

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON FEBRUARY 21, 2018
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	ONTARIO MUNICIPAL COMMUTER CYCLING (OMCC) PROGRAM TRANSFER PAYMENT AGREEMENT

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer, the following actions **BE TAKEN** with respect to the Ontario Municipal Commuter Cycling (OMCC) Program:

- a) the attached proposed by-law (Appendix A) **BE INTRODUCED** at the Municipal Council meeting to be held March 6, 2018 to:
 - i) Approve the Transfer Payment Agreement, attached as Schedule 1 of Appendix A to be entered into between The Corporation of the City of London and Her Majesty the Queen in Right of Ontario, as represented by the Minister of Transportation for the Province of Ontario, for funding under the Ontario Municipal Commuter Cycling (OMCC) program;
 - ii) Authorize the Mayor and City Clerk to execute the Agreement;
 - iii) Delegate authority to the Managing Director of Environmental & Engineering Services and City Engineer and Managing Director, Corporate Services and City Treasurer, or their designate, to execute any reports required as a condition of the Agreement authorized and approved in i) above.

- b) the Civic Administration **BE AUTHORIZED** to increase the 2016-2019 Multi-Year Capital Budget by \$3.3 million to reflect the approved OMCC contribution as set out in the Source of Financing attached (Appendix B);

- c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this program.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Civic Works Committee – June 8, 2016 - London ON Bikes Draft Cycling Master Plan
- Civic Works Committee – September 7, 2016 - London ON Bikes Cycling Master Plan
- Civic Works Committee – July 17, 2017 – 2017 Ontario Municipal Commuter Cycling (OMCC) Program

2015-19 STRATEGIC PLAN

This report supports the objectives identified in the Strategic Plan by pursuing external funding to support the implementation of the London ON Bikes Cycling Master Plan. London ON Bikes contributes to Building a Sustainable City – Convenient and Connected Mobility Choices, by implementing and enhancing safe mobility choices for cyclists. These goals are consistent with the recently announced OMCC.

DISCUSSION

Purpose

The purpose of this report is to obtain the approvals required for the execution of a Transfer Payment Agreement (TPA) with the Province of Ontario to receive funding under the OMCC program. The report also requests approval to increase the capital budget to reflect the additional funding to be received through the OMCC program.

OMCC Program

Through the Province's Climate Change Action Plan, initiatives were identified to help municipalities reduce greenhouse gas (GHG) emissions. On May 29, 2017, the Government of Ontario introduced a four year, cost-shared fund for municipalities to use for commuter cycling infrastructure. The OMCC is a multi-year program that supports cycling investments funded through cap and trade proceeds. The program invests in short-term commuter cycling priorities that will help municipalities such as London to:

- i. Provide better cycling networks across the province by targeting routes where high-commuting volumes can be established; and
- ii. Support the installation of cycling infrastructure that promotes safe cycling, such as grade separated routes as well as cycling signals.

The City of London submitted an OMCC application and declaration form in August 2017. The application included the list of proposed projects that was identified in the July 17, 2017 report to the Civic Works Committee. The application was accepted and the City of London has been provided an OMCC allocation of \$3,303,752.26 from the Province for fiscal year 2017/2018.

Priority Project - Thames Valley Parkway North Branch Connection

Funding is provided by OMCC for projects identified in a municipal cycling master plan and specified on the municipality's Eligible Projects List. Closing the gap in the Thames Valley Parkway North Branch has been a priority in numerous studies, including the Bicycle Master Plan (2005), Parks & Recreation Master Plan (2009), Strengthening Neighbourhoods Strategy (2009), Thames Valley Corridor Plan (2011), Age Friendly London (2012), the Smart Moves 2030 Transportation Plan (2013) the London Plan (2016) and the current London ON Bikes Cycling Master Plan (2016). This project was identified as an OMCC priority in the July 17, 2017 CWC report.

The design process is currently underway. Once this process is completed, the project will proceed to tendering.

FINANCIAL CONSIDERATIONS

The TVP North Branch project is a Council strategic priority that was allocated funding through an additional investment business case (#4) in the 2016-2019 Multi-Year Budget. The environmental assessment was challenging, leading to additional conditions and regulatory requirements. The current estimated total cost to include the resulting design changes is approximately \$6.6 million, including detailed design, construction and contract administration costs. Receipt of OMCC funding reduces the required tax levy supported funding for this project, and therefore eliminates the need for future budget requests to close the funding gap for the TVP North Branch project. As a result, construction will be able to proceed sooner than would have otherwise been possible.

The attached Source of Financing report (Appendix B) outlines the source of financing for the Thames Valley Parkway North Branch project, including the necessary reallocations among approved capital projects in order to provide the currently identified funding requirement. The Source of Financing also reflects the \$3.3 million increase to the approved 2016-2019 Capital Budget as a result of the OMCC funding approval.

CONCLUSION

The Province and the City of London recognize that investment in commuter cycling infrastructure is a key component in Ontario's Climate Change Action Plan. The identified list of projects in London's application to the OMCC program support the provincial goals of implementing new or expanded commuter cycling infrastructure to support commuter and frequent cycling.

The recent completion of the London ON Bikes Cycling Master Plan positioned London well for OMCC Year 1 eligibility. The province has approved the City of London for an OMCC allocation of \$3,303,752.26 from the Province for fiscal year 2017/2018. The attached by-law is being introduced to authorize the Mayor and City Clerk to execute the TPA.

The Thames Valley Parkway North Branch Connection is London's top priority for the program. The 2017/18 funding allocation will enable the project to proceed sooner than otherwise possible, subject to completion of detailed design and tendering.

Acknowledgements

This report was prepared with assistance from Doug MacRae, Janice Verhaeghe and Kyle Murray.

SUBMITTED BY:	REVIEWED & CONCURRED BY:
EDWARD SOLDI, P.ENG. DIRECTOR, ROADS AND TRANSPORTATION	ALAN DUNBAR MANAGER, FINANCIAL PLANNING & POLICY
RECOMMENDED BY:	
KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER	

Attach: Appendix A – By-law. A.-
 Appendix A Schedule 1 - Transfer Payment Agreement
 Appendix B – Source of Financing Report

c: Anna Lisa Barbon, Managing Director Corporate Services and City Treasurer
 Janice Verhaeghe, Financial Business Administrator
 John Fleming, Managing Director Planning and City Planner
 Andrew Macpherson, Manager Environmental and Parks Planning

APPENDIX A

Bill No.
2018

By-law No. A.-

A by-law to authorize and approve a Transfer Payment Agreement under the Ontario Municipal Commuter Cycling Program, between Her Majesty the Queen in Right of Ontario, as represented by the Minister of Transportation for the Province of Ontario, and The Corporation of the City of London; and to authorize the Mayor and the City Clerk to execute the Agreement; and to delegate authority to the Managing Director of Environmental & Engineering Services and City Engineer and Managing Director, Corporate Services and City Treasurer or their designate to execute any financial reports required under the Agreement.

WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 8 provides that the powers of a municipality shall be interpreted broadly so as to confer broad authority on the municipality to enable it to govern its affairs as it considers appropriate and to enhance its ability to respond to municipal issues;

AND WHEREAS subsection 10(1) of the *Municipal Act, 2001* provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;

AND WHEREAS the Province of Ontario (the "Province") and The Corporation of the City of London (the "City") recognize that investment in commuter cycling infrastructure is a key component in Ontario's Climate Change Action Plan;

AND WHEREAS the City has applied to the Province for funding under the Ontario Municipal Commuter Cycling Program for a list of projects;

AND WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Transfer Payment Agreement to be entered into between Her Majesty the Queen in Right of Ontario, as represented by the Minister of Transportation for the Province of Ontario, and The Corporation of the City of London, for the provision of funding from the Ontario Municipal Commuter Cycling Program, attached hereto as Schedule "1", is hereby authorized and approved.
2. The Mayor and the City Clerk are hereby authorized to execute the Agreement approved under section 1, above.
3. The Managing Director of Environmental & Engineering Services and City Engineer and Managing Director, Corporate Services and City Treasurer, or their designate, are hereby authorized to execute any financial reports required under the Transfer of Payment Agreement authorized and approved under section 1, above.

4. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on March 6, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – March 6, 2018
Second Reading - March 6, 2018
Third Reading - March 6, 2018

Schedule 1
Transfer Payment Agreement