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Halifax Regional Council
January 30, 2007

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in black ink, appearing to read "Mike Labrecque".

Mike Labrecque, P.Eng., Director, Transportation and Public Works

A handwritten signature in black ink, appearing to read "Cathie O'Toole".

Cathie O'Toole, CGA, A/Director, Finance

DATE: January 22, 2007

SUBJECT: Sambro Loop Transit Service

INFORMATION REPORT

ORIGIN

This report originates from the October 10, 2006 Regional Council Meeting, Item 10.3.1.

BACKGROUND

At the October 10, 2006 Halifax Regional Council meeting, Councillor Adams requested a staff report on the financial implications of providing transit service on the Sambro Loop. Councillor Kent also requested that the report include information on implementing a similar service to the Cow Bay Loop.

DISCUSSION

Sambro Loop - Metro Transit Planning staff have reviewed how a future transit service to this area would function and would recommend a peak hour service to the community consisting of four morning trips and four afternoon trips.

Metro Transit has considered two routing options for the Sambro Loop:

Option 1: This route would provide service from Mumford Terminal through the Armdale Rotary to Herring Cove Road, to Old Sambro Road, around to Ketch Harbour Road and back to Mumford via the Herring Cove Road.

The service would consist of a counter-rotating loop which would provide service in one direction around the loop in the morning and provide the opposite direction of service around the loop in the afternoon. This allows a consistency of service, in that, residents will always have the same travel distance. The service would provide a 90-minute frequency with four morning and four afternoon trips. The first trip in the morning will allow people who work at the hospitals to get to work for 7am with 3 subsequent trips in 90 minute intervals. An example of this service schedule and routing is attached.

Option 2: This route would provide service from South Centre Mall on Dentith Road to Old Sambro Road, around to Ketch Harbour Road, and back to South Centre Mall. This option would allow for a decreased travel time and provide a higher frequency of service. Option 2 allows for a 15 minute time savings and a community transit trip every 75 minutes instead of the 90 minute round trip time for Option 1.

A termination point at South Centre Mall would mean that any passengers looking to continue their trip to Mumford Terminal would be required to transfer at this location and pay an additional \$2.00 fare for the conventional transit system. With Option 1, all passengers would have service directly to Mumford Terminal but with a decreased frequency.

Both service options outlined above would require two new bus operators (2.0 FTE's).

Implementation of transit service to the Sambro Loop would require the steps outlined in the Interim Area Rate Guidelines, a copy of which is included with this report. Therefore, no recommendation is required at this time.

The estimated annual cost of providing transit service to the Sambro Loop is outlined as follows:

Operating cost:	\$ 211,700
Capital cost for 1 bus:	\$ 56,400 *
Total Annual cost:	\$ 268,100
Fare Revenues:	(\$ <u>21,100</u>) **
Net cost:	\$ <u>247,000</u>

* Based on the first year payment of principle and interest on a 10 year debenture for one bus costing \$400,000 including net HST. The annual payment would decline each year as interest is recalculated annually on the outstanding principle. Total interest cost over the 10 year period is approximately \$93,400. Average annual interest cost is \$9,300.

** The estimated Fare Revenue indicated above is based on Community Transit fares of \$2.50 for adults and \$1.25 for students and seniors.

In accordance with HRM's tax structure policy, all properties which are within 1 km of the transit route would be charged an area rate to fund the net cost of the route, which is estimated to be \$247,000. Based on 2006 assessment data, an estimated area rate of \$ 0.114 would be required to generate this revenue from the taxable properties within the proposed catchment area. This is equivalent to \$114 for each \$100,000 of taxable assessment.

As with the existing transit service area rates, the area rate would only be applied to residential and resource properties. There would also be an annual transfer to the community service from the general tax rate equivalent to the amount of revenue that would have been generated if commercial and business occupancy assessment were taxed. The calculation of this transfer would include weighting the assessment by the commercial multiplier. Based on this approach, the net cost of the service would be allocated as follows:

Revenue from Area-Rate:	\$230,300
Revenue from General Rate:	\$ <u>16,700</u>
Total Revenue Required:	\$ <u>247,000</u>

The manner in which the area rate is applied to the taxable assessment will be determined in part from feedback received from the public consultation process outlined in the Interim Area Rate Guidelines.

Cow Bay - Metro Transit staff have meet with Councillor Kent and no additional information is required .

BUDGET IMPLICATIONS

There are no budget implications.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

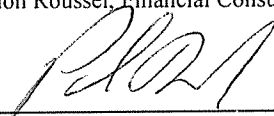
This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ATTACHMENTS

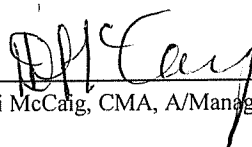
1. Interim Area Rate Guidelines
2. Community Transit Draft Schedule
3. Draft Sambro Loop Routing

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by : Eddie Robar, Supervisor Scheduling & Service Planning 490-6720
Gordon Roussel, Financial Consultant, Budget & Financial Analysis, Finance 490-6468



Report Approved by: Paul McDaniel, General Manager, Metro Transit 490-6608



Debbi McCaig, CMA, A/Manager, Budget & Financial Analysis, Finance 490-7203

INTERIM AREA RATE GUIDELINES

As per report dated January 4, 2000 and approved by Halifax Regional Council January 11, 2000.

- 1. Area rates can only be used for the provision of services within the municipal mandate; services traditionally provided by the municipality.**

Description of Service:

- 2. Area rates are not to be used to provide different levels of a municipal service within urban and suburban areas where said service is covered by the general tax rate.**

Service Standard:

- 3. In order for a proposed new area rate to move to the process as outlined in #4 below, it must have the support of the area's Councillor(s).**

District:

Councillor Communication:

- 4. Proposals for new area rates must be advertised publicly, clearly identifying affected areas, the purpose for the rate, rate information and the duration the rate is expected to be charged. A public meeting will be held and those attending the meeting will be informed of the rationale for the rate and consulted on its appropriateness.**

a) Advertised:

b) Map:

c) Purpose of rate:

d) Rate Calculation:

e) Rate Duration:

f) Public Meeting:

g) Meeting Handout:

h) Questionnaire Results:

Total Number Sent Out:

Total Number Returned:

Number Yes:

Number No:

Percentage Returned:

Percentage Yes:

Percentage No:

- 5. With the concurrence of the Councillor, the request is forwarded to the Community Council for review and a recommendation to Halifax Regional Council. Where a Community Council does not exist, the request will go directly to Halifax Regional Council.**

Date to Community Council:

Council Report:

- 6. Any proposed new area rates recommended by a Community Council (or, in the absence of a Community Council, the Councillor for the area) will be submitted to Halifax Regional Council through a staff report with a recommendation from the Chief Administrative Officer. The staff report will identify the implications to the Municipality along with the results of any public meeting.**

Date to Regional Council:

Staff Report:

- 7. Halifax Regional Council is responsible for approving all area rates.**
- 8. All area rates run by community groups are subject to the Recreation Area Rate Policy dated April 25, 2002 and passed by Council May 14, 2002. Area rates must follow all budget, business planning, procurement, and other financial requirements of HRM.**

Draft Schedule - Sambro (1Bus - 2 Shifts)

Mumford Terminal	South Centre	Herring Cove	Sambro Head	Harriets field	South Centre	Mumford Terminal
05:00	05:15	05:25	05:50	06:00	06:15	06:30
06:30	06:45	06:55	07:20	07:30	07:45	08:00
08:30	08:45	08:55	09:20	09:30	09:45	10:00
10:00	10:15	10:25	10:50	11:00	11:15	11:30

Mumford Terminal	South Centre	Harriets field	Sambro Head	Herring Cove	South Centre	Mumford Terminal
01:20	01:35	01:50	02:00	02:25	02:35	02:50
03:30	03:45	04:00	04:10	04:35	04:45	05:00
05:05	05:20	05:35	05:45	06:00	06:10	06:25
06:30	06:45	07:00	07:10	07:35	07:45	08:00

