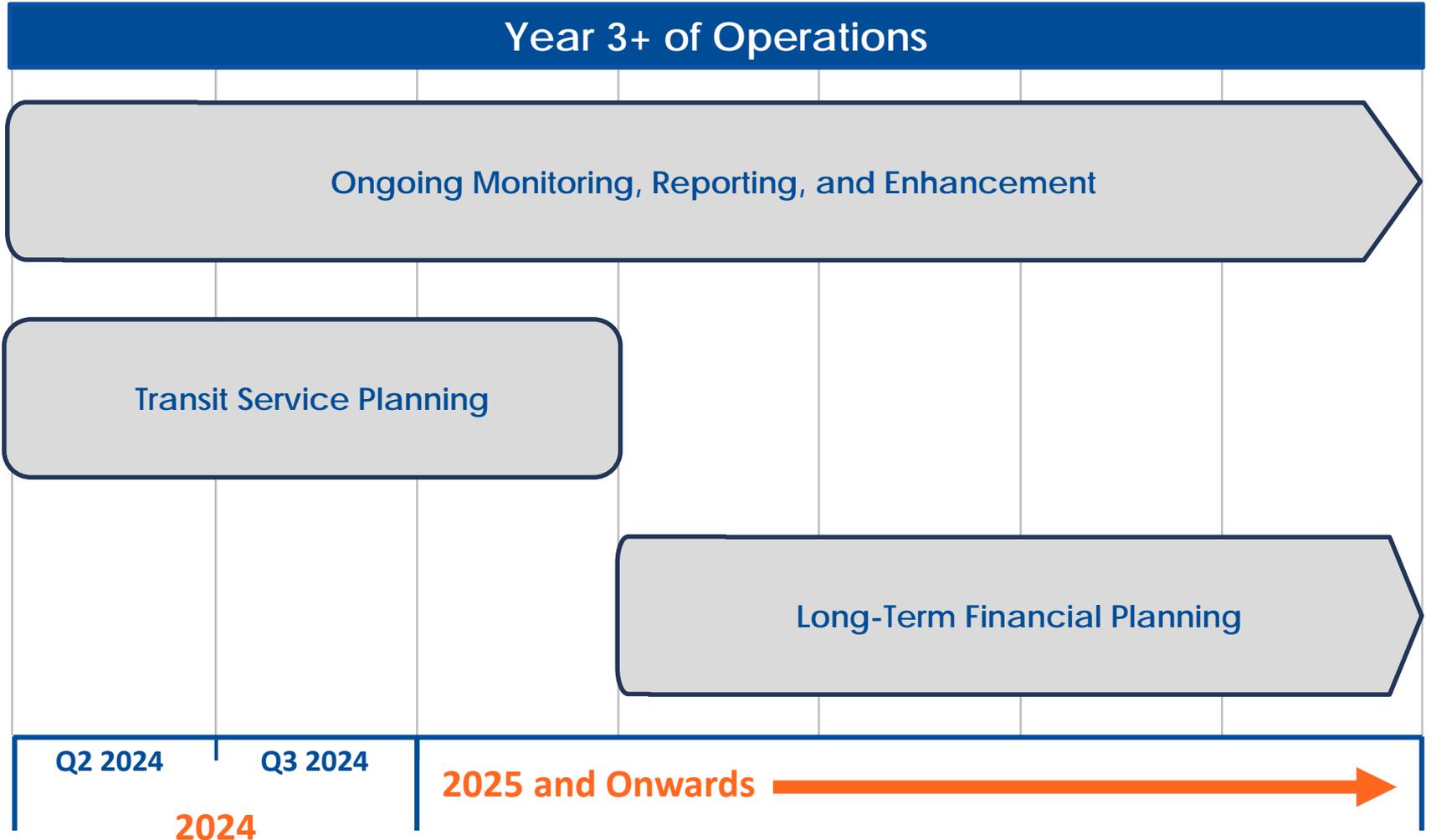
- 2 A long-term Transit Service Plan will be developed to guide the improvement and expansion of transit services in the Niagara Region

## Long-Term Financial Planning

- 3 To support the expansion of services, the Commission will develop a long-term financial plan to maintain and increase funding to support priorities

# Enhancement and Growth Timelines

This phase includes longer-term activities that the Commission will undertake to continue developing its organization and planning for the future.



→ Transition Plan

Transition Costs

# Funding the Transition

Critical to the successful transition to the integrated transit model, and of particular relevance given the potentially long-term financial implications of COVID-19, is a clear understanding of the one-time costs of implementation and clarity on the sources of this funding.

Although not developed as part of this study, Regional staff are currently developing an initial funding model for the start-up budget of the Commission, that will strive for a fair and equitable funding baseline commensurate with the existing baseline services within each municipality. Following the initial start-up funding, subsequent transit investments are assumed to be funded through a single regional tax levy.

Upon its completion, this funding model will be provided alongside the recommendations contained in this report and all subsequent staff reports, so that decision makers have a comprehensive view of all considerations and implications of integrating transit in Niagara.

The following slides provide an overview of forecasted operating and capital transition costs.

**Note:** The provincial government recognizes that municipalities have sustained significant financial pressures as a result of the global pandemic, and in July 2020, announced it has secured one-time emergency assistance for Ontario's municipalities, the Safe Restart Agreement. Niagara Region has been able to secure funding through Phase 1, which is targeted at relieving immediate transit pressures, with potential for securing ongoing funding support in a second phase.



# Cost Overview

The setup of the Commission includes one-time transition costs, such as branding, communications, stakeholder engagement, and program management. The types of costs associated with the transition and operation of the Commission are summarized by phase.

	Integration Approval Process	Commission Establishment	Commission Setup	Service Launch	Enhancement Growth
Transition Team & Planning	✓	✓	✓		
One time start up costs		✓	✓	✓	
Operational costs before delivery	✓		✓		
Steady State of Operations*				✓	✓

The cost estimates provided are preliminary estimates provided for planning consideration. Given the complexity and unknown impact of the global pandemic, there could be fluctuations in these costs. The estimated total cost of transition is between **\$3,845,000 - \$4,955,000**. This includes:

- **Capital costs** are between \$1,670,000 to \$2,225,000;
  - Capital costs specific to the fare collection system are between \$5,000,000 and \$7,500,000, but will be borne regardless of integration
- **Operational costs** are between \$2,175,000 - \$2,730,000.

\*Note: Steady state operational costs have not been outlined within the transition plan as they will be determined by the Commission



# Estimated Cost Summary: Capital

Transition costs include those one-time capital costs incurred to establish the Commission and its regular operations. A summary is provided below:

Item Category	Integration Approval Process	Commission Establishment	Commission Setup	Service Launch	Enhancement & Growth	Estimated Total Item Category Cost
<b>Transit System Branding</b>	n/a	n/a	\$400,000 to \$800,000	\$200,000	n/a	<b>\$600,000 to \$1,000,000</b>
<b>Facility and Office Improvements</b>	n/a	n/a	\$50,000 to \$100,000	n/a	n/a	<b>\$50,000 to \$100,000</b>
<b>Transit Service Design</b>	n/a	n/a	\$700,000	n/a	n/a	<b>\$700,000</b>
<b>Technology &amp; Equipment</b>	n/a	\$275,000 to \$325,000	\$45,000 to \$100,000	n/a	n/a	<b>\$320,000 to \$425,000</b>
<b>Estimated Total Phase Cost</b>	<b>\$0</b>	<b>\$275,000 to \$325,000</b>	<b>\$1,195,000 to \$1,700,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$1,670,000 to \$2,225,000</b>



# Fare Collection System

The Inter-Municipal Transit Working Group (IMTWG) has requested funding for the fare collection system through ICIP, the procurement of this system is proceeding in parallel and required for the success of the new governance structure.

Item Category	Integration Approval Process	Commission Establishment	Commission Setup	Service Launch	Enhancement & Growth	Estimated Total Item Category Cost
<b>Fare Collection System</b>	n/a	n/a	n/a	\$5,000,000 to \$7,500,000	n/a	<b>\$5,000,000 to \$7,500,000</b>
<b>Estimated Total Phase Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,000,000 to \$7,500,000</b>	<b>\$0</b>	<b>\$5,000,000 to \$7,500,000</b>



# Estimated Cost Summary: Operating

Operational costs related to the transition have been summarized in the relevant categories below:

Item Category	Integration Approval Process	Commission Establishment	Commission Setup	Service Launch	Enhancement & Growth	Estimated Total Item Category Cost
<b>Transit Integration Team</b>	\$250,000 - \$370,000	\$40,000 - \$105,000	\$650,000 - \$900,000	n/a	n/a	<b>\$940,000 - \$1,375,000</b>
<b>Legal Fees</b>	\$80,000 - \$120,000	\$60,000 - \$100,000	n/a	n/a	n/a	<b>\$140,000 - \$220,000</b>
<b>Public Consultation</b>	\$10,000	\$10,000	\$15,000	\$150,000	n/a	<b>\$185,000</b>
<b>Human Resources</b>	n/a	n/a	\$510,000 - \$550,000	\$200,000	\$200,000	<b>\$910,000 - \$950,000</b>
<b>Estimated Total Phase Cost</b>	<b>\$340,000 - \$500,000</b>	<b>\$110,000 - \$215,000</b>	<b>\$1,175,000 to \$1,465,000</b>	<b>\$350,000</b>	<b>\$200,000</b>	<b>\$2,175,000 - \$2,730,000</b>



# Transition Costs: Year over Year

The transition costs for both capital and operating budgets have been provided for the period 2021 - 2024:

Year	Cost	Integration Approval Process	Commission Establishment	Commission Setup	Service Launch	Enhancement & Growth	Estimated Total Cost	Estimated Total Annual Cost
2021	Operating	\$340,000 - \$500,000	\$110,000 - \$215,000	\$195,000 - \$245,000	n/a	n/a	\$645,000 - \$960,000	\$1,185,000 - \$1,585,000
	Capital	n/a	\$275,000 - \$325,000	\$265,000 - \$300,000	n/a	n/a	\$540,000 - \$625,000	
2022	Operating	n/a	n/a	\$980,000 - \$1,220,000	\$90,000	n/a	\$1,070,000 - \$1,310,000	\$2,150,000 - \$2,860,000
	Capital	n/a	n/a	\$930,000 - \$1,400,000	\$150,000	n/a	\$1,080,000 - \$1,550,000	
2023/24	Operating	n/a	n/a	n/a	\$260,000	\$200,000	\$460,000	\$510,000
	Capital	n/a	n/a	n/a	\$50,000	n/a	\$50,000	
<b>Estimated Total Phase Cost</b>		<b>\$340,000 - \$500,000</b>	<b>\$385,000 - \$540,000</b>	<b>\$2,370,000 - \$3,165,000</b>	<b>\$550,000</b>	<b>\$200,000</b>	<b>\$3,845,000 - \$4,955,000</b>	

→ Niagara Transit Governance  
Study

In Summary



# Report Wrap-Up

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## Key Highlights

Research into the benefits and feasibility of an integrated transit system in Niagara Region has been considered for several years, and has culminated in **this Niagara Transit Governance Study**.

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A review of the current state of transit in Niagara and a forecast of demand for transit services over the coming 10 years has shown that there is a **significant opportunity to increase transit usage in Niagara**.

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To determine how Niagara could best accommodate this future growth, **three potential transit governance model options were developed**, each one reflecting a different approach to integrating transit in the region.

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Each potential model was assessed against key evaluation criteria, and ultimately, an **independent Full Commission Model was recommended** as it provides the greatest opportunity for success by bringing the right degree of autonomy and flexibility to innovate, drive growth, and meet the diverse and changing needs of Niagara.

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In order to create this new Commission, a five-phased Transition Plan has been developed to guide implementation activities. It is expected that **this Commission will be operational by the end of 2022**, and there is opportunity to take advantage of government funding to support the cost of transition to the Commission model.

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# There is a Significant Opportunity to Increase Transit Usage in Niagara Region

By way of investments and harmonization of services and fares, transit under an amalgamated system is anticipated to become a more frequently used means of transportation in the region, with ridership outpacing the status quo.

## How?

Transit ridership forecasts indicate a **latent demand for inter-municipal transit** travel, which can be capitalized on through improved inter-municipal and connections to GO Transit rail services.

By investing in targeted projects and services to grow the transit mode share throughout the region, **transit ridership region-wide could grow by over 80% by 2031 under an amalgamated transit service.**

It is anticipated that Niagara Region, like its peer jurisdictions will experience a **transit mode share growth of 30% to 130% within ten years of amalgamation.**

By 2031, **operating costs in the high growth scenario will increase by approximately 55% over the status quo.**

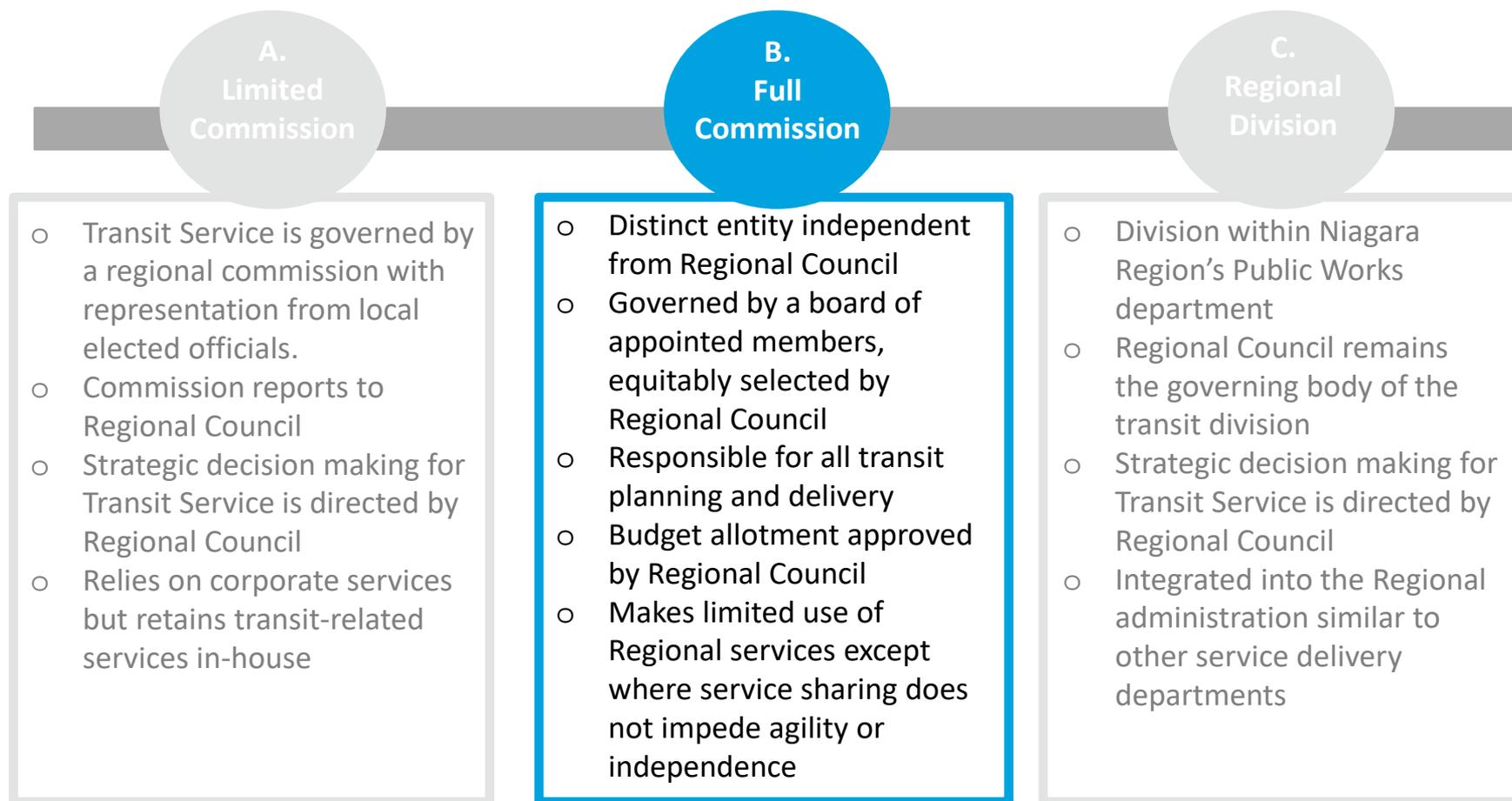
**Capital investment of between \$70M and \$155M** between 2021 and 2031 may be required to address service and demand growth. Provincial Gas Tax revenue could result in up to \$50M - \$80M in revenue over the same ten years. Over \$ 70M-worth of near- and mid-term projects have committed funds from the federal and provincial governments through ICIP.

**An integrated single fare is critical to driving ridership growth** and could be achieved in a way that is revenue-neutral if implemented progressively as ridership grows. While an integrated payment system and harmonized fare structure will be required at the start of service, a single fare region-wide can be implemented over time.

**The COVID-19 pandemic presents an opportunity** to look beyond the status quo, bring the transit systems in Niagara together, and build a new and improved service that takes capitalizes on current funding programs to see this forecasted ridership growth become a reality.

# A Full Commission Model is Recommended

Analysis shows that a Full Commission model would be most effective:



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

# Follow a Sequenced Transition Plan

Creating a new entity is a complex and challenging undertaking that will require the coordination and support of many different stakeholders and will suffer should it lack the required resources.



The creation of a Regional Transit Commission will be transformative for Niagara, and its success is dependent on maintaining public and political support while transitioning services from the LAMs to create an effective regional network.



# Guiding Principles for Transit

To achieve success, the new entity will need to make regionally focused decisions, aligned to the guiding principles, in order to ensure that growth in ridership, efficiency of operations, and improved service delivery are realised.

**Customer  
Driven**

**Unconventional  
Solutions**

**Integrated**

**Economically  
Responsible**

**Fair**

Adherence to guiding principles will be a fundamental factor in ensuring the success of the integration and the future of transit in Niagara for the benefit of all.

