

INVESTING IN SAFE AND LIVABLE STREETS

RECOMMENDATION

That the May 18, 2022, City Operations report CO01155, be received for information.

Report Purpose

Information only.

This report provides an update on the current and future forecasted status of the Traffic Safety Automated Enforcement Reserve (TSAER) considering declining revenues and current funding commitments.

Executive Summary

- Safe streets and connected communities are important to Edmontonians.
- Designed to advance the strategic goals outlined in ConnectEdmonton and the City Plan, the Safe Mobility Strategy is Edmonton's approach to achieving Vision Zero through safe and livable streets.
- The City's share of automated enforcement revenue is transferred to the Traffic Safety Automated Enforcement Reserve (TSAER) and historically has fully funded Vision Zero traffic safety projects and programs.
- Due to a number of factors, including changes to the provincial Automated Traffic Enforcement Guidelines and fewer speeding violations, automated enforcement revenue has declined sharply in the past few years. TSAER is projected to end 2022 in a deficit of approximately \$9.1 million.
- Based on 2023-2026 revenue projections, TSAER will be unable to fund 2023-2026 Safe Mobility Strategy initiatives and the current level of ongoing funding dedicated to the Edmonton Police Service (EPS) (\$22.3 million annually).
- The report provides potential strategies for Council's consideration in order to address the long-term sustainability of the TSAER and funding options for Safe Mobility programming.

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- The report does not provide any recommendations related to EPS funding provided from the reserve. The amount of funding provided to EPS from the reserve in light of declining automated enforcement revenues is an important consideration once Council decides on EPS' 2023-2026 operating budget.

REPORT

Established in Sweden in 1997, Vision Zero seeks to eliminate all crash-related fatalities and serious injuries while increasing safe, healthy, equitable mobility for all. The City of Edmonton adopted Vision Zero in 2015, and since then, fatalities on Edmonton streets have decreased by 50 per cent and serious injuries have decreased by 32 per cent. Programs that have been funded through the Traffic Safety Automated Enforcement Reserve (TSAER) have directly contributed to this progress.

The Safe Mobility Strategy is Edmonton's approach to achieving Vision Zero through safe and livable streets. Progress toward this goal is outlined in the 2021 Vision Zero Annual Report, which will be publicly available on edmonton.ca/VisionZero on May 18, 2022. Designed to advance the strategic goals outlined in ConnectEdmonton and the City Plan, the Safe Mobility Strategy ensures a system in which all people, regardless of age, ability or mode, can travel safely throughout the city. The strategy helps shape how Edmonton's streets are planned, designed, built, activated and maintained.

Traffic Safety Automated Enforcement Reserve

Automated enforcement is a critical tool to keep streets safe and reinforce speed limits. The City of Edmonton is the only municipality in Alberta that operates automated enforcement, which is typically led by a policing service. This responsibility was transferred from the Edmonton Police Service (EPS) to the City in 2012. As a result, City Council established TSAER to ensure that revenue generated from the program would be dedicated to supporting traffic safety initiatives and other community programs approved through City Council while creating public transparency in program operations. The reserve is governed by City Policy C579B, Traffic Safety and Automated Enforcement Reserve Policy. The intended outcome of the program has always been to reduce speeding and red light violations, and in turn, revenue decline was expected.

In its fall 2019 budget, the Government of Alberta increased its share of automated enforcement revenue to a total of 49.9 per cent, up from the previous 36.1 per cent. The municipal share of 50.1 per cent is transferred to the TSAER. Anticipated revenue is forecasted to support Council's four year budget deliberations, and allocated to support traffic safety priorities. The City forecasted \$38.4 million in automated enforcement revenue for 2021, which was allocated in the following ways:

- \$22.3 million to the EPS through an annual transfer established through the Police Funding Formula;
- \$13.5 million to fund the Safe Mobility section operating budget;
- \$1.8 million to the Community Facility Partner Capital Grant Program in its final year of TSAER funding; and
- \$4.5 million dedicated to capital profiles advancing the Safe Mobility Strategy (Safe Crossings, School Safety, Speed Limit Reduction, and Community Activation: Vision Zero Street Labs and the Safe Speeds Toolkits).

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Historically, TSAER contributed to funding other corporate initiatives, including the Snow and Ice Control and Community Facility Partner Capital Grant programs. This funding varied in amounts year to year. At its highest, approximately \$8 million was dedicated in one year to these two programs. As revenues began to decline, this funding was phased out to focus revenue allocation to Safe Mobility and EPS only.

Automated enforcement revenue has declined sharply in the past few years due to a number of factors, including:

- Increased amount of revenue held by the Government of Alberta;
- Reduced traffic volume during COVID-19 pandemic;
- Successful program impact evidenced through improved driver behaviour and a reduction in violations;
- Increased visibility of mobile automated enforcement vehicles through bright vehicle wraps, tall safety whips (or flags) and parking in visible locations; and
- Revised provincial Automated Traffic Enforcement Guideline and a moratorium for the creation of new sites and purchase of equipment, which has led to a lack of new locations to support emerging safety priorities (ie: construction zones), and a decreased number of violations.

In 2021, Administration reviewed the previously approved Safe Mobility operating budget and capital profiles to identify possible budget reductions to help address the sharp decline in expected revenue. \$29.1 million in actual automated enforcement revenue received, and the shortfall of \$9.3 million was drawn from the existing reserve balance. A net reduction of funds required from the TSAER in 2021/2022 totalling \$2.6 million was identified from capital profiles, and approximately \$1.5 million annually was eliminated from the previously approved Safe Mobility operating budget.

The annual operating funding for EPS is determined through the currently suspended City Policy C604 Edmonton Police Services Funding Formula. The funding is provided through a combination of tax-levy and automated enforcement revenues accumulated within TSAER. The annual transfer from TSAER to support the EPS annual operating budget requirement is \$22.3 million. Based on TSAER revenues from 2017-2020, the EPS revenue share was approximately 45 per cent of the total revenue. However, with the forecasted decrease in automated enforcement revenues, the \$22.3 million allocation will account for 80 per cent of anticipated revenue in 2022. With the ongoing forecasted decline in automated enforcement revenues through 2023-2026, there will not be sufficient funds in the reserve to provide the current level of funding for EPS, as well as other operating and capital funding provided from the reserve. The funding for EPS from the reserve increased over the years, but has been at its current level (\$22.3 million annually) since 2017.

Forecasted 2022 Reserve Status

As a result of the decline, projected revenues for 2022 are lower than anticipated in the budget. While the budgeted revenue was \$35.6 million for 2022, the projected revenue is \$9.3 million less than expected at \$26.3 million. In 2021, an existing positive balance in TSAER absorbed the excess of expenditures over revenues (shortfall), and TSAER ended the year with a closing reserve balance of

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\$7.4 million. After considering the anticipated 2022 shortfall of \$14.6 million, the reserve is projected to be in a \$9.1 million deficit by the end of 2022 (Attachment 1).

City Policy C579B, Traffic Safety Automated Enforcement Reserve, outlines that when the reserve falls below the minimum balance, as it is anticipated to do so in 2022, a strategy must be adopted to bring the reserve back to at least the minimum required balance, as established by the policy, within three years starting with the subsequent year's operating budget. In this case, if the reserve falls below the minimum in 2022, starting with the 2023 operating budget, a funding strategy must be approved by Council to bring the reserve back to its minimum balance by the end of 2025. The strategy should consider funding considerations that are ongoing in nature to ensure the long-term sustainability of the reserve. One-time funding strategies will only defer the inherent funding challenges.

Forecasted 2023-2026 Revenue

Based on decreasing revenue projections, TSAER cannot continue as the sole funding source for Safe Mobility Strategy initiatives (operating and capital) and maintain the current funding level for the EPS. Violation trends since 2012 demonstrate a year over year decline in infractions at previously established sites as driver behaviour improves through the presence of automated enforcement. Annually, there is a 10 per cent reduction in violations at mobile automated enforcement sites and a 15 per cent reduction in violations for intersection safety devices. This is a positive outcome and achieves the ultimate purpose of automated enforcement: fewer and less severe violations.

Without change and expansion in the site inventory to address new locations where drivers are speeding, it is unlikely that there will be any changes that would lead to increased revenue for TSAER. Consequently, the forecasted revenues for 2023-2026 decrease from \$23.4 million in 2023 to \$16.8 million in 2026. Attachment 2 provides an overview of the 2023-2026 reserve schedule and detailed revenue forecast.

2023-2026 Safe Mobility Strategy Initiatives

If Council wishes to continue to prioritize the City's commitment to Vision Zero through the Safe Mobility Strategy, Administration estimates that approximately \$20.5 million in funding would need to be allocated annually over the 2023-2026 budget cycle to support the Safe Mobility's annual operating budget (approximately \$13.5 million) and three capital initiatives (approximately \$6.5 million). While this recommended level of funding is consistent with previous years, the capital initiatives have been tailored to live out the direction of the Safe Mobility Strategy.

Safe and Livable Community Streets (Growth; Capital)

The Safe and Livable Community Streets profile supports traffic safety and livability improvements to neighbourhoods and community gathering places through programming that includes Vision Zero Street Labs, the Safe Speeds Toolkit, Safe Routes to Schools, and traffic calming to support the implementation of the 40 km/h default speed limit. Funding of approximately \$2.5 million annually from 2023-2026 will enable Administration to operate programs that receive significant interest and demand from the public, including:

- **Safe Routes to School:** In 2016, the School Safety Improvement program was created as an opportunity to identify traffic safety concerns at schools with elementary grades. As of 2022,

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Administration has completed the original scope of safety upgrades at these schools. The evolution of this program will focus on improving the safety of routes to school by encouraging students and parents to use active modes of transportation to get to school through infrastructure upgrades.

- **40 km/h Streets:** Given that the Government of Alberta's new Automated Traffic Enforcement Guideline restricts the use of automated enforcement on 40 km/h streets, supporting the new default speed limit through infrastructure upgrades is now more important than ever. This program focuses on infrastructure upgrades along 18 road segments with low compliance to the new speed limit and collector roads that were exempted from the default speed limit.
- **Community Activation** (Vision Zero Street Labs, Vision Zero School Kits and the Safe Speeds Toolkit): Launched in 2021, this programming focuses on empowering Edmontonians to lead the way in addressing traffic safety issues within their communities. These programs are community driven and allow for flexible, creative, and temporary traffic calming solutions to take shape. Demand for these programs continues to significantly increase as initial projects come to life and Edmontonians are excited to join in making their streets safer and more livable.
- **Vibrant Streets** (Micro-mobility and Temporary Street Installations): As we grow to a City of 2 million people, the function of streets continues to evolve. Each year, we see people travelling in new ways, such as on e-scooters and e-bikes, and we envision creative ways to use our streets to create community connections, such as temporary outdoor patios and parklets. This work has existed in pilot, temporary and/or pandemic response iterations, but continued success requires permanent programming and funding to continue.

Safe Crossings (Growth; Capital)

The Safe Crossings Program uses infrastructure upgrades to support safer crossings. The program scope is expanded to include a wider variety of tools, such as permanent raised crosswalks and solar rapid flashing beacons. This expansion is important to ensure the right tool is used at each project location to increase safety. The budget for this program is recommended to continue at \$3 million annually, which will upgrade over 200 locations from 2023-2026. More than 1000 locations throughout the City have been identified as requiring Safe Crossing upgrades.

Automated Enforcement Asset Renewal (Renewal; Capital)

Automated enforcement is a proven and established traffic safety tool, using technology to identify and address problem speeding and red light running behaviours. Asset renewal for automated enforcement equipment (intersection safety devices and mobile speed enforcement cameras) has been paused since 2019 due to the Province of Alberta's moratorium on new equipment and the COVID-19 pandemic. The moratorium is currently scheduled to end December 2022, and the asset renewal for portions of the current equipment fleet is now significantly behind schedule. This has resulted in costly maintenance and impacts the reliability of the equipment. This profile, which will require approximately \$1 million annually from 2023-2026, also supports meeting new requirements for equipment outlined in the Province of Alberta's new Automated Traffic Enforcement Guideline.

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EPS Funding

On June 26, 2018, City Council approved the EPS Funding Formula Policy C604 to provide sustainable budget allocation and allow for long-term budgeting and workforce planning for EPS. The funding formula is calculated as the EPS' base budget, increased by population growth, inflation (defined as the police price index), less an efficiency factor as determined by City Council. The annual tax-levy funding (net operating requirement) plus the transfer from the TSAER is the total amount of funding EPS receives through the funding formula.

The funding formula is currently suspended, as a revised approach is under development. Office of the City Manager Report, OCM00569 Edmonton Police Service Funding Formula Policy C604 Further Analysis is being presented to Executive Committee on May 18, 2022, to discuss options for the overall funding approach and strategy for EPS.

For the 2019-2022 operating budget period, EPS received a \$22.3 million budgeted transfer from TSAER. In accordance with the currently suspended formula, if the budgeted transfer to EPS from the reserve were to decrease, the tax-levy funding for EPS would increase to maintain the total amount of funding EPS receives through the funding formula. The current 2022 funding for EPS is \$384.8 million through tax-levy support and \$22.3 million in funding from the automated enforcement revenues within TSAER, for a total ongoing funding in 2022 of \$407.1 million. Council has not yet determined the funding levels for EPS starting in 2023. When Council makes this decision, it needs to be made considering the current funding for EPS from the reserve and the declining automated enforcement revenues.

Approaches to Address Decreasing Automated Enforcement Revenues

Given the forecasted revenue for 2023-2026, the following approaches are offered for Council consideration for operating programs and capital projects currently funded from TSAER:

- 1. Reduce programs and services to match available funding.** This approach would require reductions to service levels and capital projects currently funded from the reserve to accommodate the declining revenues. While this approach will avoid an increased tax-levy, or minimize the extent of the increase required to maintain programs at existing service levels, it will impact current Safe Mobility and EPS programs and service levels, depending on the scale and scope of reductions. As a part of this option, it's important to note that the automated enforcement program, which accounts for approximately \$7.5 million annually or 50 per cent of the Safe Mobility's operating budget, will require consistent funding in order to maintain projected revenues. As a result, the majority of other programs and services funded from the reserve would need to be scaled back and/or eliminated by 2026.
- 2. Maintain current funding levels for programs and services with alternate funding sources.** With this approach, current funding levels would be maintained and allocated to align with the Safe Mobility Strategy initiatives outlined above. This approach will result in annual deficits towards the end of the four year cycle, as forecasted TSAER revenues decline to the point where they will no longer cover required operating and capital funding needs. As a result, Council would need to consider funding these operating programs and capital

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projects with other funding sources to supplement the funding from the TSAER. Other funding options would include tax-levy funding for operating programs and pay-as-you-go capital funding for capital projects. Council could consider a phased approach to increase funding from other sources, while maintaining existing service levels.

3. **Grow programming and service levels.** Opportunities exist to grow Safe Mobility programming by expanding the 2023-2026 initiatives outlined above to include additional locations and investments. TSAER would not be able to fund growth in these initiatives, and additional funding would be required.

COMMUNITY INSIGHT

Understanding the wide variety of Edmontonians' perspectives is essential to the Safe Mobility Strategy's purpose and principles. A two phased engagement process was undertaken for the development of the Safe Mobility Strategy.

The public was engaged through online surveys, an interactive mapping tool, and an idea sharing board. The learnings from this engagement were used to develop the key actions of the Safe Mobility Strategy that guide the work from 2021 onward. Through this engagement, participants made it clear that increasing street safety for all modes and all people, improving access to safe infrastructure and addressing unsafe behaviour through improved education programs and enforcement was essential.

When Community Activation Programs launched in 2021, Administration received 250 submissions to the Vision Zero Street Labs program, more than 3,700 requests for community signage, more than 500 requests for portable speed trailers through the Safe Speeds Toolkit Program, and more than 153 classrooms participated in the Vision Zero School Kits program. The demand for Community Activation Programs reinforces that safe streets are a priority for many communities.

Unsafe driving behaviours (including speeding) and the need for safer infrastructure, particularly in neighbourhoods and around community gathering locations, continue to be some of the most frequent concerns Administration receives from the public.

GBA+

The Safe Mobility Strategy was a GBA+ pilot project for the City of Edmonton. The strategy utilized both quantitative and qualitative data to understand how different communities experience transportation safety across Edmonton and why some Edmontonians are at a greater risk of being impacted by serious injury or fatal crashes.

An equity analysis found that equity-seeking communities are both geographic and identity based:

- Crashes are concentrated in specific neighbourhoods and along specific corridors.
- Crash risk disproportionately affects low-income residents, Indigenous Peoples, ethnic, linguistic, sexual and gender minorities, and people with disabilities as they are more exposed to risks in the transportation system.

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- People walking and cycling are more vulnerable compared to those using a vehicle.

These learnings influenced the priorities and programs put forward in the Safe Mobility Strategy with equity being a primary consideration.

ATTACHMENTS

1. 2021-2022 Traffic Safety Automated Enforcement Reserve Summary
2. 2023-2026 Traffic Safety Automated Enforcement Reserve Schedule and Detailed Revenue Forecast