

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE DECEMBER 20, 2011</b>
<b>FROM:</b>	<b>PAT MCNALLY, P. ENG. EXECUTIVE DIRECTOR, PLANNING &amp; ENVIRONMENTAL AND ENGINEERING SERVICES</b>
	<b>LONDON 2030 TRANSPORTATION MASTER PLAN EVALUATION OF GROWTH AND INTENSIFICATION FACTORS</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Executive Director, Planning, Environmental & Engineering Services, the following directions for the London 2030 Transportation Master **BE APPROVED**, wherein:

- a) A 20 year, annual population growth rate of 2% be established in the Transportation Master Plan as a Corporate target, with an annual monitoring program and triggers established to adjust to and accelerate transportation infrastructure investments as the City moves from its current growth rate to this targeted growth rate.
- b) A 20-year, annual population growth rate of 1% be utilized as the baseline for establishing transportation investments, recognizing that this schedule of investments will be accelerated as the City of London moves towards the 2% growth target.
- c) Through the upcoming Review process, Official Plan policies will align transportation goals, land use, development intensity, and built form for all nodes and corridors through an Urban Structure Plan.
- d) A minimum 40% intensification target, including targets for nodes and corridors, will be recommended to the Official Plan Review.

<b>BACKGROUND</b>
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**Purpose:**

The Civic Administration was directed to evaluate various growth figures and intensification rates before starting Phase 3 of the Transportation Master Plan. This report and a presentation serves to deliver the requested information and provide recommendations on how it can be used to complete the Transportation Master Plan.

**Context:**

The Transportation Master Plan has been underway since 2009. Principles and concepts have been developed with public input and support from this Council through the following resolution:

*The following directions for the London 2030 Transportation Master Plan, at the study's "Phase 2" completion, **BE ENDORSED** as the basis for completing "Phase 3" of the Transportation Master Plan:*

- i. The "Transportation Related Principles and Goals" (Appendix "A") continue to be used as the guiding principles for the development of the 2030 Transportation Master Plan;*
- ii. That a "Bus Rapid Transit" (BRT) concept be incorporated into the current London 2030 Transportation Master Plan update;*
- iii. The goal of continuous development of a Rapid Transit system be managed through progressively introducing BRT routes and infrastructure, as*

*transportation pressures grow and as such improvements are affordable within the greater City of London and London Transit Commission annual budget processes – noting that such BRT routes must contain consideration for future “Light Rail Transit” as BRT ridership grows to levels supportive of LRT;*

- iv. The ‘Transit’ goal of establishing two initial BRT routes within the SmartMoves 20 year planning period be further evaluated through the Phase 3 “Implementation” balance of activities within the London 2030 Transportation Master Plan study process;*
- v. ‘Road’ improvement needs be identified, in consideration of both increases to overall traffic and the need to include road works complementary to establishing a BRT system;*
- vi. “Active Transportation” modes (such as cycling and walking) and Transportation Demand Management (TDM) programs and policies be strengthened through the identification of an accelerated program of infrastructure measures supportive thereto;*
- vii. Land Use Planning policies supportive of BRT service explored within the Transportation Master Plan be referred to the pending Official Plan Review process, particularly a “Nodes and Corridors” approach intended to increase intensity of development so as to better support a sustainable Rapid Transit environment;*
- viii. Growth (1 to 2%) and intensification (20 to 40%) alternative rates be evaluated (including operating and capital costs) in Phase 3 of the Transportation Master Plan, with the results reported to the Municipal Council prior to the next Public Meeting; and,*
- ix. A Parking strategy to make Downtown improvements in the short term and to manage future capacity afterwards be referred to either the Downtown Parking Working Group and/or the Downtown Economic Development Corporation (should such an organization be formed).*

This report brings back item viii, above, as an exploration of enhanced growth rates and intensification to allow for an understanding of how these support TMP concepts, and change infrastructure requirements and costs.

### **Discussion:**

This evaluation used three future scenarios for growth in London that are already included in Phase 2 of the TMP, plus two more for the purposes of this report (Scenarios A and B). The five scenarios cover growth rates of 1, 1 ½ and 2%, and intensification factors of 22, 30 and 40%. These cover the spectrum of possibilities from present conditions and forecasts to higher growth targets, including possible interim stages as the City moves from one to the other.

A description of the scenarios, evaluation criteria and a summary of results are presented in Appendix ‘A’. A presentation with more details will be provided at the Committee Meeting. Although the measures used are sufficient to evaluate comparisons, they are not at the level of detail that the pending final phase of TMP work will produce.

### Summary of Evaluation

1. The status quo (1% growth with 22 % intensification) without BRT is not sustainable. Expect higher City subsidy for transit and higher cost per new resident for the transportation system. Status quo does not support growth Downtown well.
2. Higher intensification (even with lower growth rates) reduces growth costs and supports transit ridership making BRT viable. This in turn supports growth Downtown. All hard infrastructure costs are lower with higher intensification.

3. Higher growth rates support higher order transit, significantly reduces costs per new resident and allows the City urban structure to change faster to one that is more efficient.

### Basis for Recommendations

The recommendations of this staff report, if approved, would allow Phase 3 (Implementation) of the Transportation Master Plan study to be completed with further public consultation. From this point, it will take about 6 months to complete.

#### 2% Target

Recommendation a) articulates a desire for higher growth, the benefits of which this report acknowledges. It directs that the plan be responsive to changes in growth patterns, and for the City to monitor key factors that would justify the timing of plan implementation. In this regard, the plan will have an ability to accelerate its implementation in response to higher growth.

It should be noted that the plan will have two parts: a transformational part, and a capacity part. The transformational components support transportation system changes, such as BRT, that modifies the present course for transit and land use. These can encourage growth and attract senior government funding to help offset early investment in transit when population increases (and therefore funding potential) are lower. The capacity part of the plan will respond to actual growth in all modes with more lanes and buses. This part of the plan can stretch or contract in time in response to actual growth.

It is recognized that investment in transportation is only one City consideration in striving for higher population and employment growth targets. The full suite of actions, policies and initiatives will be determined in the upcoming Official Plan Review as directed by the Municipal Council on October 3, 2011: “the Civic Administration BE DIRECTED to prepare a City of London Growth Plan, concurrent with the 2011 Official Plan Review Process, linking it with the economic prosperity strategy and other Master Plans studies being undertaken by the Civic Administration.”

#### 1% Baseline

Recommendation b) directs the Transportation Master Plan detailed modeling and implementation plan to be based on a forecast that represents the present situation. There would be a significant over statement of costs that a lower population could not afford if growth at a higher rate did not materialize. This is consistent with a growth investment strategy that requires the City to plan for enough investment to encourage growth, but not to over invest before it is needed. This strategy was introduced as part of a report on the City of London Growth Plan (Committee of the Whole – September 20, 2011).

#### Official Plan Review Requirements

Recommendation c) confirms the strong relationship between transportation goals, land use planning and urban design, particularly the built form of future development. This represents a hallmark difference between this TMP and previous versions, and has been built into the scope of the plan. The Official Plan Update is the proper mechanism for bringing these together in a policy framework.

#### Intensification

Recommendation d) recognizes the benefits of higher development intensification targets in central London, particularly at nodes (the largest being Downtown) and along proposed BRT corridors. There are broader issues and benefits related to this factor that are best handled within the upcoming Official Plan Review. However, the Transportation Master Plan needs a City policy position that is favourable for senior government grants. In this regard, the Growth Strategy, the OP and the TMP have to be synchronized. Setting a minimum 40% intensification target is not unreasonable given that intensification rates over the past 5 years in the City have

been at this rate. The plan would suggest policies to focus this intensification on specific corridors that have opportunities for it. Notwithstanding this intensification approach, greenfield opportunities continue to increase with population growth.

When taken together, the recommendations set a strategy in which the City:

- Moves away from the unsustainable transportation status quo scenario for London;
- Starts to transform transportation services and land use together for service and financial performance, and to support economic growth; and,
- Prepares to respond to higher growth with more capacity where and when needed.

### Senior Government Funding Opportunities

Accessing funding from the senior levels of government (for transit) will require a well defined transit/transportation strategy supporting a sustainable environment that is linked in terms of objectives and direction to similar strategies of the senior levels of government. Other municipalities that have made application for funding using the same or similar approaches as envisioned for London received, on average, approximately 66% funding for related capital investment requirements. Specifically, municipalities will have to demonstrate:

- they have a supported, defined transportation plan and related implementation strategy (to be addressed with the updating of TMP);
- that land-use and transportation planning are integrated to ensure that development supports transit and is oriented toward it (i.e. public transit is used to facilitate and shape growth (is to be addressed in the TMP and as part of the Official Plan Review);
- a commitment to developing a sustainable transportation system with public transit as a focal point, including a commitment to share in the funding; and,
- the plan provides a critical business (cost/benefit) case assessment that considers such factors as congestion management, environmental impact, social impact (community access by all residents), and economic impact (completed as part of the LTC Business Case Assessment -- 2008)

### Next Steps

It is anticipated that the fourth and last public workshop to present the TMP will be in the spring of 2012. The final TMP 2030 report including recommendations and implementation strategy is expected to be completed by summer, 2012.

### Study Cost Implications

Sufficient funding in the project budget exists to complete a modified study work plan as required by the recommendations in this report. Additional consulting services associated with modeling the transportation network twice can be accommodated within the remaining consulting assignment contingency and a forecasted under-expenditure of the communications budget.

### **Summary**

The financial benefits of higher growth rates is reflected in the evaluation results of this report – more people paying for an incremental cost increase is efficient.

Financial and transformational benefits of more intensive housing and employment along corridors and at nodes are evident.

Transportation services alone do not create better economic conditions, but plays a part by creating opportunities and favourable conditions – then it can respond to it with capacity. A comprehensive Growth Plan to drive higher growth rates has been directed by the Municipal Council.

A strategy that starts to transform transportation services in parallel with capacity improvements is proposed.

It is also proposed that the Transportation Master Plan establish a target population growth rate of 2% per year. Recognizing that London is not currently growing at this rate, the Transportation Plan establishes a 1% growth rate as a baseline and allows for accelerated investment as London moves towards this 2% target. A monitoring program will be established using appropriate measures to adjust investment as London progresses towards the target growth and intensification rates.

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Attach: Appendix 'A' – Scenarios, Evaluation Criteria and Summary of Results

c.c.  
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**Appendix 'A'**  
**Scenarios, Evaluation Criteria and Summary of Results**

**Growth Scenario A**



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	Existing 2007 Population	2007 – 2030 Growth in Population			
		Scenario 1 – GMIS 1% Annual Growth 22% Intensification 10% Transit	Scenario 2 1% Annual Growth 40% Intensification 15% Transit	Scenario 3 2% Annual Growth 40% Intensification 20% Transit	Scenario A 2% Annual Growth 22% Intensification 15% Transit
<b>Urbanized Area</b>	347,075	+16,200	+29,550	+59,100	+32,400
<b>Fringe Area</b>	8,600	+57,600	+44,250	+88,500	+115,200
<b>Total</b>	<b>355,675</b>	<b>+73,800</b>	<b>+73,800</b>	<b>+147,600</b>	<b>+147,600</b>

**Growth Scenario B**























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	Existing 2007 Population	2007 – 2030 Growth in Population				
		Scenario 1 – GMIS 1% Annual Growth 22% Intensification 10% Transit	Scenario 2 1% Annual Growth 40% Intensification 15% Transit	Scenario 3 2% Annual Growth 40% Intensification 20% Transit	Scenario A 2% Annual Growth 22% Intensification 15% Transit	Scenario B 1.5% Annual Growth 30% Intensification 15% Transit
<b>Urbanized Area</b>	347,075	+16,200	+29,550	+59,100	+32,400	+33,200
<b>Fringe Area</b>	8,600	+57,600	+44,250	+88,500	+115,200	+77,500
<b>Total</b>	<b>355,675</b>	<b>+73,800</b>	<b>+73,800</b>	<b>+147,600</b>	<b>+147,600</b>	<b>+110,700</b>

## Criteria for Assessment of Growth Scenarios

- **Urban Structure**
  - ▶ Support for a vibrant Central London, creation of mixed use nodes and corridors, and effective use of existing infrastructure
- **Transportation**
  - ▶ Support for BRT network and overall improved levels of transit service, together with minimized levels of congestion on the road network
- **Natural and Social Environment**
  - ▶ Support for improved air quality, healthier lifestyles, greater range of housing types and minimized growth in greenfield areas
- **Economic Vitality**
  - ▶ Support for overall growth in population and employment, strengthened employment in key job sectors, subsidies from senior levels of government and strengthened overall City image
- **Costs and Financial Effects**
  - ▶ Minimize capital costs and increases in operating and maintenance costs, minimize impacts on the property tax base and development charges

## Summary Assessment of Five Scenarios

		Growth Scenarios				
		Scenario 1	Scenario 2	Scenario 3	Scenario A	Scenario B
Urban Structure						
Transportation						
Natural & Social Environment						
Economic Vitality						
Costs & Financial Impacts	Growth Cost/ New Resident	\$9,959	\$8,198	\$5,894	\$6,877	\$7,678
	Impact on Property Tax Base	\$173.30	\$180.71	\$172.55	\$182.84	\$176.63

## Key Messages



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- Scenario 1 (1% growth with 22% intensification) without BRT is not sustainable. Expect higher City subsidy for transit and higher cost/new resident for transportation system; does not support Central London growth well.
- Intensification (even with low growth rates) reduces growth costs (all hard infrastructure) and, if directed to the Central London, Nodes and Corridors, supports transit ridership making BRT viable, in turn supporting more growth in Central London.
- Higher growth rates support higher order transit, significantly reduces costs/new resident and allows City urban structure to change faster, including Central London.

## Key Messages *(continued)*



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- While Scenario 3 rates best overall, achievement of 2% annual growth by 2030 would be a “stretch” goal.
- Without solid substantiation for 2% annual growth, there is relatively high risk that senior levels of government would not contribute to BRT investments, if based solely on Scenario 3
- Still, Scenario 3 is a good long-term (25 to 40 years) target for development within the urbanized area



## Proposed Direction for Completing TMP



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- **Overall Growth Rate :**

- ▶ 1.5 % growth rate also a “stretch”; use base population/employment growth of 1%, with triggers, providing for a ramp-up to 2%.
- ▶ De-emphasize horizon years (assumed 1% growth over 20 years could occur sooner (i.e.by 2025, or even 2020); put a TMP in place to serve a level of growth, whenever it might happen.

- **Intensification Rate :**

- ▶ OP Review should consider 40% as a minimum – if only 1% growth achieved, it would still support BRT.
- ▶ Also, given the Provincial Growth Plan precedent, 40% likely to be minimum that senior levels of government would support for BRT subsidies.
- ▶ If 40% target achieved, a 1.5% growth rate would still allow for fringe area growth greater than current GMIS (in fact, could go to 48% intensification without impacting GMIS fringe).

## Proposed Direction for Completing TMP *(continued)*



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- **Allocation to Central London, Nodes & Corridors**

- ▶ Target allocations should be established to ensure support for BRT.
- ▶ Target densities should also be set for these areas.

- **City Growth should be Monitored Closely**

- ▶ Intensification is essential to support BRT.
- ▶ To build that support quickly, directing growth to Central London, other key nodes and corridors at appropriate densities needs to start now, and stay on target.