
Subject: Niagara Transit Governance - Revised Strategies Reflecting Phase 1 Municipal Consultation

Report to: Linking Niagara Transit Committee

Report date: Wednesday, June 30, 2021

Recommendations

1. That Report LNTC-C 3-2021 **BE FORWARDED** to the Clerks of Niagara's twelve (12) local area municipalities and that they **BE REQUESTED** to have the Council's of the twelve (12) local area municipalities advise the Regional Clerk of any additional municipal feedback on the revised Financial Strategy, Board Composition model, and Service Standards Strategy, no later than August 25, 2021.

Key Facts

- The purpose of this report is to present an updated financial strategy, service standards strategy, and revised board composition model supporting the creation of one consolidated transit Commission in Niagara.
- These recommendations have been developed by the Governance Steering Committee (GSC), comprised of all thirteen (13) municipal Chief Administrative Officers (CAOs) across Niagara. The GSC was created to review and address feedback provided by local area municipalities (LAMs) during the 'Phase 1' consultation roadshow.
- Based exclusively on Phase 1 feedback, the GSC has recommended significant updates to three primary elements to directly address this input:
 - **Financial Strategy:** the recommended financial strategy proposes that all the local municipal transit service budgets be uploaded to the Commission in 2023 and to be consolidated with the Region's transit budget and to be assessed to the local area municipalities by way of special levies to be approved annually by the Region.
 - Services levels are different in each municipality; therefore, the Region proposes that twelve (12) Special Levies be adopted in 2023. Each special levy will allocate 65% of 2023 net transit costs based on service hours, with

existing Niagara Regional Transit services continuing to be allocated to the special levy based on local share of Region wide assessment.

- The 2023 estimated Commission baseline service budget will require a 7.3% increase to the Regional Budget with equal and concurrent reductions to Municipal budgets therefore minimizing the net residential impact.
- **Board Composition** – a transitional board comprised of fifteen (15) elected officials with each municipality having representation. A governance review to be undertaken in year three of operation.
- **Service Standards Strategy** – Niagara-wide service standards that detail short-term enhancements (1-3 years) in each community to achieve consistent, equitable access to transit for all Niagara residents, in advance of a longer term network review planned in year five of the Commission's operation.
- Subject to approval of the recommendation of this report, the next step will be a second round of consultation with LAM councils. This will provide LAMs an opportunity to review the recommended updates and provide additional input by late August.
- This report does not initiate the triple-majority approval process. It is anticipated that the triple-majority vote will occur after the consultation on this report has been completed and any feedback incorporated. The triple-majority approval process is anticipated to occur in Fall 2021.

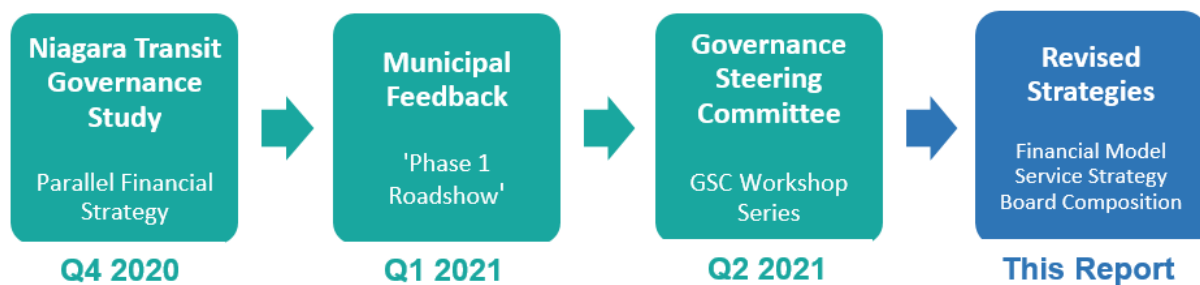
Background

In the fall of 2020, *LNTC-C 4-2020* presented the results of the Niagara Transit Governance Study (NTGS) with the recommendation of a Commission governance model, a proposed board structure, and a transition plan. This report also recommended a financial strategy developed in parallel to and in support of the NTGS.

At the direction of LNTC, consultation with each of Niagara's twelve (12) LAMs followed as opportunity for review and feedback. This Phase 1 consultation roadshow occurred through Q1 2020, with feedback centering on three primary or common themes: the financial strategy, composition of the board, and the need for a more defined (but high level) service strategy. Beyond the major themes, additional feedback and concerns specific to each municipality was also received.

The GSC was created, comprised of all thirteen (13) municipal CAOs, with a mandate to reflect LAM feedback in revised strategies and models. A series of six workshops were convened through Q2 2021 to address the identified issues and arrive at a consensus recommendation addressing the three common themes, as shown in Figure 1.

Figure 1 - Transit Governance Process



The purpose of this report is to present the results of this process and the revised financial strategy, board composition model, and service strategy that have been recommended by the Governance Steering Committee.

These revised strategies are intended to directly address the feedback received from LAMs during Phase 1 consultation.

Financial Considerations

To realize the consolidation of transit services across Niagara, the funding strategy must establish:

- the baseline or start-up budgets for the Commission and the basis for levy and tax rates to the residents;
- how one-time start-up and transition costs associated with the establishment of the Commission will be funded; and
- how transit-related assets currently owned by LAMs will be transferred and funded on a long-term basis.

The recommended financial strategy proposes the Region to upload the estimated baseline local transit service net expenditure using 2020 budget at \$27.8 M and estimated to be \$29.4M in 2023. The upload to the new Regional Commission will occur in a single year and be levied back on each of the LAMs using twelve Special Levies, one for each municipality, established by the Region with each year's budget process. The proposed model ensures that future service growth plans are paid for by the municipalities which receive the services, using the corresponding 12 Regional Special Levies.

The 2023 estimated Commission baseline service budget requiring a 7.3% increase to the Regional budget would be offset by equal and concurrent reductions to Municipal budgets to minimize the residential taxpayer impact from transit consolidation.

The financial strategy allocates the local net operating costs plus incremental capital, which represent approximately 65% of 2023 Commission net transit costs to be allocated to each Special Levy based on service hours. Existing NRT services will continue to be allocated to the Special Levy based on municipal share of Regional assessment. The short term service strategy and future transit growth will be subject to future budget approvals, and will directly impact the costs apportioned to each municipality.

The financial strategy was evaluated based on the feedback received during the LAM presentations and described in Table 1 below.

Table 1 - Model Option Evaluation

Evaluation Criteria:	Municipal Specific Tax Rates (12) Special Levies
Demonstrated value to Municipalities for added investment	Collectively leverages practices to reduce total regional cost by \$9.0M in debt financing and \$14.0M in capital over 10 years
Funding tied to services residents receive	Substantial share (65%) of service cost tied to municipal specific service hours
Alignment and adjustments tied to service expansion costs	
A desire for ability to “top up” or add extra or enhanced services	Will change service hours for LAM and be allocated to LAM specifically
Consistent with Guiding Principles: Economically Responsible	No more than current Regional costs and related inflation apportioned to LAMs using region wide assessment. Mimic current General Levy financial distribution.
Consistent with Guiding Principles: Fair	Percentage distribution of costs between Conventional service and Alternative service LAMs in line with Status Quo (74/26)

The estimated incremental requirements for the Commission’s transit budget during years 2023-2033 have been modeled to include estimates for the following components using the following strategies subject to future Regional budget approval (see Appendix 1 for financial estimates). Note that all modelling is estimated based on 2020 budgets and would be adjusted prior to 2023 to reflect most recent financials.

Base Budget

The total base service costs for 2020 (\$44.2M) are adjusted annually for inflation by 1.5%. The estimated base service net operating budget for 2023 of \$46.4M includes \$28.7M for local service, \$0.7M in local debt payments, \$15.8M for regional service and \$1.3M in regional debt payments.

Provincial Gas Tax (PGT)

Currently \$1.5M of Provincial Gas Tax (PGT) is used annually to offset operating expenditures in local transit budgets. PGT can be maximized by preserving it to be used to support capital replacements. The financial strategy proposes the reduction of \$0.3M annually in the operating budget for 5 years to provide funding for fleet replacement. The annual incremental Regional budget required is 0.1% beginning in 2023 and ending in 2027.

On-Demand/ Specialized Services

Currently there are a number of contracted services for on-demand and specialized transit services across Niagara. Phase 2 of the service planning strategy proposes \$5.0M in capital in 2024 (1.2% Regional budget increase) plus an additional \$1.0M in net operating costs beginning in 2025 (0.2% Regional budget increase) to reduce the number of contracted services and allow the Commission to provide the services in-house.

Service Standardization and Growth

The current Niagara transit system will require an additional 55,000 hours of enhancements to local and regional service levels to standardize daily schedules across all municipalities (Phase 1 of the Service Planning Strategy). The service enhancements would begin in September 2024 with a partial year net operating increase of \$1.2M (0.3% Regional budget increase). The fully annualized net operating impact is \$5.0M therefore an additional Regional budget increase of 1.0% would be required in 2025.

The Commission Phase 3 service planning strategy will include a comprehensive network review in 2025 and may deviate from the conservative growth projections provided by the NTGS. However, based on preliminary forecasts a conservative growth strategy would require an additional net operating budget increase of \$4.0M phased in between 2026-2030 with a total Regional budget increase of 1.0% (see Appendix 2).

Capital

A. Capital Asset Transfer to the Commission & the Cummings Principle

Based on the recommendation from the NTGS as part of the peer jurisdictional review, the CAO Working Group (established by the Linking Niagara Transit Committee (LNTC) to oversee and direct the Project Team to deliver the NTGS) has endorsed the use of applying the Cummings Principle to the future transfer of assets from the LAMs to the new Commission. The premise of the Cummings Principle is to transfer assets (and related outstanding liabilities), from one municipality to another with no additional compensation, since transferring assets for additional compensation results in the taxpayer paying twice for the same public asset.

This principle, established through judicial precedent, has been applied for over four decades in the municipal setting throughout Ontario, as well as in the vast majority of transit consolidations reviewed as leading practices. The use of the Cummings Principle is also well aligned to Niagara's established guiding principle of fairness, which respects the existing investments made by communities.

B. Capital Replacement Strategy

i. Capital Growth

Niagara Region is currently conducting a Development Charge (DC) review and will propose that a Transit DC be established to fund future capital growth. The Transit DC will be used to mitigate capital requirements resulting from the service expansions outlined in the NTGS. The conservative growth strategy estimates an additional \$15M in new capital to achieve the associated service growth outlined in the previous section. The financial strategy applies a 5 year growth plan beginning in 2026, however Phase 3 of the Service Planning Strategy incorporates a fulsome service review in 2025 and therefore forecasted growth between 2026 and 2033 may vary from the NTGS.

ii. Capital Reserve Strategy

Currently Niagara transit operators collectively receive \$6.8M annual in PGT, with \$1.5M being used to mitigate net operating costs (see section above). The financial strategy, beginning in 2023, establishes a 5 year phasing out of PGT for operating and directs these funds towards fleet replacements. The existing PGT funding contributes to

65% of annual fleet requirements therefore leaving a funding gap of \$6.5M (\$3.5M for fleet replacements plus an additional \$3M for all other capital requirements).

The proposed capital reserve strategy recommends that this \$6.5M gap be addressed over a three year period by way of an incremental increase in the Commission budget to provide for a transfer to capital reserve. The total budget impact from the proposed reserve strategy is an annual incremental Regional budget increase of 0.53% each year for 3 years. The proposed strategy ensures appropriate funding for annual fleet replacements by 2025, with all capital requirements being met by 2030 (See Appendix 3).

The reserve strategy also proposes that as growth occurs, that future annual transfers to reserve are adjusted accordingly. The increased fleet to meet future service growth is phased in over 5 years beginning in 2026 and is estimated at \$15M. The total proposed capital investment including the \$5M in 2024 to reduce contracted services will require an additional \$1.8M in annual transfers to reserve to ensure adequate funding for future vehicle replacements.

Transition Costs

The NTGS provides a range of estimated transition costs which include those costs that are related to the transition team plus other one time and incremental costs necessary for transit consolidation. Key activities include the legal establishment of the Commission, development of initial strategic and branding plans, development of transfer agreements, and performance monitoring. These one-time costs have been estimated at a total of \$3.85M to \$4.96M over the course of 4 years from 2021 through 2024.

Currently the transition costs are anticipated to be funded through a combination of existing budgets previously established for NRT as well as Provincial/ Federal transit funding programs. The Ministry of Transportation supports Niagara to regionalize transit with improvements to service integration and harmonizing concessions. Phase 3 of the Federal and Provincial Safe Restart Agreement (SRA) funding supports the transformation of transit structures/governance between neighboring municipal governments and allows for funding to mitigate up to 50% of one time transition costs. The Region will continue to advocate to the Province to provide additional funding mechanisms in the case that SRA Phase 3 will not provide sufficient funds after local transit budget expenditures are used for current operating.

Commission Common Fare Strategy

Currently local transit fares are \$3.00 while Regional trips require \$6.00 to gain access to local connections. The total impact of moving to a single \$3.00 fare to ride across Niagara is estimated at \$2.6M or 0.6% increase to the Regional budget. The existing revenue sharing-agreements between NRT and Local operators, flow 45% of all NRT fare revenue to local operators therefore resulting in a proportionately larger impact in the service hour based Special Levy allocation.

Table 2 - Revenue Impact - Common Fare Strategy

Common Fare Strategy Revenue Impact	Transit Operator Impact	\$ impact
Cash/Pass Revenue Share Agreement (55% Regional/ 45% Local)	Regional Impact	(\$0.08)
	Local Impact	(\$0.63)
U-Pass Agreement Local Tap Rate Agreement	Local Impact	(\$1.88)
Total Estimated Revenue Loss from Single Fare		(\$2.59)
Regional Budget Impact		0.6%

Prior to COVID-19, the Niagara College U-Pass agreement contained a per student ridership 'tap' rate of \$0.75 to ride on local transit. The common fare strategy and transit consolidation may eliminate this incremental revenue, however future Niagara College U-Pass agreements would be structured similarly to existing agreements between St. Catharines and Brock University Students' Union, ensuring that incremental transit service driven by student demand does not impact the taxpayer.

Special Levy - Municipal Act Section 326 Special Services

The establishment of a Special Levy, as defined in the Municipal Act for Special Services (section 326 (2) (b)) states "service or activity being provided or undertaken at different levels or in a different manner in different part of the municipality".

Table 3 - Criteria for Special Levy Establishment

12 special levies requires 12 service levels		
	2023	2033
Service Hours per Household	All different	Few different –Service Strategy outcomes influence long term “ service level ” and may not maintain a different service level across all municipalities as currently exists.
Service Hours per Capita	Most different	
Frequency of Service	Few different	
Type of Service: Conventional, On-Demand, Specialized, Blend	Few different	

The ability to maintain 12 special levies should be monitored annually as part of service strategy and consideration given to fewer levies as service levels become aligned.

Transit Consolidation 2023 Financial Impact

The estimated municipal apportionment for each of the 12 Special Levies is represented in Appendix 4 for both the operating budget of \$46.4 M and the first year of the capital replacement strategy of \$2.2M. Current and projected cost portions have been aggregated by type of service, with conventional service municipalities representing St. Catharines, Niagara Falls and Welland, while all remaining municipalities are considered alternative services. Currently conventional transit municipalities represent 77% of all transit costs, under the recommended financial strategy these municipalities will be apportioned 74% of the total consolidated transit operating budget and 85% of capital.

Board Composition

The GSC has recommended a revised governance structure that would establish a transitional Commission Board for a minimum three-year period comprised of fifteen (15) elected officials.

A transitional Commission Board reflects two core principles and areas of LAM feedback on the NTGS model:

- the need for more frequent and direct representation for all municipalities;
- [while] maintaining representation for larger municipalities proportional to their ridership and financial contributions.

This transitional Commission Board will be reviewed after three (3) years by a third-party to ensure that the composition, size, and share of representation has resulted in an effective governing body that is achieving the strategic objectives of the Commission.

This review will consider options including maintaining the transitional fifteen (15) member structure, other fully elected boards with a smaller number of total representatives, and hybrid board structures that include public skills-based members in line with the recommendation of the NTGS. The GSC maintains the position that the establishment of a hybrid governing model remains a preferred outcome for the future permanent Board structure and should be strongly considered during the Year 3 review.

The key features of the recommended transitional model are as follows:

- A fifteen (15) member transitional Commission Board comprised exclusively of elected representatives, with the City of St. Catharines receiving three (3), the City of Niagara Falls receiving two (2), and each of the other ten (10) municipalities receiving one (1) full-time representative.
 - The additional representatives for St. Catharines and Niagara Falls reflect their significantly greater share of transit ridership in Niagara.
- Municipal representatives for the Commission Board will be recommended to Regional Council by each local Council, and can be either Regional or Municipal Councillors. While local Councils will be asked to forward recommendations for nomination to the Board, final responsibility and authority for appointing members to the Board will rest with Regional Council, as the Commission will be an agency of the Region. This appointment responsibility resting with Regional Council ensures the Region, solely responsible for the funding of the Commission, retains necessary control in line with Public Sector Accounting Board (PSAB) principles.
- The role and membership of the supporting Advisory Board will be expanded to balance the fully elected official transitional Commission board. Meeting frequency will be increased to quarterly from semi-annually, and stakeholders representing the perspectives of disability, youth, and seniors representatives will

be added. The Advisory Board provides non-binding advice and recommendations to the Commission Board.

- The transitional Commission Board will have responsibility for appointing representatives to the Advisory Board.
- Similar to representatives for the transitional Commission Board, local Councils will be asked to forward recommendations for the twelve (12) resident member positions.
- The transitional Commission Board will report directly to Regional Council, which will have responsibility for approving the annual budget for the Commission.

Figure 2 - GSC Recommended Board Structure

Transitional Transit Commission Board	Advisory Board
<p>(15) Total Elected Official Representatives</p> <ul style="list-style-type: none"> • (3) St. Catharines • (2) Niagara Falls • (1) Fort Erie • (1) Grimsby • (1) Lincoln • (1) Niagara-on-the-Lake • (1) Pelham • (1) Port Colborne • (1) Thorold • (1) Wainfleet • (1) Welland • (1) West Lincoln 	<p>(20) Total Public Stakeholder Representatives</p> <ul style="list-style-type: none"> • (12) Niagara Residents (one per Municipality) • (2) Members representing Accessibility Advisory Committees or other Accessibility Stakeholders • (2) Post-Secondary Representatives (1 student union representative from Brock University and Niagara College) • (1) Member representing Niagara Chambers of Commerce • (1) Senior Issues Stakeholder • (1) Youth Issues Stakeholder • (1) Transit Commission General Manager (ex-Officio)

Transitional Transit Commission Board	Advisory Board
<i>Members recommended by local Councils, appointed by Regional Council.</i>	<i>Resident members recommended by local Councils, all members appointed by the Transit Commission Board.</i>

The move from the NTGS recommended nine (9) member hybrid board to a 15-member board directly responds to LAM feedback from ‘Phase 1’ consultation to achieve greater representation for smaller LAM municipalities. All Niagara LAMs will full-time representation on the transitional Commission Board and an opportunity to influence the establishment of the Commission and its initial operation directly. This influence is further supplemented at Regional Council, where Regional Councillors will provide direction to the Commission through the annual budget process.

Niagara Service Standards Strategy

The third area of common LAM feedback related the future levels of service to be delivered by the Commission – both in terms of ensuring the existing levels of service in their communities was maintained as a minimum, and how future enhancements would be planned and funded.

The ***Niagara Service Standards Strategy***, provided as Appendix 5, outlines a three-phased approach to the standardization and enhancement of transit service:

- **Phase 1** – Years 1 & 2 – Standard Operating Hours Across Niagara
- **Phase 2** – Year 3 – Combine Specialized and Demand Responsive Services
- **Phase 3** – Years 4 & 5 – Network Review and Growth

The strategy takes the approach of establishing a series of common operational standards such as hours of operation, service frequency, and service coverage that the Commission will seek to meet through incremental service improvements in the first few years of operation. A comprehensive Network Service Review and plan is considered for Phase 3, the timing of which will allow for the Commission to properly assess its needs after the assumption of operation and at which time the impacts on transit ridership from COVID-19 will be better understood.

This strategy is intended to act as an initial guideline for the Commission, demonstrating the types of services and improvements that could be implemented in the future. Within

the strategy, changes to service levels are examined through the perspective of each community to indicate the types of enhancements that they can expect to see as the service standards are achieved.

The Commission and its Board, through its own planning studies (i.e. Network Service Review discussed in Phase 3), approvals, and budgets will make the final decisions about what service improvements will be provided.

Strategy Comparison

The financial strategy, revised board composition model, and service standards strategy recommended by the GSC significant updates to directly address the input received from LAMs. Below provides a summary comparison of the original NTGS and financial model and the revised strategies recommend by the GSC.

Table 4 – Original NTGS and Updated GSC Recommendation Comparison

Strategy	NTGS and Original Financial Recommendation	GSC Recommendation
Financial	<ul style="list-style-type: none"> • Single Regional Levy. • Costs distributed to the LAMs based on Regional property assessment. 	<ul style="list-style-type: none"> • Twelve (12) Special Levies. • Regional transit costs will be allocated to Special Levy based on local share of Regional assessment. • Local transit costs will be allocated to Special Levy based on local service hours.
Board Composition	<ul style="list-style-type: none"> • Nine (9) member hybrid board. • Two (2) rotating representatives for smaller LAMs. 	<ul style="list-style-type: none"> • Fifteen (15) member board comprised of elected official representatives. • Full-time representation for smaller LAMs.

Strategy	NTGS and Original Financial Recommendation	GSC Recommendation
Service Standards	<ul style="list-style-type: none"> NTGS growth projections from Future State assessment. Network Service Review prior to service launch 	<ul style="list-style-type: none"> Niagara wide service standards Short-term Phase 1 and Phase 2 enhancements precede a Phase 3 Network Service Review

Appendix 6 connects these revised strategies back to the feedback received from each LAM, as well as additional areas of feedback that were identified outside the major themes.

Next Steps and 2021 Workplan

The GSC has recommended that a second round of LAM consultation be undertaken to present the revised strategies contained in this report, confirm issues have been addressed, and gather any additional feedback before proceeding to triple majority.

Adoption of the recommendation of this report will initiate this consultation process, which is anticipated to occur over the summer of 2021. The Regional project team will work with the CAO, Mayor, and Clerk in each municipality to provide the level of support required as each Council develops their feedback and input.

Figure 3 - 2021 Governance Workplan



For clarity, adoption of this report and its consideration by the LAMs during the second round of consultation will not represent the triple-majority approval process.

Rather, input received through the second consultation period will be reflected in the final proposal advanced as part of triple-majority approval, anticipated to commence in early Fall 2021.

Based on reflection of any second round feedback by the LAMs, the triple-majority approval process will begin with the consideration of a final report by LNTC, anticipated for September 29, 2021. This would then be followed by a Regional Committee of the Whole or Special Council meeting in mid-October. At that meeting, Regional Council will be asked to formally adopt the by-law initiating triple-majority, which will then be forwarded to each LAM for consideration through the remainder of Q4 2021. Triple majority support consists of:

- a majority of all votes on upper-tier council [Regional Council];
- a majority of all the lower-tier [LAM] councils passing resolutions consenting to the by-law;
- the total number of electors in the lower-tier [LAM] municipalities that have passed resolutions consenting to the by-law form a majority of the electors in the upper-tier municipality

Should triple-majority be achieved, a one-year period would be required to establish the Commission and prepare for the assumption of day-to-day operations on approximately January 1, 2023. This transition is outlined in the NTGS.

Communications and Engagement

A communications strategy has been developed to support this workplan, and will be undertaken to further education, awareness and engagement on the move towards a region-wide single transit system. The primary objectives of this communication strategy are:

- Provide councils with confidence that residents had the opportunity to understand the recommendations and provide their comments;
- Provide transit stakeholders and supporters with the information and resources they need to engage in the conversation about consolidated transit for Niagara; and
- Support the consideration of the triple majority vote to establish a new transit model for Niagara.

The strategy incorporates outreach to a wide variety of stakeholders across Niagara, including both groups who have been part of previous governance consultation programs, as well as additional stakeholders who have been identified by the GSC. These will include:

- **Niagara Residents** - Transit users in municipalities that have both existing traditional transit service and that do not have regular, frequent traditional service; residents in areas with no service; and residents who currently do not use public transit; and
- **Transit stakeholders and supporters** - Regional and local councillors; Chambers of Commerce and other Niagara business/employment groups; post-secondary institutions and student unions; and social services and other community non-profit organizations.

The strategy will support both the municipal review and feedback period over the summer as well as the eventual triple-majority approval process and as such, is anticipated to commence in mid-July and run through Fall 2021. The strategy will feature the development of a dedicated project website, public feedback surveys, a communications toolkit, social and print media, and a comprehensive series of stakeholder consultation sessions.

Alternatives Reviewed

Financial Strategy

The GSC reviewed and considered a total of eleven (11) different alternative Special Levy financial models in addition to the single General Levy originally proposed; nine (9) options developed twelve (12) unique regional Special Levy tax rates and two (2) options developed two (2) regional Special Levy tax rates. Models were based on a variety of combinations of allocations using per-capita, per-household, service hours and assessment.

The GSC was guided in its evaluation by the series of principles and objects previously described in Table 1. These criteria were developed to directly reflect and address the feedback received from the LAMs during the first round of consultation.

The financial strategy outlined in this report represents the consensus recommendation of the GSC.

Board Composition

Development of the GSC recommended board composition began with a review of the Phase 1 feedback relative to the original recommendations of the NTGS. A series of alternative compositions were developed, including those that maintained a smaller total board size; that included public members to retain a hybrid model; that grouped smaller LAMs into rotating seats on the basis of geography, financial contribution, or ridership; and that maintained a single seat for larger LAMs.

These models were ultimately rejected as they did not sufficiently address the feedback received from the LAMs or the principles established by the GSC of enhanced representation for smaller LAMs, while maintaining a proportional level of representation for larger LAMs. In particular, the GSC supported moving to a fully elected official model with a larger total size and away from the smaller hybrid model recommended by the NTGS to achieve the principle of representation for all LAMs.

Niagara Service Standards Strategy

The Niagara Service Standards Strategy places the undertaking of a comprehensive network review in Phase 3, approximately 4-5 years after the launch of the Commission. Alternative consideration was given to an earlier undertaking of this review, either prior to the launch of the Commission as recommended by the NTGS transition plan, or in Phase 1 or 2.

This approach was not recommended as:

- the enhancements recommended in Phase 1 and 2 are known or required improvements that should precede and be reflected in the network review;
- a one (1) to three (3) year 'steady-state' period prior to major expansions or growth enhancements will allow the Commission to establish a new baseline for consolidated operations, one that will further reflect a post-pandemic transit ridership environment;
- decisions regarding major strategic priorities and initiatives, including the required financial and resources investments, should be reserved for and made by the Commission itself, rather than determined during the approval-to-consolidate stage; and

- Initiating pre-launch review would require committing financial and staff resources in advance of achieving triple-majority authority to consolidate.

Relationship to Council Strategic Priorities

The proposed consolidation of transit services across Niagara into a consolidated transit entity directly aligns with the Council Strategic Priority: Responsible Growth and Infrastructure Planning (Objective 3.1) through advancing regional transit and facilitating the movement of people and goods.

Other Pertinent Reports

LNTC-C 2-2021	Niagara Transit Governance – Governance Stetting Committee Update
LNTC-C 1-2021	Niagara Transit Governance – Detailed Phase 1 Consultation Summary
LNTC-C 6-2020	Councillor Information Request – Niagara Transit Governance – Local Area Municipality Engagement
LNTC-C 4-2020	Niagara Region Transit Governance Study
CAO 8-2017	Niagara Region's Transit Service Delivery and Governance Strategy
LNTC-C 21-2018	Inter-Municipal Transit (IMT) Service Implementation Strategy

Prepared by:

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

Recommended by:

Bruce Zvaniga, P.Eng.
Commissioner of Public Works (Interim)
Public Works Department

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared in significant consultation with Heather Talbot, Financial & Special Projects Consultant – Financial Management and Planning; the Governance Steering Committee comprised of the CAOs from all thirteen (13) municipalities across Niagara; and reviewed by; Matt Robinson, Director, GO Implementation Office; Helen Chamberlain, Director, Financial Management & Planning/Deputy Treasurer; Todd Harrison, Commissioner of Corporate Services/Treasurer.

Appendices

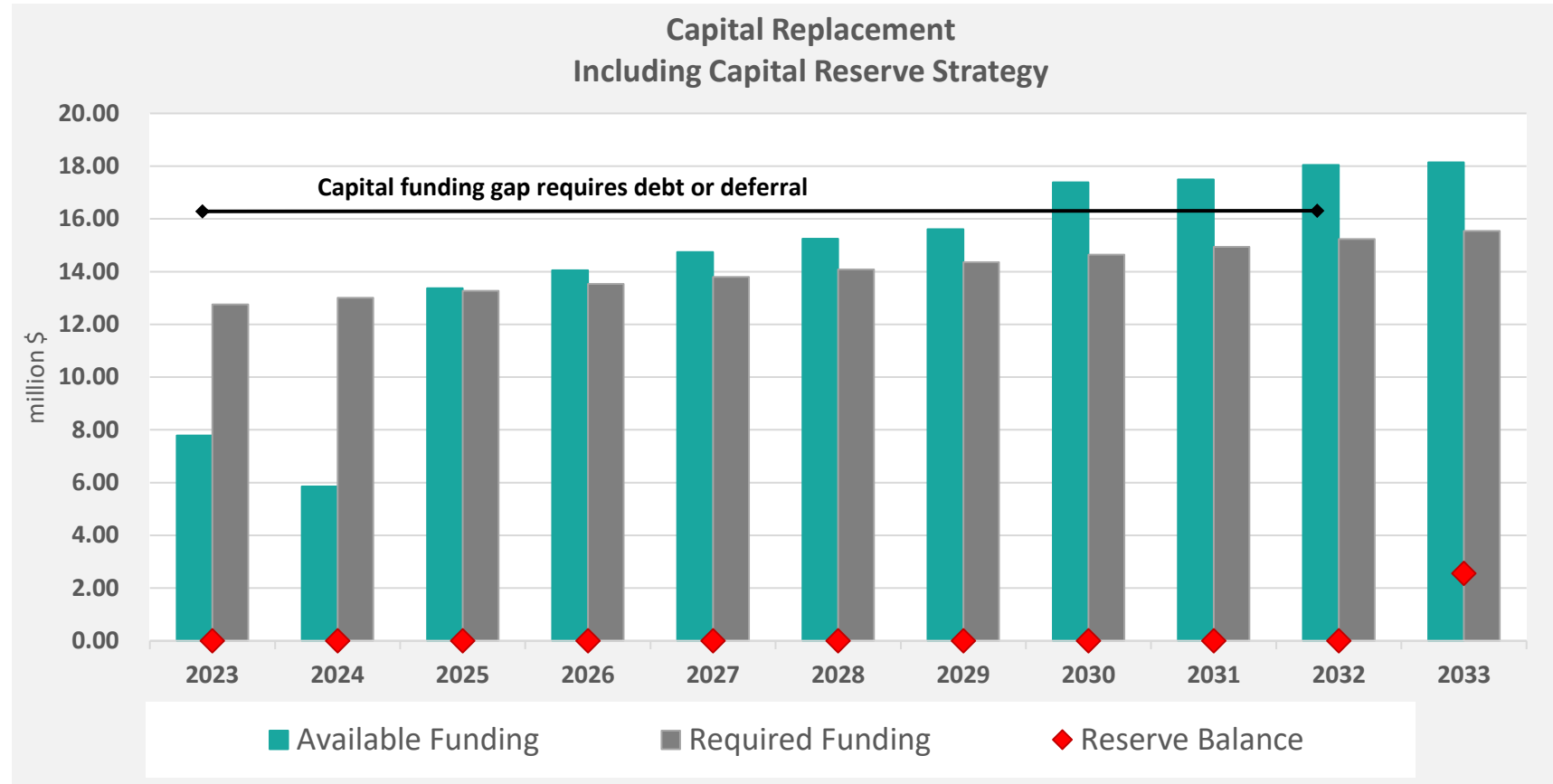
Appendix 1	Annual Special Levy Strategy
Appendix 2	Service Standards and Growth Strategy
Appendix 3	Capital Replacement and Reserve Strategy
Appendix 4	Year 1 2023 Transit Consolidation 12 Special Levy
Appendix 5	Niagara Service Strategy
Appendix 6	Local Area Municipality Feedback Response Tracker

Regional Budget Increase¹	2023	2024	2025	Total
<u>Net Operating Expenditures</u>				
Base Budget (Inflation)		0.2%	0.2%	0.4%
LOCAL TRANSIT SERVICE UPLOAD (incl. inflation between 2020 & 2023, debt servicing)	7.2%			7.2%
Provincial Gas Tax (PGT)	0.1%	0.1%	0.1%	0.3%
On-Demand/Specialized Services	0.0%	0.0%	0.2%	0.2%
Service Standardization	0.0%	0.3%	1.0%	1.3%
Growth Operating @ Conservative	0.0%	0.0%	0.0%	1.0%
<u>Capital Expenditures</u>				
Capital Growth	0.0%	0.0%	0.0%	0.0%
Transit DC Growth	0.0%	0.0%	0.0%	0.0%
Capital Reserve Strategy	0.5%	0.5%	0.5%	1.6%
On-Demand/Specialized In-house Fleet	0.0%	1.2%	-1.2%	0.0%
New/Growth Reserve Funds	0.0%	0.1%	0.0%	0.1%
Sub Total	7.8%	2.5%	0.8%	11.1%
<u>Other Financial Impacts</u>				
Transition Costs	0.0%	0.0%	0.0%	0.0%
Commission Common Fare Strategy	0.0%	0.0%	0.6%	0.6%
Total Consolidated Transit Impact	7.8%	2.5%	1.4%	11.7%
Net Residential Impact	0.6%	2.5%	1.4%	4.5%

Net Operating Projections ¹

	2020	2023	2025	2025
	% of Service Hours	Year 1 Upload (M\$)	% of Service Hours	Phase 1 Service Standards (M\$)
St. Catharines	44%	17.3	41%	19.4
Niagara Falls	30%	12.3	28%	14.1
Welland	11%	4.7	12%	6.0
NOTL	2%	2.0	3%	2.7
Port Colborne	2%	1.0	2%	1.4
Pelham	1%	1.1	2%	1.4
Thorold	3%	1.7	3%	1.9
Fort Erie	5%	2.5	5%	3.0
Grimsby	1%	1.7	2%	2.1
Lincoln	1%	1.4	2%	1.8
West Lincoln	0%	0.5	0%	0.6
Wainfleet	0%	0.3	0%	0.3
Total	100%	46.4	100%	54.7
Regional Budget increase		7.3%		2.1%
Conventional	85%	74%	82%	72%
Alternative	15%	26%	18%	28%

1. Estimates based on 2020 budgets adjustments may be necessary prior to 2023 to reflect most recent financials



Original Strategy		Baseline 2020 Net Transit Budget				12 Special Levy 2023 Operating Budget Projection			
General Levy		Local Portion	Regional Portion	Total	% of Service Hours	Local Portion	Regional Portion	Total	2023 Capital Strategy (Yr1)
12.0	St. Catharines ⁴	13.1	4.2	17.3	44%	12.9	4.4	17.3	0.9
9.8	Niagara Falls ⁴	8.6	3.5	12.1	30%	8.7	3.6	12.3	0.6
3.8	Welland ^{2,4}	3.1	1.4	4.4	11%	3.3	1.4	4.7	0.2
4.0	NOTL ³	0.4	1.4	1.8	2%	0.5	1.5	2.0	0.0
1.5	Port Colborne ³	0.3	0.5	0.8	2%	0.5	0.5	1.0	0.0
2.0	Pelham ³	0.2	0.7	0.9	1%	0.4	0.7	1.1	0.0
1.9	Thorold	0.6	0.7	1.3	3%	1.0	0.7	1.7	0.1
2.9	Fort Erie ³	1.1	1.0	2.1	5%	1.4	1.1	2.5	0.1
3.5	Grimsby ³	0.3	1.2	1.5	1%	0.4	1.3	1.7	0.0
2.8	Lincoln ³	0.2	1.0	1.2	1%	0.4	1.0	1.4	0.0
1.5	West Lincoln	0.0	0.5	0.5	0%	0.0	0.5	0.5	0.0
0.7	Wainfleet	0.0	0.2	0.2	0%	0.0	0.3	0.3	0.0
46.4	Total	27.8	16.4	44.2	100%	29.4	17.1	46.4	2.2
Incremental Regional Levy to be offset at Municipal level						7.3%		0.5%	
55%	Conventional	89%	55%	77%	85%	85%	55%	74%	85%
45%	Alternative	11%	45%	23%	15%	15%	45%	26%	15%

1. 2023 Net Operating costs are based on inflationary adjustment for all other LAMS + removal of \$0.3M in PGT used for Operating expenditures

2. Welland Local Transit Cost above is different than transit costs reported in Welland tax levy as the City recovers 15% corporate overhead in its charge to Region for NRT services included in the Regional tax levy; these costs would not be uploaded at time of consolidation.

3. On-Demand/Local Transit investment increasing between 2020 and 2023

4. Transit expenditures include debt payments



**MOVING
TRANSIT
FORWARD**

NIAGARA SERVICE STANDARDS STRATEGY

LNTC-C 3-2021
APPENDIX 5
JUNE 30, 2021

TRANSIT IN NIAGARA TODAY

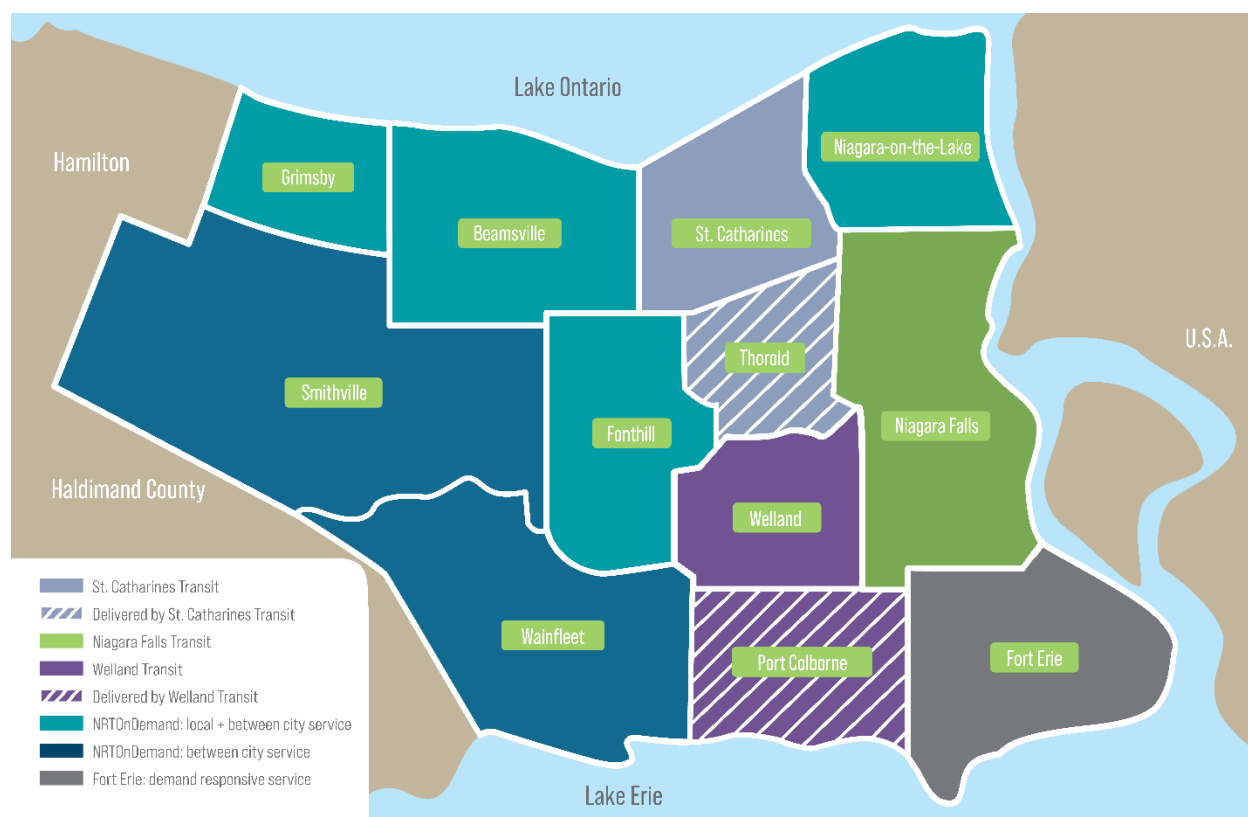
SECTION 1

THE STARTING POINT

Effective public transit is about providing the connections and mobility required for residents to access and enjoy the employment, recreational, and institutional benefits that Niagara has to offer. It's about connecting a student from their home to school, supporting an employee taking a new job in a different town, or ensuring a senior can access the medical services they require.

Today, transit in Niagara is delivered through a mix of services and by different levels of government and transit agencies. Niagara Region is responsible for delivering trips between cities (referred to as inter-municipal service) through Niagara Region Transit (NRT) and has recently launched the Niagara Region Transit On-Demand (NRT OnDemand) pilot program to provide a new approach to transit in smaller communities. Larger cities like St. Catharines, Niagara Falls and Welland have their own local transit services that primarily use large buses on regular (or fixed) routes, where some smaller towns and cities have only recently introduced transit service.

Figure 1 - Transit in Niagara Today (2021)



Significant work has been done in recent years make these systems integrate better together for the benefit of the riders. For example, the Intermunicipal Transit Working Group (IMTWG) was responsible for coordinating how Niagara’s transit systems responded collectively and collaboratively to the COVID-19 pandemic and has worked to ensure that common technologies are used across Niagara.

Integrating into one transit system serving all of Niagara represents an opportunity to take these efforts even further – combining resources to deliver more and better service, providing easier connections between towns and cities, and effectively integrating with expanded GO Train service. For this reason, work has been completed to outline how this integration could take place – arriving at a recommendation that a single transit Commission be established that serves all of Niagara’s public transit needs.

THE PLAN

The purpose of this service strategy is to outline how transit in Niagara could be enhanced, should the combination of the existing transit services take place.

This strategy considers three phases of improvements – in the short-term (Phase 1), a move to one set of consistent operating hours to ensure all residents in Niagara have the same level of availability of transit in their community and the ability to make consistent connections across Niagara. Phase 2 would follow, combining specialized transit (otherwise known as accessible or Para-transit) with other existing demand-responsive services. Lastly, in Phase 3, undertaking a detailed network review study that would look for future opportunities to expand and enhance Niagara’s transit footprint and significantly grow ridership in the long-term.



The roadmap and standards in this strategy will be a guideline for the future Commission, demonstrating the types of services and improvements that could be implemented in the future.

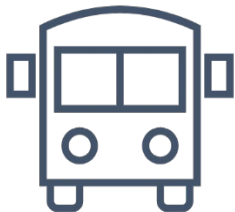
The Commission and its Board, through its own planning studies (such as the network review discussed in Phase 3), approvals and budgets, will make the final decisions about what service improvements will be provided.

The new transit Commission will also evaluate the performance of its services on a continual basis – starting right from its creation and in parallel with this strategy. At a minimum, there will be an annual performance review of required changes and service enhancements, which may include evaluation of route performance, ridership, new housing/commercial development, customer feedback, and opportunities to implement existing expansion priorities such as those identified in municipal transit and transportation master plans.

TYPES OF TRANSIT

Effective transit comes in many different forms, from large buses meant to move many people at once, through to smaller vehicles that connect residents in previously underserved communities. The right type of transit for a particular community is tailored to its needs: the demand or ridership anticipated and the density or character of the neighbourhood.

This strategy and the standards discussed are organized into two primary types of transit:



Conventional Transit

This is the image that comes to mind when most people think about transit - a large bus (35' or bigger) that stops at the corner, that comes by on a regular schedule, and that connects residential, employment and institutional areas with each other. It is most common in larger cities such as St. Catharines, Niagara Falls, and Welland.



Alternative Transit

Where conventional services aren't the right fit – because of lower demand or ridership, the need to service larger geographic areas, or to meet the demands of residents with enhanced mobility needs – alternative forms of transit are better suited to address these influences for particular communities. Alternative transit is sub-divided into three types:

- **Community Bus** – which operates smaller vehicles on a fixed route within a single community or town to provide local access to places such as seniors' apartments, medical facilities, community centres and shopping centres.

- **Demand Responsive Transit** – otherwise known as on-demand transit or micro-transit where vehicles alter their routes each trip based on passenger demand without using a fixed route or timetabled schedule.
- **Specialized Transit** – or Paratransit service, focused on assisting persons with mobility challenges, providing transportation from accessible door to accessible door, and using vehicles with features such as lifts and accessible seating. Vehicles alter their trips based on demand, rather than operating on a standard route or schedule.

SERVICE STANDARDS

SECTION 2

What is a Service Standard?

Service standards provide a consistent and fair way to evaluate both existing and proposed transit services. Standards work by establishing common thresholds for factors such as what the distance to the closest bus stop should be, what hours transit will operate, how frequently buses will serve each stop, and what type of service makes sense in a given community.

Service standards are intended to provide a planning, design, and decision-making framework for transit services that operate efficiently and equitably across Niagara. They provide a framework for how to best serve transit riders' diverse travel needs, while balancing budgetary and resource limits.

The standards proposed in this plan are intended to be implemented in three phases. Phase 1 and Phase 2 are focused on standardizing the current service across Niagara so that all residents have consistent access to transit. Phase 3 then looks for opportunities to enhance and grow service – once a common and integrated level of service across Niagara has been established. Notwithstanding the above sequencing, during Phase 1 and 2 shorter term expansion and enhance opportunities, especially those already identified in documents such as municipal Transportation Master Plans, will be considered as part of the annual service review that the Commission will undertake.

Service Coverage

Service coverage defines the maximum walking distance to a bus stop for urban and rural areas. The goal of locating bus stops is to balance the number of bus stops to ensure fast and reliable service, with ensuring that stops are conveniently located and within walking distance of homes and key community destinations. In Niagara, this has been defined as:

The maximum walking distance for greater than 90% of all residents within the Niagara Region is 400 metres to a bus stop.

Service coverage is most applicable to conventional services that operate on a fixed route with dedicated stops, but also applies to alternative services such as community bus and demand-responsive transit. Specialized transit operates on an enhanced principle of ensuring trips take place from “accessible door to accessible door”. This standard is comparable with those applied in other peer jurisdictions.

Phase 1 – Years 1 & 2

Standard Operating Hours Across Niagara

Each agency responsible for delivering transit in Niagara today currently sets its own hours of operation, independently balancing ridership and demand against budgetary and resource limitations in their communities.

The result is an inconsistent mix of operating hours from a region-wide perspective – transit in one community may start earlier in the morning than it does in an adjoining community, or one may offer Sunday and holiday service where another does not.

The first priority under a consolidated system will be to standardize the hours that transit operates across Niagara.

The proposed hours of operation for a consolidated system, for all types of service, are:

Monday to Saturday	6:00 AM to 12:00 AM (Midnight)
Sundays & Holidays	7:00 AM to 9:00 PM

Taking this first step will better serve residents by eliminating confusion between different hours of operation in adjacent communities and on different operating services (i.e. conventional and demand responsive), and by enhancing service hours in a number of communities. A transit rider travelling from one community to another can be confident that their connection will be operating still – and not need to check multiple schedules from different agencies.

Standardizing operating hours will also assist in delivering efficient service. For example, when planning service the Commission will not need to account for different start and end times in different communities which are presently independently determined and misaligned.

To the degree possible, standardization will occur in parallel with the assumption of operation by the Commission, but will be fully achieved over a two-year period as the Commission incrementally enhances service.

Providing an increased number of service hours will require additional investment. The operating costs to deliver this enhanced service has been accounted for in the financial strategy that parallels this Service Strategy, and is detailed in Table 3 in the Community Perspectives section of this report. Based on a review of existing service hours and fleet complement, it is expected that this enhanced service can be delivered using existing fleet resources and that no additional capital investment would be required.

Requests for Enhanced Services

There will be two opportunities for enhanced services to be provided in a municipality. Requests could be made from local Councils to the Commission for service improvements that would be included in future service planning; or through a direct 'purchase' of additional services based on a municipal contribution or rate.

One potential application would be in extended service hours beyond the standard outlined here. For example, Niagara Falls may request additional hours of service on weekends during peak tourist season or St. Catharines may request additional evening service to serve its downtown core. These requests will be evaluated by the Commission as they are received, and would be delivered subject to available resources and funding.

Phase 2 – Year 3

Combine Specialized and Demand Responsive Services

As standard operating hours are achieved, opportunities to enhance services through more efficient delivery will be explored.

The combination of specialized and demand-responsive transit into one combined service delivery model offers an opportunity to both improve the service residents receive, while more efficiently deploying the resources available to the Commission.

While these two services currently operate separately (and independently by multiple municipalities) in Niagara today, specialized and demand responsive services share many similar characteristics. They both pick-up and drop-off passengers as close to their destinations as possible rather than at dedicated stops; and both operate on flexible routing – changing their journey based on demand or new pick-up and drop-off locations along the way.

As a result, there is an opportunity to combine these services into one, removing the distinction between specialized trips and those currently provided by demand responsive transit. This combination will provide an equitable level of service for all residents in Niagara and permit a more efficient service delivery through a larger shared pool of resources and through scheduling efficiency. Ultimately, achieving a combination of these services will require further review and work to address operational requirements such as facilitating pre-booking of rides and supporting additional destinations for specialized users.

Delivering a combined specialized and demand-responsive system will require the integration of the existing services and contracts that currently deliver these trips across Niagara – encompassing both the local services that deliver trips within communities today, and the regional services that provide trips across municipal boundaries. These services are currently

delivered through a mix of direct ‘in-house’ delivery by the local transit agencies and by contracted services to third-parties.

The preferred approach for this integration is the assumption of existing specialized and demand responsive services and contracts by the Commission, working towards direct ‘in-house’ delivery of a combined service where it is deemed feasible and advantageous to do so. This approach is preferred as it gives the new Commission direct control over all resources to maximize efficiencies. Bringing this service in-house also gives the Commission control over the type of vehicles used to deliver a service that meets all passengers needs. Delivering a combined service ‘in-house’ will require the purchase of new vehicles to increase the available fleet and meet demand. The financial strategy that parallels this report incorporates this requirement by initiating a capital reserve strategy to fund new fleet acquisition.

Phase 3 – Years 4 & 5

Network Service Review

The new transit Commission will also conduct a comprehensive network review every 5-10 years. This review includes a review of the entire network structure and route performance. The first review is planned to occur after standard hours of operation are implemented, and all demand responsive and specialized improvements are made.

These two changes need to be made before any other major service enhancements are considered. Notwithstanding, as part of the Commission’s annual review, minor modifications to service will certainly be considered where necessary.

The Commission will also evaluate routes that may be required to service new developments, such as a GO Train station. All other enhancements, including those identified in LAM Transportation Master Plans, will be part of a comprehensive network review that will examine service across the region as a whole. Improving service frequency based on route performance guidelines will be the focal point of this review. Tables 1 and 2 illustrate service frequency and route performance guidelines that would be considered as part of this review.

Table 1 – Service Frequency

Operating Period	Conventional (minimum frequency in minutes)	Demand Responsive** (maximum wait time in minutes)
Weekday Peak	30	60
Weekday Base	30	60
Weekday Evening	60	60
Saturdays	30	60
Sundays	60	60
Holidays	60	60

** Maximum wait time is defined as the time from booking to pick-up

Route/service performance should be assessed on the basis of total boardings per revenue vehicle hour, which is an industry standard key performance indicator that measures the volume

of riders compared to the supply of transit service. Different classes of routes have different performance expectations and ridership potential, and the performance target values should be established separately for each route type.

Table 2 - Route Performance Guidelines (boardings per revenue vehicle hour):

Route Type	Weekday Daytime	Evening and Weekends
Conventional	15	10
Community Bus	8	6
Demand Responsive	3	2

It should be noted that if boardings for demand responsive service fall below 3 and 2 respectively as shown in Table 2, it does not mean that service levels will be reduced. It means that the transit Commission's supply of vehicles on the road at that time may be too high and should be reduced.

TRANSIT IN NIAGARA TOMORROW

SECTION 3

As the recommendations of the first network review and the standards outlined in this strategy are implemented, transit in Niagara will move towards a more harmonized and integrated system under the new Commission. Conventional services will operate with common operating hours and frequency, and alternative transit services - reflecting the level of demand in smaller communities - will ensure that appropriate investments are made for transit equity in all communities.

Figure 2 - Niagara Transit (Post-Phase 3)



In this scenario, conventional services are likely to continue to be concentrated in the municipalities where they most commonly appear today: St. Catharines, Niagara Falls, Thorold, and Welland. In parallel, alternative services will be most prominent in the other eight Niagara municipalities of Fort Erie, Grimsby, Lincoln, Niagara-on-the-Lake, Pelham, Port Colborne, Wainfleet, and West Lincoln.

It should be noted that this is a generalization. For example, there are underserved neighbourhoods in Niagara Falls, St. Catharines and Thorold today that would best be connected through more consistent demand responsive transit. There will also be a continued need to

connect communities primarily with alternative services to their neighbours through conventional services as is done today through the fixed inter-municipal transit routes. Specialized transit, identified under the alternative service model, will service the whole of Niagara.

Community Perspectives

While this strategy sets forth a vision for how standards and enhancements could be applied across Niagara, many of these improvements will be most directly felt at the local community level.

This is especially true during Phase 1, where the move to common operating hours for both conventional and alternative services will directly expand the time transit is available in a number of communities as shown in Table 3 below.

The costs associated with the additional hours of service indicated in Table 3 have been considered and incorporated as part of the overall financial strategy that parallels this document. In addition to the specific operating hour enhancements detailed above, the following sections provide an overview of the changes each community could experience as the three phases of the strategy are enacted and transit growth occurs.

Table 3 - Phase 1 Operating Hour Enhancements

Municipality	Service Increase	Additional Annual Operating Hours
Fort Erie	Alternative Transit - Demand Responsive + Three hours of additional service weekdays and Saturday + Sunday and Holiday service	2,600
Grimsby	Alternative Transit - Demand Responsive + Three hours of additional service weekdays and Saturday + Sunday service and Holiday service	2,671
Lincoln	Alternative Transit - Demand Responsive + Three hours of additional service weekdays and Saturday + Sunday service and Holiday service	2,671
Niagara Falls	Conventional Transit + Two hours of additional service weekday evenings on selected routes	5,382
Niagara-on-the-Lake	Alternative Transit - Demand Responsive + Three hours of additional service weekdays and Saturday + Sunday service and Holiday service	5,536
Pelham	Alternative Transit - Demand Responsive + Three hours of additional service weekdays and Saturday + Sunday service and Holiday service	2,671
Port Colborne	Alternative Transit - Demand Responsive + Eight hours of additional service + Introduce Saturday, Sunday and Holiday service	3,744
St. Catharines	Conventional Transit + Two hours of additional service on Sunday + Six hours of additional service on each Holiday	1,709
Welland	Conventional Transit + One hour of additional service weekday evening + Two hours of additional service on Saturday + Three hours of additional service Sunday evening + Introduce Holiday service	10,006
Niagara Region	Conventional Transit – Inter-municipal Routes + Three hours of additional service weekdays and Saturday + Sunday and Holiday Service	8,112

TOWN OF FORT ERIE

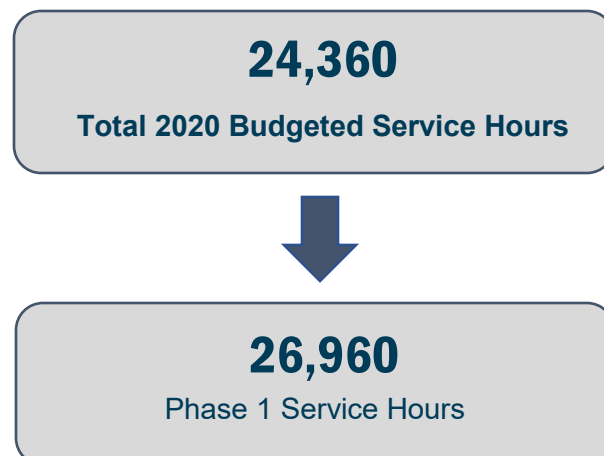
population 31,520 (2016)

alternative service delivery model

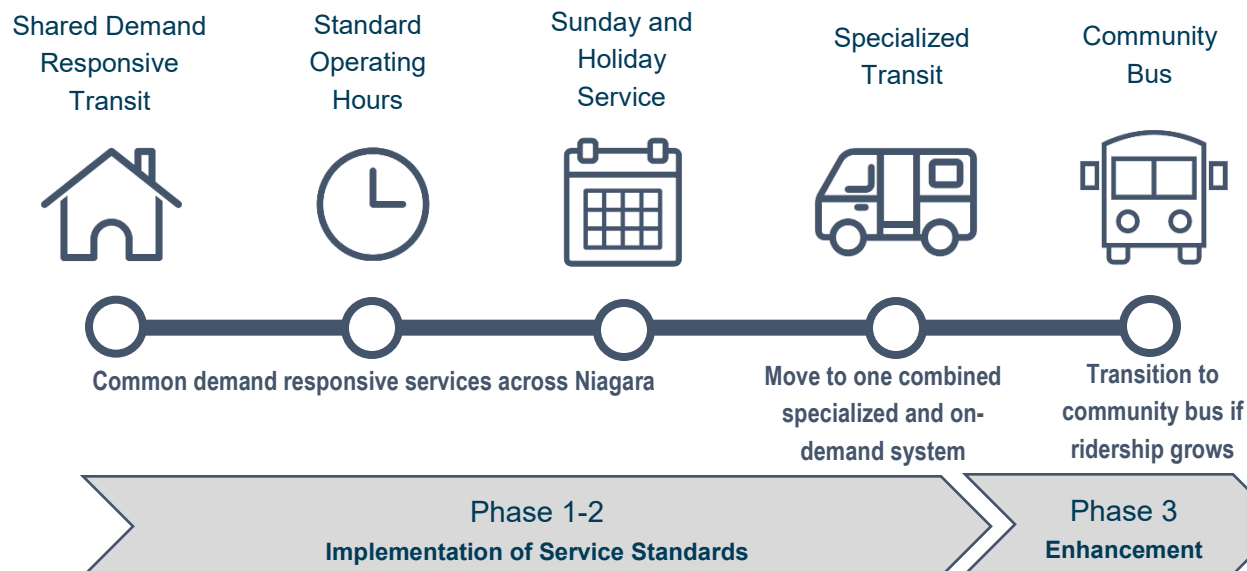
TRANSIT TODAY

Transit in Fort Erie is currently delivered through a third-party contract with Tokmakjian Inc. providing four fixed routes within the Town boundaries. In October 2021, the system will switch to a demand responsive system contracted out to a local company, Regional Limousine. Connections to the NRT Inter-Municipal service are also available.

Specialized transit services are contracted out to The BTS Network Inc., facilitating access for approved specialized users across Fort Erie.



ENHANCEMENTS



TRANSIT TOMORROW

Under a Commission, demand responsive transit will be shared across many municipalities in Niagara. For Fort Erie, this means forthcoming demand responsive service in Fort Erie would be incorporated and the hours the service operates would be extended – adding 9pm to midnight – and include Sundays and Holidays. A move to a community bus system would be considered as transit ridership grows in Fort Erie, providing conventional service links to neighbouring communities that will continue to be a priority.

TOWN OF GRIMSBY

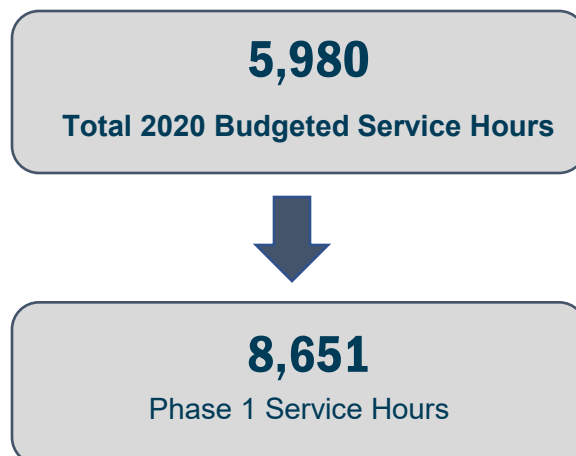
population 28,030 (2016)

alternative service delivery model

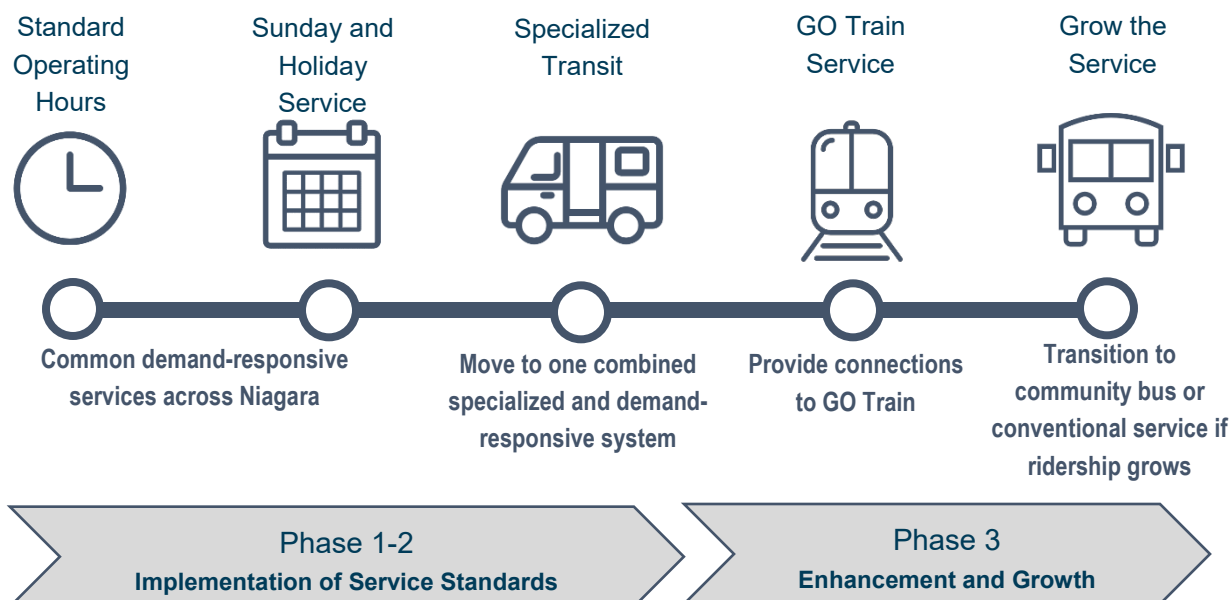
TRANSIT TODAY

The NRT On-Demand Pilot has been embraced by residents in Grimsby, with over 12,000 rides between inception in August 2020 and the end of May 2021—indicating a strong demand for transit in the community. Specialized transit services through Niagara Region’s NST are provided by Niagara Region for approved clients.

Beyond municipal services – GO Transit provides connections to the GTA and other Niagara municipalities through bus service at Casablanca Blvd and future GO Train expansion.



ENHANCEMENTS



TRANSIT TOMORROW

In Phase 1 the NRT OnDemand pilot (demand-responsive transit) hours of operation will be extended to 6:00 am to 12:00 am (midnight) and include Sundays and Holidays (7:00 am – 9:00 pm). The introduction of future GO Train service will be a significant opportunity for Grimsby – which will be met with enhanced local service to ensure effective connections to and from trains. In the short-term, this may mean growing the NRT OnDemand service to keep pace with demand. In the long-term, this may mean transitioning to community bus or conventional transit services should ridership grow, and as determined by the Phase 3 network review.

TOWN OF LINCOLN

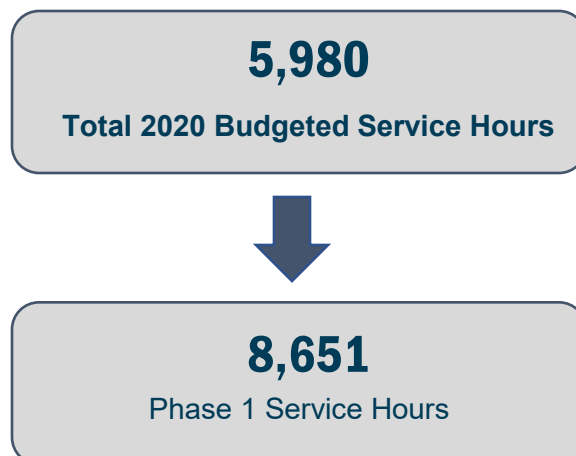
population 24,410 (2016)

alternative service delivery model

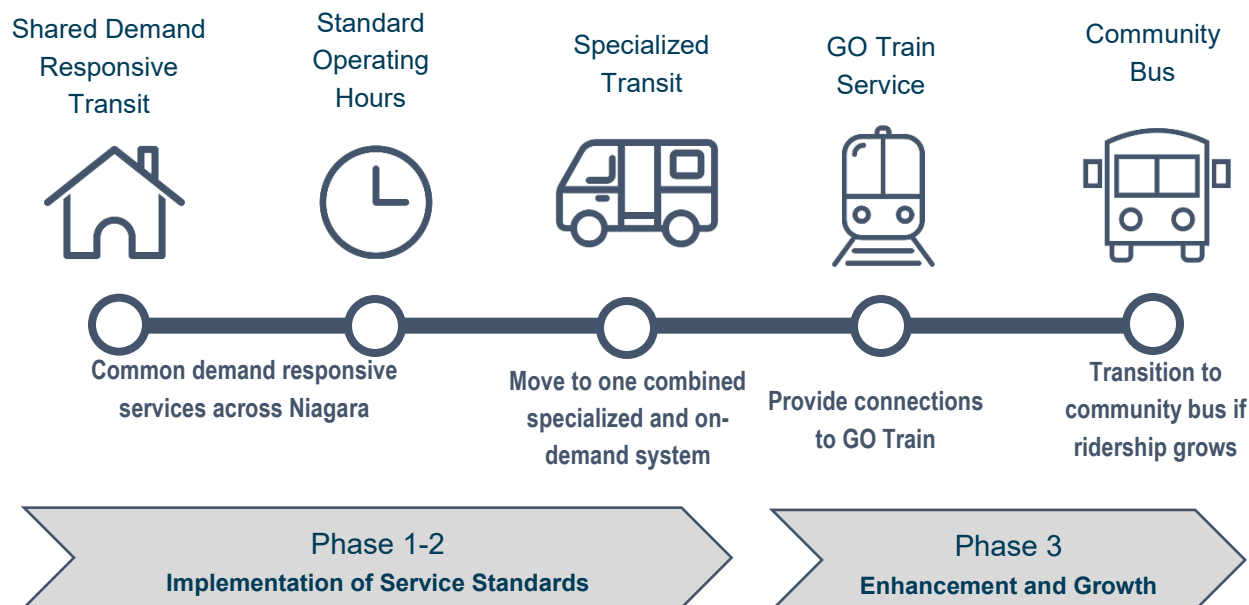
TRANSIT TODAY

Transit in Lincoln is currently delivered through NRT OnDemand, providing connections both within Lincoln as well as to key destinations across Niagara.

Specialized transit services are provided by Niagara Region through NST. Beyond municipal services, GO Transit provides connections to the GTA and other Niagara municipalities through bus service at Ontario St. and potential exists for a future GO Train station.



ENHANCEMENTS



TRANSIT TOMORROW

Under a Commission, demand responsive transit will be shared across many municipalities in Niagara. For Lincoln, this means the hours the service operates would be extended adding 6 a.m.-7 a.m. and 10 p.m.-midnight, and include Sundays and Holidays. The introduction of future GO train service in Beamsville will be met with enhanced local service to ensure effective connections to and from trains. In the short-term, this may mean growing demand-responsive transit to keep pace with ridership. In the long-term, this may mean transitioning to community bus or conventional transit services should ridership grow, and as determined by the Phase 3 review.

CITY OF NIAGARA FALLS

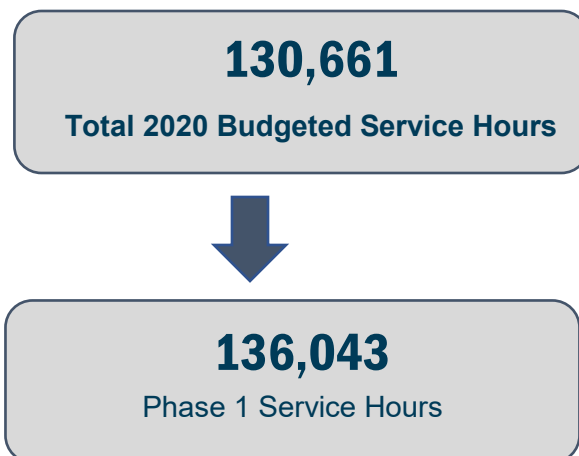
population 90,390 (2016)

conventional & alternative mix service delivery model

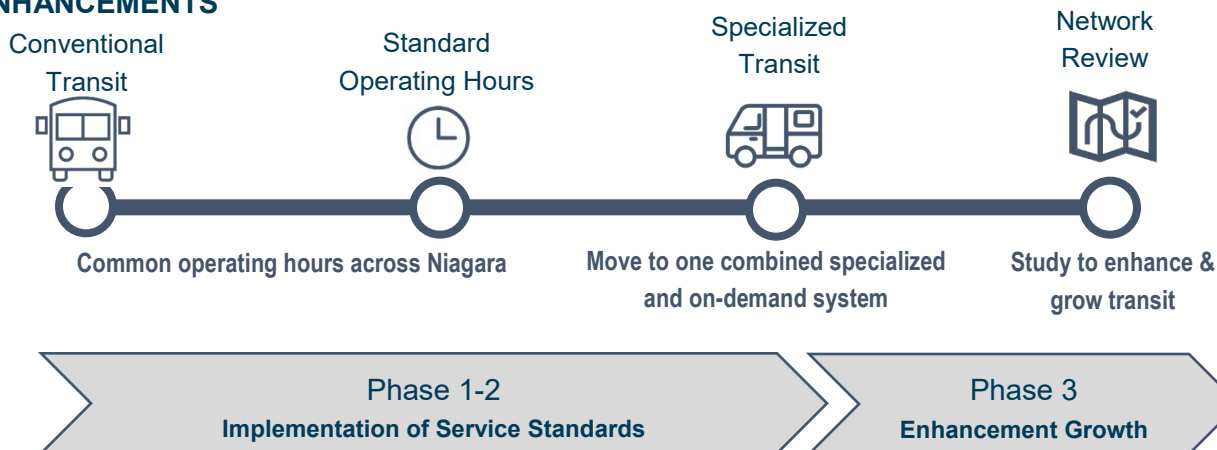
TRANSIT TODAY

Niagara Falls Transit Services plans, manages and operates fixed route transit service for locals and visitors on 25 routes. NFTS also operates four routes on behalf of Niagara Region connecting to Welland, St. Catharines, Niagara-on-the-Lake and Fort Erie.

The City of Niagara Falls' specialized transit service is provided by St. Johns Ambulance, while the Niagara Region NST service provides intermunicipal specialized service. Trans-Cab, contracted to a local taxi operator, is a demand-responsive service to under-developed areas or city neighbourhoods not able to support fixed route transit. While outside the current scope of the proposed consolidation of services, WEGO provides a tourism-focused service in partnership with the Niagara Parks Commission. GO Bus and Trains provide connections to Hamilton and the GTA.



ENHANCEMENTS



TRANSIT TOMORROW

Under a Commission, transit service within the City of Niagara Falls would be enhanced with expanded hours of evening service and enhanced alignment with regional connections across Niagara. Within Niagara Falls, this means the hours the service operates would be extended by adding up to two hours on all evening routes Monday to Saturday. A move to combine demand-responsive and specialized services is anticipated as part of consolidation in the near future. WEGO will continue to operate separate from the Commission, with future direction to be provided as existing contracts are renegotiated. Future increased frequency in GO Train service to Niagara Falls will require increased local service to provide connections to and from trains.

TOWN OF NIAGARA-ON-THE-LAKE

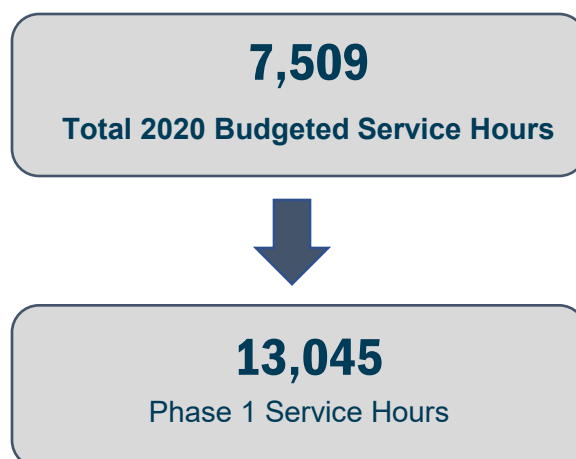
population 17,970 (2016)

alternative service delivery model

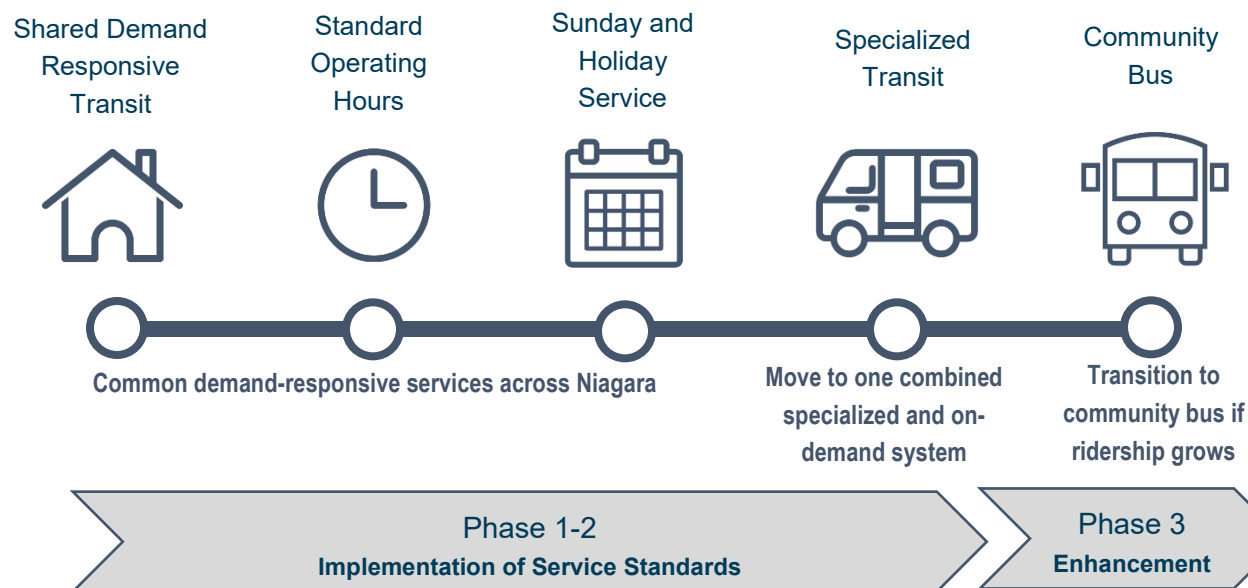
TRANSIT TODAY

Transit in the Town of Niagara-on-the-Lake is currently being delivered through the NRT OnDemand, providing connections to key destinations across Niagara. Specialized transit services are provided by Niagara Region through NST for approved clients.

While outside the current scope of the proposed consolidation of services, WEGO provides a tourism-focused service within Niagara-on-the-Lake as a partnership between the City of Niagara Falls and the Niagara Parks Commission.



ENHANCEMENTS



TRANSIT TOMORROW

Under a Commission, demand responsive transit will be shared across many municipalities in Niagara. For Niagara-on-the-Lake, this means the hours the service operated would be extended – adding 6 a.m. - 7 a.m. and 7 p.m. - midnight – and include Sundays and Holidays. A move to a community bus or conventional system would be considered as transit ridership grows, and there is the potential to combine demand responsive and specialized services in the future. WEGO will continue to operate separate from the Commission, with future direction to be provided as existing contracts are renegotiated.

TOWN OF PELHAM

population 17,560 (2016)

alternative service delivery model

TRANSIT TODAY

Transit in Pelham is currently delivered through NRT OnDemand, providing connections both within Pelham as well as to key destinations across Niagara.

Specialized transit services are provided by Niagara Region via NST for approved clients.

ENHANCEMENTS

Shared Demand
Responsive
Transit



Standard
Operating
Hours



Sunday and
Holiday
Service



Specialized
Transit



Community
Bus



Common demand responsive services across Niagara

Move to one combined
specialized and on-
demand system

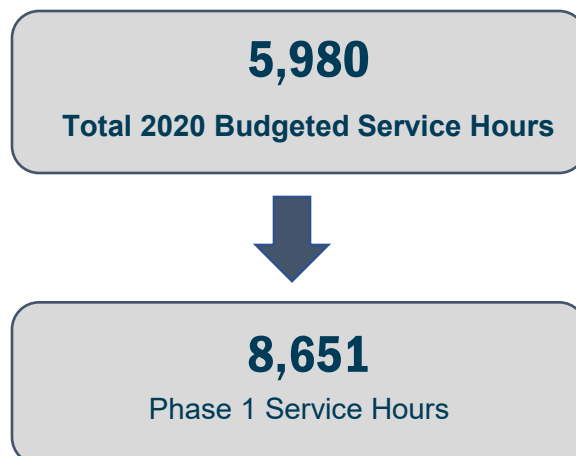
Transition to
community bus if
ridership grows

Phase 1-2
Implementation of Service Standards

Phase 3
Enhancement

TRANSIT TOMORROW

Under a Commission, demand responsive transit will be shared across many municipalities in Niagara. For Pelham, this means the hours the service operates would be extended – adding 6 a.m. - 7 a.m. and 10 p.m. - midnight and include Sundays and Holidays. A move to a community bus system would be considered as transit ridership grows in Pelham, and there is the potential to combine demand responsive and specialized services in the future.



CITY OF PORT COLBORNE

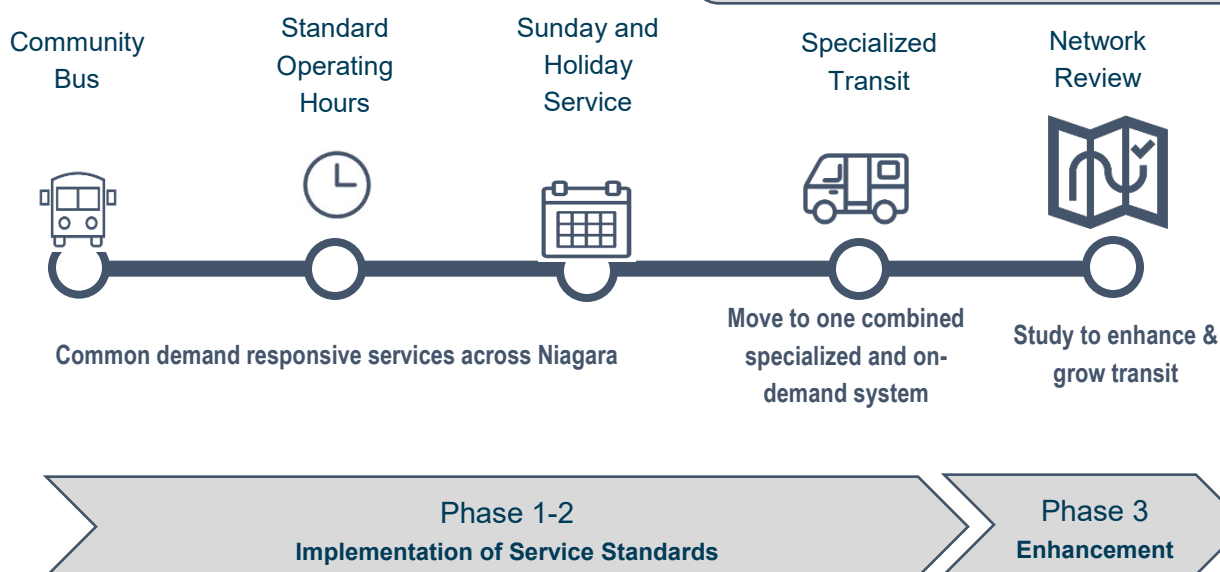
population 18,790 (2016)
alternative service delivery model

TRANSIT TODAY

Transit within the City of Port Colborne is currently delivered as a Community Bus operating on two routes funded by the City, as well as one intermunicipal route connecting Port Colborne to Welland funded by the Region; all of which is operated by the City of Welland (WT).

Specialized transit services are provided by Niagara Region via NST to approved clients.

ENHANCEMENTS



TRANSIT TOMORROW

Under a Commission, transit service within the City of Port Colborne would be enhanced with expanded hours of evening service, added weekend and holiday service and enhanced alignment with regional connections across Niagara. Specifically, this means the hours the service operated would be extended by 8-hours to all routes Monday to Friday, 18-hours to all routes on Saturday, and 14-hours on Sunday and Holidays in order to align operating hours across the system. A move to combine demand-responsive and specialized services is anticipated as part of amalgamation in the near future.

CITY OF ST. CATHARINES

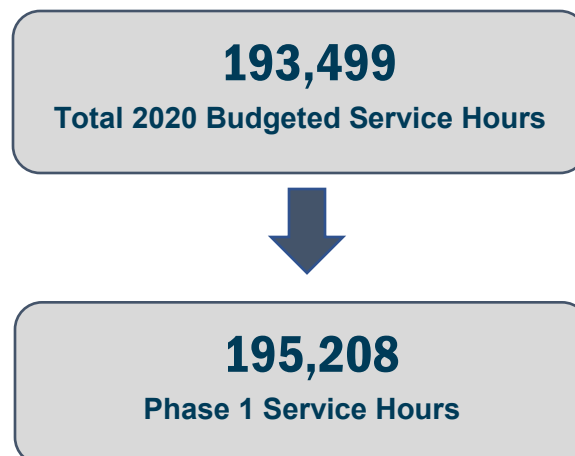
population 136,620 (2016)

conventional & alternative mix service delivery model

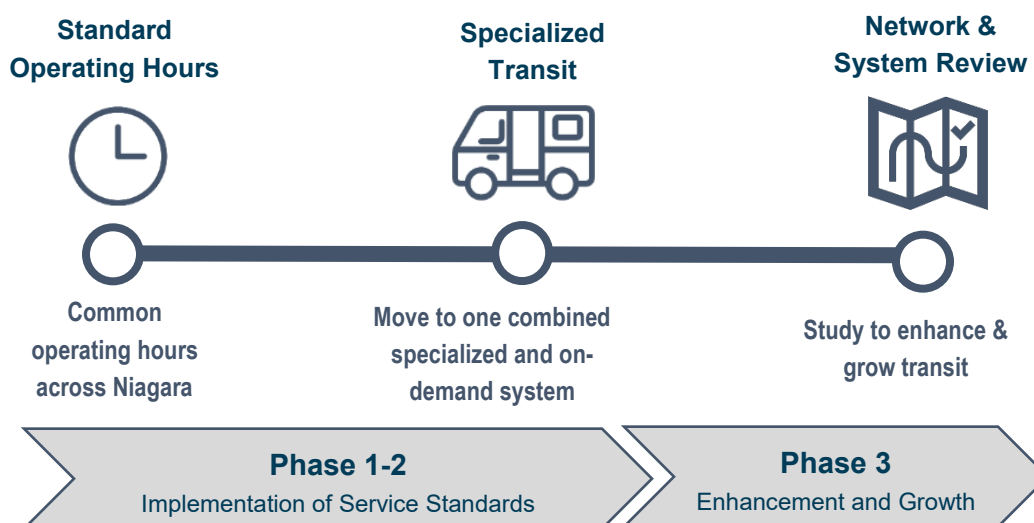
TRANSIT TODAY

Transit in St. Catharines is currently delivered by the St. Catharines Transit Commission (SCTC) with fixed route transit service. SCTC also operates three routes on behalf of Niagara Region connecting to Welland, Niagara Falls, Niagara-on-the-Lake and Thorold transit systems.

Specialized transit service in St. Catharines is also delivered by SCTC. Outside the city's municipal boundaries, the Niagara Region NST service provides intermunicipal specialized service. GO Bus and Trains provide connections to Hamilton and the GTA.



ENHANCEMENTS



TRANSIT TOMORROW

Under a new Commission, transit service within the City of St. Catharines would be enhanced with expanded hours of Sunday and Holiday service. A move to combine demand-responsive and specialized services is anticipated as part of consolidation. Phase 1 and 2 annual service reviews and Phase 3 Network Review will examine opportunities for expansion, such as route extensions identified in the St. Catharines Transportation Master Plan and enhanced local service to provide connections to and from GO Trains as their frequency increases.

CITY OF THOROLD

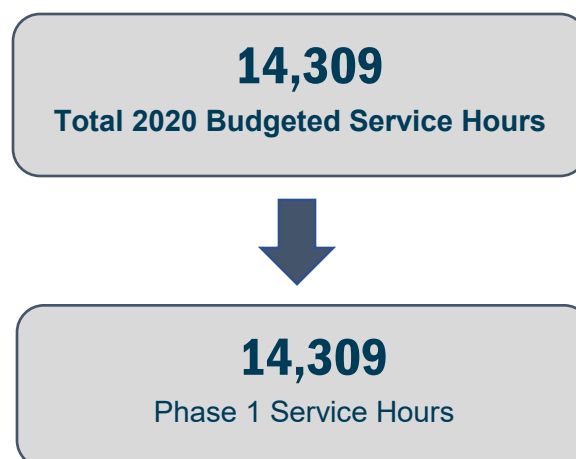
population 19,300 (2016)

alternative service delivery model

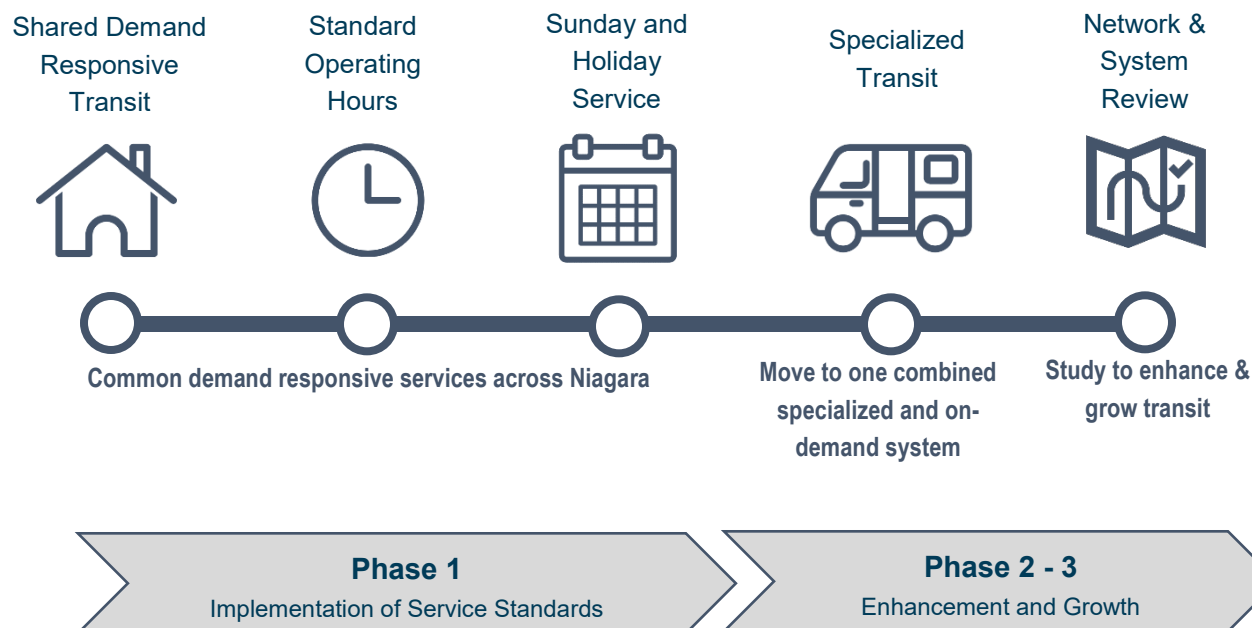
TRANSIT TODAY

Transit in Thorold is currently delivered through the St. Catharines Transit Commission (funded by the City of Thorold), providing connections both within Thorold as well as to key destinations across Niagara such as Niagara Falls and St. Catharines.

Specialized transit services are provided by both Niagara Region via NST and St. Catharines Transit.



ENHANCEMENTS



TRANSIT TOMORROW

Under a Commission, demand responsive transit will be shared across many municipalities in Niagara. For Thorold, this means that in Phase 1 more areas of the City will have access to transit service through a shared demand responsive service.

TOWNSHIP OF WAINFLEET

population 6,540 (2016)

alternative service delivery model

TRANSIT TODAY

Transit in Wainfleet is currently delivered through NRT OnDemand, providing connections to key destinations outside of Wainfleet, but within Niagara.

Specialized transit services are provided by Niagara Region via NST to approved clients.

Inter-municipal Services Provided

No Local Service Hours

ENHANCEMENTS

Shared Demand
Responsive
Transit



Standard
Operating
Hours



Sunday and
Holiday
Service



Specialized
Transit



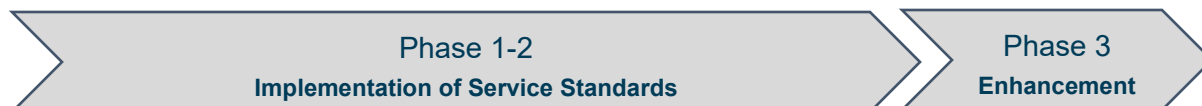
Community
Bus



Common demand responsive services across Niagara

Move to one combined
specialized and on-
demand system

Transition to
community bus if
ridership grows



TRANSIT TOMORROW

Under a Commission, demand responsive transit will be shared across many municipalities in Niagara. For Wainfleet, this means the hours of operation would be 6 a.m. to midnight and include Sundays and Holidays (7 a.m. – 9 p.m.). Another major enhancement under a Commission is that the demand responsive service will be able to deliver local trips within the boundaries of Wainfleet in addition to the inter-municipal trips currently only available.

CITY OF WELLAND

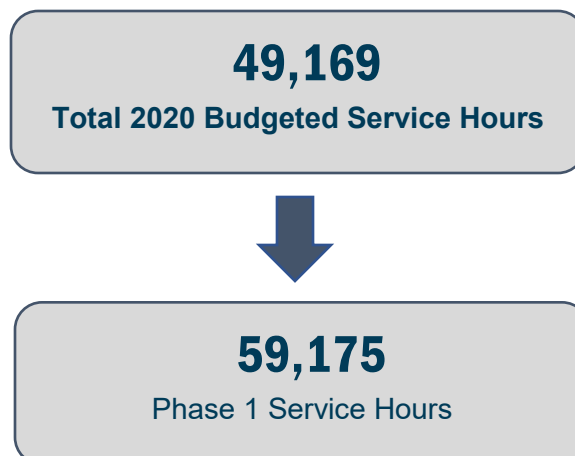
population 53,670 (2016)

conventional & alternative transit delivery models

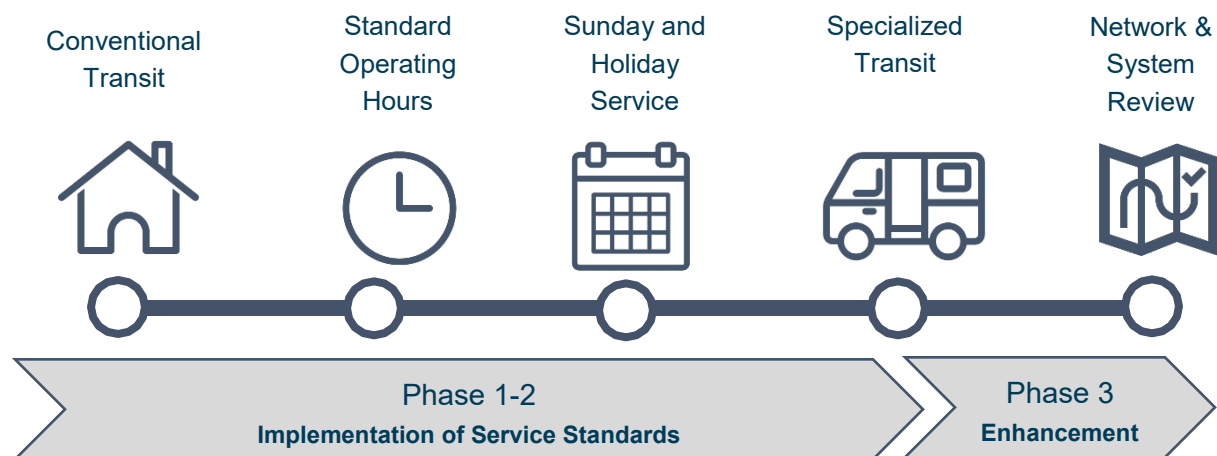
TRANSIT TODAY

The City of Welland's Transit Division (WT) plans, manages, and operates fixed route, conventional transit service on 8 local routes. In addition, WT operates 3 routes on behalf of Niagara Region connecting to Niagara Falls, St. Catharines, and Port Colborne transit systems.

Local specialized transit service is scheduled and provided by WT. Inter-municipal specialized trips are provided by Niagara Region's NST service for approved clients. Outside contracts provided by local taxi syndicates are utilized for local specialized service required outside the available operating hours.



ENHANCEMENTS



TRANSIT TOMORROW

Under a Commission, transit service within the City of Welland would be enhanced with expanded hours of evening service and enhanced alignment with regional connections across Niagara. For the City of Welland, this means the hours the service operated would be extended by 1-hour to all routes Monday to Saturday and 3-hours to all routes on Sunday in order to align operating hours across the system. A move to combine demand-responsive and specialized services is anticipated as part of amalgamation in the near future.

TOWN OF WEST LINCOLN

population 14,880 (2016)

alternative service delivery model

TRANSIT TODAY

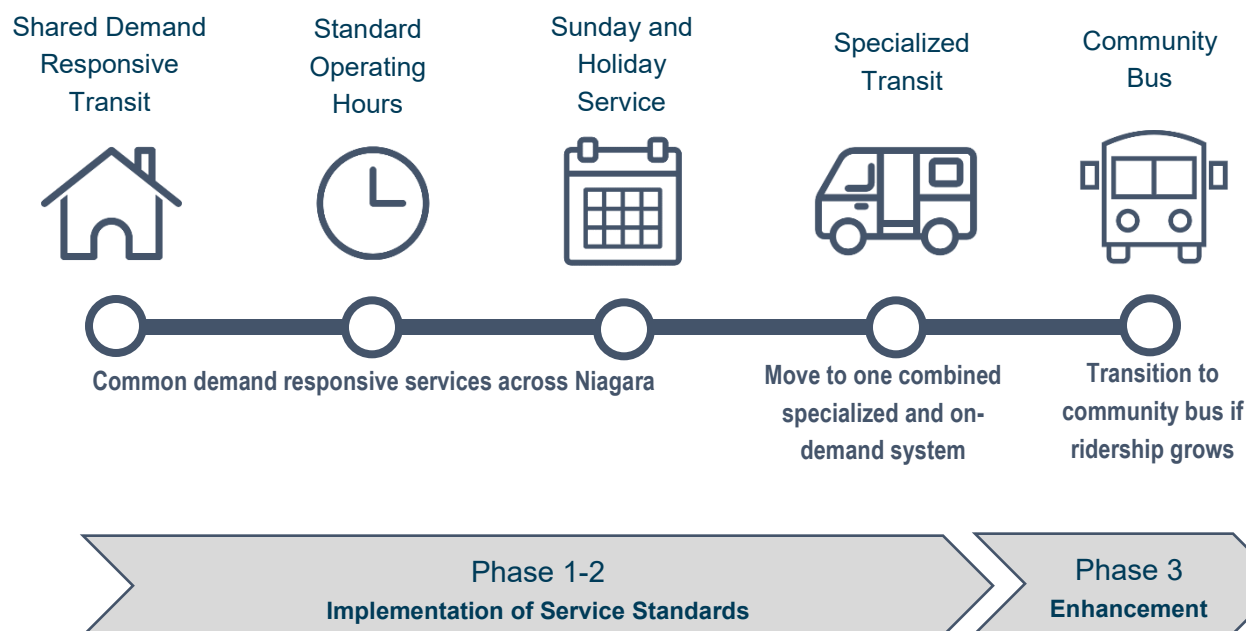
Transit in West Lincoln is currently being delivered through the NRT OnDemand, providing inter-municipal connections to key destinations across Niagara.

Inter-municipal specialized transit services are provided by Niagara Region via NST for approved clients.

Inter-municipal Services Provided

No Local Service Hours

ENHANCEMENTS



TRANSIT TOMORROW

Under a Commission, demand responsive transit will be shared across many municipalities in Niagara. For West Lincoln, this means the hours the service operates would be extended – adding 6 a.m. – 7 a.m. and 10 p.m.-midnight, and include Sundays and Holidays (7 a.m. – 9 p.m.). The decision to and timing of introducing local demand-responsive services in West Lincoln will be made in consultation with Council. A move to a community bus system would only be considered as transit ridership grows in West Lincoln, and there is the potential to combine demand responsive and specialized services in the future.

Overview






The first round of LAM consultation represented an opportunity for input and feedback on the results of the NTGS and associated financial strategy. The most common areas of feedback related to the financial strategy, composition of the board, and need for a more defined (high level) service plan, which have led to the revised strategies discussed in the main body of this report.

The purpose of this comment tracker is to connect these revised strategies back to the feedback received from each LAM, as well as additional areas of feedback that were identified outside the major themes. The LAM issues identified were first summarized as part of LNTC-C 1-2021 and LNTC-C 2-2021, and represent a combination of formal feedback received through recommendations adopted by Councils, commentary provided in local staff reports, and topics raised by Councils during question and answer periods.

Fort Erie

Phase 1 Consultation Summary

Council adopted staff recommendations from [IS-04-2021](#), providing support-in-principle for the Commission, requesting Niagara Region further refine the governance and financial models in accordance with the recommendations contained in the report and in advance of the initiation of the triple-majority process.

Item	Status	Comment
Propose an alternative funding model to a levy based on property value assessment.		Revised financial model transitions from single-levy to twelve (12) special levies. Revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
Additional financial information - update financial baseline reporting to 2021, sources of transition cost funding, impact of COVID-19, and treatment of reserves.	 	The revised financial model includes additional discussion regarding the transfer and establishment of capital reserves. The timing of the Phase 3 Network Service Review discussed in the Service Strategy has been set in part-to allow for a better understanding of COVID-19 impacts on revenue and ridership. The GSC has confirmed as recommended the use of the Cummings Principle to guide asset transfer. The work of the GSC will continue towards the development of Municipal Transfer Agreements which will codify considerations specific to Fort Erie. The key terms and principles of the MTA will be presented in parallel with the future triple-majority report.
Permanent representative from Fort Erie on the Commission board.		Revised board model provides political representation for all Niagara municipalities.
Existing service levels be maintained indefinitely.		Service Strategy outlines short-term enhancements in advance of a future Network Review. Indefinite minimum service hours to be finalized as part of Municipal Transfer Agreement.

Grimsby

Phase 1 Consultation Summary

Council adopted staff recommendations from [CAO 21-03](#), providing support-in-principle for the Commission, taking into account that Niagara Region will commit to and address the issues identified in the recommendations of that report.


Item	Status	Comment
Grimsby's current service levels are maintained and improved upon.	✓	Service Strategy outlines short-term enhancements in advance of a future Network Review. Maintenance of existing or minimum service levels will be confirmed as part of final triple-majority approval.
That the proposed financial model be amended to address concerns presented by the Town of Grimsby.	✓	Revised financial model transitions from single-levy to twelve (12) special levies. Revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
That Region Council consider geographical areas, such as Niagara West, when selecting two (2) additional Councillors for the Full Commission.	✓	Objective of enhanced representation for Grimsby achieved - revised board model provides political representation for all Niagara municipalities.
The ongoing NRT On-Demand pilot program and future opportunities for transit services in Grimsby.	✓	The Service Strategy anticipates the continuation and expansion of demand responsive service such as the NRT OnDemand pilot. Phase 1 improvements anticipate expanded operating hours. The Network Service Review will consider future community bus or conventional services as ridership grows, and as necessary to meet increased demand related to the introduction of GO Train service at Grimsby.

Lincoln

Phase 1 Consultation Summary

Council adopted staff recommendations from [AD-02-21](#), providing support-in-principle for the Commission, taking into account that Niagara Region will commit to and address the issues identified in the recommendations of that report.



Item	Status	Comment
Town of Lincoln current service levels are maintained and improved upon.	✓	Service Strategy outlines short-term enhancements in advance of a future Network Review. Maintenance of existing or minimum service levels will be confirmed as part of final triple-majority approval.
That the proposed financial model be amended to address concerns presented by the Town of Lincoln.	✓	Revised financial model transitions from single-levy to twelve (12) special levies. Revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
That Region Council consider geographical areas, such as Niagara West, when selecting two (2) additional Councillors for the Full Commission.	✓	Objective of enhanced representation for Lincoln achieved - revised board model provides political representation for all Niagara municipalities.

Item	Status	Comment
Discussion at Council also included how transit would support future growth in Lincoln, the ongoing NRT On-Demand Pilot, and the anticipated timing of return to pre-COVID-19 transit ridership levels.		The Service Strategy anticipates the continuation and expansion of demand responsive service such as the NRT OnDemand pilot. Phase 1 improvements anticipate expanded operating hours. The Network Service Review will consider future community bus or conventional services as ridership grows, and as necessary to meet increased demand related to the introduction of GO Train service. The timing of the Network Service Review has been recommended in part to allow transit ridership impacts from COVID-19 to be better understood.

Niagara Falls

Phase 1 Consultation Summary





Council jointly considered the presentation from Region staff and the Niagara Falls staff report [CAO-2021-01](#), supporting a motion to endorse, in principle, the Full Commission as the recommended governance model for the consolidation of Niagara's public transit system.

Item	Status	Comment
Reconsider 2021 as the baseline year for operational service levels, given ridership impacts from COVID-19		Achieved. The revised financial strategy updates the baseline service year to 2020 budgeted service hours – which represents a pre-COVID estimate. All figures would be adjusted prior to consolidation in 2023 to reflect most recent financials.
Consider the option of offering free or reduced fares for seniors as part of [the] transition process		The revised financial strategy anticipates a move to a single regional fare, but does not include the provision of free or reduced fares for Seniors. Decisions regarding fare discounts has been reserved as a future decision that should be made by the Commission.

Niagara-on-the-Lake

Phase 1 Consultation Summary

Council adopted staff recommendations from [CAO-21-002](#), providing support-in-principle for the Commission, taking into account that Niagara Region will commit to and address the issues identified in the recommendations of that report.

Item	Status	Comment
Maintaining and improving upon the current service levels provided to the Town of Niagara-on-the-Lake.		Service Strategy outlines short-term enhancements in advance of a future Network Review. Maintenance of existing or minimum service levels will be confirmed as part of final triple-majority approval.
Amending the proposed financial model to address concerns identified by the Town of Niagara-on-the-Lake.		Revised financial model transitions from single-levy to twelve (12) special levies. Revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
Considering geographical areas when selecting two (2) additional Councillors for the Full Commission.		Objective of enhanced representation for Niagara-on-the-Lake achieved - revised board model provides political representation for all Niagara municipalities.
Further feedback centred on the critical role transit plays in supporting economic development and tourism in Niagara-on-the-Lake, the appropriate point in time for potential integration of WEGO with the Commission, and the role of the Cummings Principle in asset transfer.		The importance of tourism to the Town and the role that transit can play in connecting tourists and employees to destinations will be a focus for the Commission. WEGO will remain an important service in achieving this objective, but remains outside the scope of the initial consolidation. Decisions regarding potential future integration will be made collectively by the City of Niagara Falls, Niagara Parks Commission, future transit Commission and Town of Niagara-on-the-Lake. The GSC has confirmed as recommended the use of the Cummings Principle to guide asset transfer.

Pelham

Phase 1 Consultation Summary

Council considered staff report [202-0044-Recreation](#), and adopted a series of resolutions indicating the Town of Pelham does not support the Full Transit Commission Model as presented by Niagara Region due to the issues noted below.

Item	Status	Comment
The Town of Pelham will not be sufficiently represented on the Commission Board as it pertains to governance of the Commission.	✓	Revised board model provides political representation for all Niagara municipalities.
The Regional levy as proposed (based on MPAC assessment) does not take into consideration population size or ridership, and that an approximately 500% increase to the Town of Pelham is not acceptable, and is not supported by the Council for the Town of Pelham.	✓	Revised financial model transitions from single-levy to twelve (12) special levies. Revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
Additional discussion referenced the anticipated timing of return to pre-COVID-19 transit ridership levels and alternative micro-transit service delivery models such as those used in Calgary and Innisfil.	✓	The Service Standards Strategy considers a future harmonization of demand-responsive and specialized services in Niagara. This future harmonization will examine a wide range of operational models for demand responsive transit. The timing of the Phase 3 Network Service Review has been set in part-to allow for a better understanding of COVID-19 impacts on revenue and ridership.

As part of the consideration of this item, Pelham Council gave further direction to staff related to the ongoing NRT OnDemand pilot program.

Port Colborne

Phase 1 Consultation Summary


Council adopted staff recommendations from [2021-39](#), providing support-in-principle for the Commission, taking into account that Niagara Region will commit to and address the issues identified in the recommendations of that report.

Item	Status	Comment
That the City of Port Colborne service levels set out in the report Transit Enhancement Opportunity (Report 2021-15) dated January 11, 2021 are maintained and improved upon;	✓	The Service Strategy outlines short-term enhancements in service in advance of a future Network Review. Maintenance of existing or minimum service levels will be confirmed as part of final triple-majority approval.
That the proposed financial model be amended to address concerns presented by the City of Port Colborne.	✓	Revised financial model transitions from single-levy to twelve (12) special levies. Revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
That Regional Council consider geographical areas, such as Niagara South, when selecting two additional Councillors for the Full Commission.	✓	Objective of enhanced representation for Port Colborne achieved - revised board model provides political representation for all Niagara municipalities.
A request was made to further examine the option for municipalities to purchase enhanced transit services as part of the revised financial model.	✓	There will be two opportunities for enhanced services to be provided in a municipality – through requests made from local Councils to the Board for that would be included in future service planning and through a direct ‘purchase’ of additional services based on a municipal contribution or rate.

St. Catharines




Phase 1 Consultation Summary





Council considered staff report [CAO-007-2021](#) and adopted amended recommendations, providing support-in-principle for the Commission. The recommendations of that report included:

Item	Status	Comment
That...staff [forward the] report, including comments detailed by the St. Catharines Transit Commission in Appendix 3, to the Region and requests the additional information identified in [the] report be received prior to the approval of a new Intermunicipal Transit System and operating model;		<p>The purpose of this report is to present revised financial, governance, and service strategies that reflect and address feedback received from all local Councils.</p> <p>The GSC has recommended that a second round of consultation take place to provide LAMs an opportunity to review these strategies and provide additional input prior to seeking triple-majority approval.</p>

Item	Status	Comment
<p>[Requesting] the formation of a Municipal Transit Transition Group that includes the CAOs of St. Catharines, Niagara Falls, Niagara Region and Welland, the St. Catharines Transit General Manager and any other transit staff or senior staff members required in order to develop draft Municipal Transfer Agreements that include (but are not limited to) the following:</p> <ul style="list-style-type: none"> • Rider fare structure; • Service plan detail including improvement guarantees; • Asset transfer agreements; • Growth forecasting model, including expansion costs and revenue opportunities; 	<p>✓</p> <p>🕒</p>	<p>The previous CAO Working Group was expanded and reconstituted as the Governance Steering Committee (GSC) to provide a wider range of perspectives from across Niagara. Project teams working under the direction of the GSC included both Regional and local staff, including those from St. Catharines and the St. Catharines Transit Commission.</p> <p>The revised financial model presents information and detail related to the move to a single regional fare, a capital reserve strategy, and funding for growth consistent with the conservative growth strategy first outlined in the NTGS. The service standards developed identify three phases of future improvements, including service hour enhancements in St. Catharines in advance of a future Network Service Review.</p> <p>The work of the GSC will continue towards the development of Municipal Transfer Agreements which will codify these considerations, including any additional feedback received from St. Catharines. The key terms and principles of the MTA will be presented in parallel with the future triple-majority report.</p>
<p>That prior to...triple majority and receiving a complete package of information of the impact of the proposal, that Engage STC be utilized to receive public feedback.</p>	<p>🕒</p>	<p>The communications and engagement strategy referenced in this report was developed by an integrated team of Regional and local staff, including those from St. Catharines. The strategy plans for a series of public feedback initiatives including surveys and stakeholder consultation sessions take place over the summer of 2021 in advance of triple-majority. The results of this consultation will be included in future reporting both to the City and the final triple-majority report.</p>

Areas of additional feedback identified through the staff report and commentary provided by the St. Catharines Transit Commission via Appendix 3, and discussion at Council included:

Item	Status	Comment
A service plan detailing existing future service expansion, including integration with the forthcoming St. Catharines Transportation Master Plan update		The Service Standards Strategy was developed to provide additional information and detail regarding how short, medium, and long-term enhancements could be implemented by the Commission. The St. Catharines TMP and the identified expansion priorities were reviewed in the development of these standards. There will be two opportunities for the Commission to review and implement these priorities: during Phase 1 and 2 through the annual service review the new Commission will undertake; and ultimately through the Network Service Review to be completed in Phase 3.
Proposed composition of the Board and concern that St. Catharines would be underrepresented		The revised board composition model proposes three St. Catharines members, reflecting its greater share of ridership and investment, and represents an increase in the proportional share of representation being provided to St. Catharines relative to that provided from the NTGS model.
Transfer of 2012 First Street Louth facility (current SCTC garage) and a request that it revert to the City should it not be used for transit purposes in the future		The principle of facilities returning to municipalities should they not be used specifically for transit purposes in the future is acknowledged, and anticipated to be formalized as part of Municipal Transfer Agreements.

Item	Status	Comment
Anticipated timing of return to pre-COVID-19 transit ridership levels, applicability of provincial Safe Restart funding, and detail pertaining to external funding sources.		Since the original report and as referenced in the Financial strategy, the Province has introduced Phase 3 of the provincial Safe Restart Funding program which specifically incorporates new governance structures as an eligible category. This inclusion is the result of advocacy from across Niagara.
Required consolidation of Union labour agreements;		Niagara's three ATU Locals responsible for delivering current conventional service in Niagara remain a primary stakeholder, as they have throughout. Additional outreach and engagement with the ATU Locals and their leadership will take place over the summer and in advance of the triple-majority discussion in partnership with the respective leadership at the Transit Agencies.
The need to consider an alternative to 2021 as the baseline year for operational service levels, given ridership impacts from COVID-19.		Achieved - the revised financial strategy updates the baseline service year to 2020 budgeted service hours, which represents a pre-COVID estimate. All figures would be adjusted prior to consolidation in 2023 to reflect most recent financials.
Consider 'unconventional' or alternative governance structures to the presented Commission model, including: benefit area rating, appointment of representatives by municipalities, options for municipalities to directly determine or fund service directly, and alternative legal structures.		The Financial strategy has been revised as (12) special levies that ties services received to costs. The revised governance strategy provides an opportunity for municipalities to recommend local representatives to Regional Council for appointment to Board. The Service Strategy discusses methods by which local municipalities can request or purchase services beyond the service standards identified or set by the Commission.

Thorold

Phase 1 Consultation Summary

Council adopted staff recommendations from report [PWCS2021-13](#), providing support-in-principle for the Commission, with final approval subject to the satisfactory resolution of the issues identified in that report.

Item	Status	Comment
Clarification of the City's required contribution during transition and beyond;	✓	The financial strategy outlines revised approach to funding a consolidated system based on a twelve (12) special levy approach. This strategy outlines anticipated transition costs totaling \$3.85 - \$4.96M that would be funded through a combination of existing budgets and Provincial/ Federal transit funding programs.
Confirmation that the Service Plan will maintain existing service and include service expansion to the high growth areas of the community as identified in the Thorold Transportation Master Plan (June 2020)	✓	The service strategy outlines two opportunities for service expansion into new areas such as Allanburg, Port Robinson East, or the Rolling Meadows development. Through the annual Service Review that the Commission will undertake during Phase 1 and 2 of the plan and then through the Phase 3 comprehensive Network Service Review. Maintenance of existing or minimum service levels will be confirmed as part of final Municipal Transfer Agreements.
Council further discussed the process for engagement with Brock University and associated financial contributions.	✓	Brock University will continue to be valued stakeholder as part of the communications and engagement strategy, and will be consulted directly.

Wainfleet

Phase 1 Consultation Summary


Council considered, but did not support, [Resolution No. C-2021-014](#), derived from the motion contained in Appendix 1 to LNTC-C 4-2020.

Item	Status	Comment
Discussion at Council centred on the proposed assessment-based financial model and its significant impact on the residents of Wainfleet.	✓	The revised financial model transitions from a single-levy to twelve (12) special levies for local service, with the existing Regional NRT levy remaining in place. The revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
The future role of (and need for) transit in rural municipalities such as Wainfleet through enhancement of on-demand services such as the NRT OnDemand pilot.	For Consideration	The service strategy and financial strategy collectively assume a relative 'status quo' level of service in Wainfleet immediately post-consolidation (expanded inter-municipal demand responsive hours of operation only). Future enhancements, including the potential introduction of local demand responsive trips, would be made in consultation with the Town of Wainfleet and through annual service reviews or the Phase 3 Network Service Review. Under the revised financial model, service costs are linked to the where service is being added.



Welland


Phase 1 Consultation Summary

Council considered report [TRANS-2021-01](#), adopting local staff recommendations relating to the issues detailed below and deferring approval for the proposed Niagara Transit Governance Strategy until 2023. Welland City Council requested new financial impact options, land would not be transferred to new entity, an updated governance model and deferring the decision to consolidate to September 2023. This report identifies a series of eleven (11) issues and concerns:

Item	Status	Comment
COVID-19 impacts on revenue and ridership (1) and Government Funding (11)		<p>The timing of the Phase 3 Network Service Review discussed in the Service Strategy has been set in part-to allow for a better understanding of COVID-19 impacts on revenue and ridership.</p> <p>Since the original report and as referenced in the Financial strategy, the Province has introduced Phase 3 of the provincial Safe Restart Funding program which specifically incorporates new governance structures as an eligible category. This inclusion is the result of advocacy from across Niagara.</p> <p>While the City of Welland has indicated that municipal SRA funding will be used to address operational funding requirements, any remaining or unspent funds from across Niagara may be used to support consolidation</p>

Item	Status	Comment
Service Plan (2) and Ridership Growth (3)	✓	The Service Standards Strategy was developed to provide additional information and detail regarding how short, medium, and long-term enhancements could be implemented by the Commission. The Service and financial strategies collectively outline the resources required to implement these standards, incorporating the conservative growth projections from the NTGS.
Single Fare (4)	✓	The revised financial strategy incorporates a move to a single-regional fare.
Consolidation of Union Agreements (5)	🕒	Niagara's three ATU Locals responsible for delivering current conventional service in Niagara remain a primary stakeholder, as they have throughout. Additional outreach and engagement with the ATU Locals and their leadership will take place over the summer and in advance of the triple-majority discussion in partnership with the respective leadership at the Transit Agencies.
Representation on the Commission (6)	For Consideration	The revised board composition model recommends a fifteen (15) member board, with political representation for all Niagara Municipalities.

Item	Status	Comment
Asset Transfer (7)	For Consideration	<p>The GSC has confirmed as recommended the use of the Cummings Principle to guide asset transfer. The work of the GSC will continue towards the development of Municipal Transfer Agreements which will codify considerations specific to Welland, including existing operating facilities, land ownership/transfer, and the proposed future transit facility. The principle of facilities returning to municipalities should they not be used specifically for transit purposes in the future is acknowledged, and anticipated to be formalized as part of the MTAs.</p> <p>The key terms and principles of the MTA will be presented in parallel with the future triple-majority report.</p>
Funding Model (8) and Regional Tax Levy (9)		The revised financial model transitions from a single-levy to twelve (12) special levy approach. The revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
Five-Year Service Guarantee (10)		The revised financial strategy updates the baseline service year to 2020 budgeted service hours, which represents a pre-COVID estimate. Indefinite minimum service hours to be confirmed as part of Municipal Transfer Agreement.

Item	Status	Comment
Government Funding (11)		Since the original report and as referenced in the Financial strategy, the Province has introduced Phase 3 of the provincial Safe Restart Funding program which specifically incorporates new governance structures as an eligible category. This inclusion is the result of advocacy from across Niagara.

West Lincoln

Phase 1 Consultation Summary

Council considered, but did not support, the motion contained in Appendix 1 to LNTC-C 4-2020. A series of concerns and a record of questions raised by Council were included in the [official minutes](#) from the January, 25, 2021 meeting.

Item	Status	Comment
Discussion related to impacts to West Lincoln residents arising from the proposed assessment-based financial model.	✓	The revised financial model transitions from a single-levy to twelve (12) special levies for local service, with the existing Regional NRT levy remaining in place. The revised model reduces the redistribution of costs from larger to smaller municipalities and links future growth costs to where the service is being added.
The limited time transit has been provided in West Lincoln (via the NRT On-Demand pilot) and making decisions with impacts beyond the current term of Council.	For Consideration	The service strategy and financial strategy collectively assume a relative 'status quo' level of service in West Lincoln immediately post-consolidation (expanded inter-municipal demand responsive hours of operation only). Future enhancements, including the potential introduction of local demand responsive trips, would be made in consultation with the Town of West Lincoln and through annual service reviews or the Phase 3 Network Service Review. Under the revised financial model, service costs are linked to the where service is being added.