INFORMATION REPORT

TO: Mayor and Members
General Issues Committee

COMMITTEE DATE: February 13, 2014

SUBJECT/REPORT NO: Centennial Parkway Regional Shopping Complex Transit Service (PW12009b) (Ward 5)

WARD(S) AFFECTED: Ward 5

PREPARED BY: Don Hull
Director of Transportation
(905) 546-2424, Extension 1860

SUBMITTED BY: Gerry Davis, CMA
General Manager
Public Works Department

SIGNATURE:

Council Direction:

On January 30, 2012, General Issues Committee approved Public Works Committee Report PW12009, containing a motion directing staff to implement, on a pilot basis, transit services on March 25, 2012, to the Confederation Park Shopping Centre on Centennial Parkway North. Further, staff was directed to fund the first year of the service from a combination of contributions from the Tax Stabilization Reserve and Walmart. On January 30, 2013 General Issues Committee approved Public Works Committee Report PW12009a directing staff to refer the continuation of transit service to the Shopping Centre to Council’s 2013 Budget deliberations.

This report provides an update on the performance of this transit service for the 2013 period.

Information:

HSR Route #56 Centennial commenced operations on March 25, 2012, providing daily transit service along Centennial Parkway North between Eastgate Square and Lakeland Community Centre, via the Confederation Park Shopping Centre. This growing commercial complex includes a Walmart store. The service operates between 10:00am and 6:00pm. Based upon a 5-year net operating cost funding plan approved by Council in 2012 (Report PW12009), annual net operating costs over the last two years are funded by contributions from a variety of sources, including Walmart.

As shown in Table 1, for the 2014 operating year, there is an increased pressure on the HSR Operating Budget of $50,000 when compared to 2013. This is in addition to the previously approved 2013 HSR Operating Budget contribution of $50,000 due to the...
second annual $50,000 reduction in the Tax Stabilization Reserve contribution. In 2016 the net operating cost would be funded 100% by the HSR Operating Budget.

Table 1 Route Costs and Funding - #56 Centennial

<table>
<thead>
<tr>
<th>ROUTE COSTS - Service Level: 10am - 6pm, 7 days/week</th>
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</thead>
<tbody>
<tr>
<td>Total Gross Cost</td>
<td>$250,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Projected Revenue</td>
<td>($50,000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Net Cost</td>
<td>$200,000</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>FUNDING</th>
<th>Yr 2012</th>
<th>Yr 2013</th>
<th>Yr 2014</th>
<th>Yr 2015</th>
<th>Yr 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annualized Cost</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
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<tr>
<td>HSR Budget Pressure</td>
<td></td>
<td>$50,000</td>
<td>$100,000</td>
<td>$150,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>Tax Stabilization Reserve contribution</td>
<td>$150,000</td>
<td>$100,000</td>
<td>$50,000</td>
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<td>$0</td>
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<tr>
<td>Walmart OMB Decision Contribution</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

Maintaining status quo service for 2014 utilizes the previously approved 2012 Bus Operator complement increase of 2 FTE’s. No additional staffing would be required for the 2014 year.

Route #56 Centennial generated an average of 16 passenger boardings per service hour in 2013. This indicates that ridership is in decline, compared to the 28 boardings per hour experienced in 2012. The ridership decline may reflect changes in travel demand to the Confederation Park Shopping Centre, due to the opening of a Walmart at the Centre on Barton. Based on current ridership, increases in service span and service frequency are not justified at this time. HSR will continue to monitor ridership in 2014, given that new commercial developments (Toys’R’Us, Wild Wings, Sandman Hotel) at the Confederation Park Shopping Centre could result in ridership increases.

Should the above occur, service span for Route #56 could be increased to provide daily service from 6:30am until 11:30pm. This alternative would address service requests from those travelling to/from Walmart throughout the store’s operating hours and allow Wild Water Works visitors to return from the attraction at its 8:00pm closing time. Service frequency would remain at 45 minutes (60 minutes during July and August). For 2014 assuming a Tax Stabilization Reserve contribution of $50,000 and a Walmart contribution of $50,000, combined with projected passenger revenue of $75,000, this alternative would increase 2014 HSR Operating Budget pressure to $285,000 (Gross annual operating cost of $460,000).

The 2007 Hamilton Transportation Master Plan’s transportation policy themes include promoting a strong and vibrant economy and improving public transit. Provision of a public transit route between Eastgate Transit Terminal and Confederation Park Shopping Centre supports these policy themes, in that transportation access for existing and future employment lands is provided and connections to higher-order transit (Route 10 B Line) are provided at the Eastgate node. Additional transit service contributes positively to the target of reducing auto-vehicle kilometres by 20%, compared to 2001.

Maintaining public transit service aligns with the strategic priorities of a prosperous & healthy economy and valued & sustainable service delivery.