



# REPORT

## By-law Services Department

**TO:** Finance Committee

**FROM:** Kristina Bergeron, Manager of By-law Services and Heather Gayman, Project Coordinator

**DATE:** June 6, 2022

**REPORT: BL-04/22** **FILE NO.**

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**SUBJECT:** Trail Sustainability Fund Project

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### BACKGROUND:

The Township of Uxbridge is the Trail Capital of Canada with over 300 km of seasonally managed trails. The trail system sees more than 100,000 visitors annually and this number is predicted to grow. With the increase in trail traffic, it has become more difficult for the municipality, landowners, land managers, and volunteer groups to keep up with the pace and costs of necessary maintenance, visitor amenities and services, and trail rescue services/equipment.

Most trails are passively managed. The bulk of the maintenance is done by local volunteer groups. Requests for increased services and amenities such as garbage collection, washrooms, or removal of snow from parking lots has come with the increase in trail usage. The sudden increase in visitation has highlighted the need to work with our partners to provide services and deal with additional concerns such as inadequate off-road parking, trail erosion and habitat degradation from over-use.

Recent data collection on visitors to the trails identified most of the trail users visit the trails and then return home. Economic analysis suggests an enormous opportunity for economic development exists if visitors could be encouraged to shop or dine in local establishments.

With trail usage at an all-time high and local businesses needing support, the Township sees a unique opportunity to leverage these local assets to fund trail sustainability and boost the local economy.

The Township was successful in obtaining a Provincial Rural Economic Development (RED) Grant entitled, “Driving Economic Development to Local Merchants” to implement a trail sustainability project while also seeking to promote local businesses.

## **DISCUSSION:**

This project will deploy a mobile smartphone application that will allow trail users to pay for parking while actively receiving notifications about current promotions and events taking place at local shops, restaurants, cafes, and farm markets throughout the Township.

### **Current State**

The Township has deployed a pilot of the technology at the Fields of Uxbridge (FOU) in preparation for implementing the AI component in Summer 2022. Report BL-02/21, Trial Project to Regulate Parking at the Pump Park/Skate Park at the Fields of Uxbridge outlines all aspects of the pilot. Residents can register at no cost. Non-residents pay a daily fee of \$6.00 or can purchase, directly through the app, an annual pass of \$75.00. Onsite, non-residents are directed to scan a QR code, which requires the user to input their license plate and mobile numbers, followed by their payment information. The entire process takes just under a minute to complete, and confirmation is sent via SMS.

Enforcement staff can identify which on-site vehicles have a valid parking permit. A secondary interface within the app is used by enforcement staff to obtain a listing of all the valid license plates in the parking lot. Enforcement staff can also search in the app by license plate characters or can scan a license plate with their smartphone to confirm their parking status.

The Township of Uxbridge has never charged for parking on Municipal properties, and there was some resistance to the concept initially. The trial helped staff learn how to support residents and communicate how to use the app. The trial involved multiple departments working together to provide a successful outcome.

### **Future State**

The Township is building on the initial pilot deployed at Fields of Uxbridge in Fall 2021. The second phase introduces the Trail Sustainability Fund Project. The Trail Sustainability Fund Project will include a fee for parking at identified trail heads and the introduction of an artificial intelligence (AI) component into the system to direct ads for local businesses to trail users.

The Trail Sustainability Fund Project will continue to use the 4Pay mobile app under our existing partnership agreement.

Any volunteers who work to maintain and contribute to our trails will receive coupon/voucher codes for complimentary parking. For example, members of DMBA, Green Durham Association, Uxbridge Horseman's Association and others who work tirelessly to maintain and groom our trails will receive a coupon for complimentary parking.

## **Technology**

The Township of Uxbridge has partnered with 4Pay Inc, an Ontario based Financial-Tech company. Their platform meets the highest standards of cyber security compliance and is hosted in a secure Canadian data center. The system is PCI (payment card industry) compliant for secure financial transaction processing.

4Pay Inc is working with the AI (Artificial Intelligence) Hub at Durham College (DC). The partnership between 4Pay Inc and the DC AI Hub will provide the Township of Uxbridge and our partners with valuable data about our trail users, their behaviors, and their interests, which will inform and direct future campaigns and programs that can be tailored to the individual user.

## **Trail Sustainability - Memorandum of Understanding**

To allocate funding and enforce parking, we propose entering into partnership with our landowner stakeholders for a 1-year pilot.

The Township and our key stakeholder groups will allocate 100% of the net proceeds from the permit parking (minus HST and transaction fees) to a Trail Sustainability Reserve Fund (the Fund). This Fund will be used for maintenance, improvements, and future infrastructure at these sites.

- All net revenues collected through parking permit fees during the pilot project will be held by the Township in a separate Township Reserve Fund called the "Trail Sustainability Reserve Fund". The use of such funds will be at the direction of the Steering Committee.
- The Steering Committee will consist of four members. One member will be appointed by each of the Township of Uxbridge, the Regional Municipality of Durham, the Toronto and Region Conservation Authority, and the Lake Simcoe Region Conservation Authority (who are all Stakeholders in this project).
- When making decisions, the Steering Committee may consult an Advisory Committee which shall be a non-decision-making Committee comprised of stakeholders representing trail users, adjacent property owners, and with a vested interest in using, maintaining and the sustainability of trails and trail-related infrastructure in the Township of Uxbridge.

## **Locations (Appendix A – Trail Sustainability Parking Location)**

1. Concession 6 and Albright Road, Township of Uxbridge Lands
2. Aggregate Pit (Timbers Pit), Concession 6 south of Albright Road, Toronto and Region Conservation Authority
3. Three Rocks Lot, Concession 7 and Uxbridge-Pickering Townline, Toronto and Region Conservation Authority
4. Towers Parking Lot, Concession 7 and Houston Road, Toronto and Region Conservation Authority
5. Durham Forest, Concession 7 and Goodwood Road, Lake Simcoe Region Conservation Authority managed on behalf of the Region of Durham

## 6. Lakeridge Road and Houston Road, Township of Uxbridge Lands

### Financial Implications

The fees introduced at Fields of Uxbridge will be used for the project as follows:

#### Non-Residents

- Daily permit \$6.00
- Annual pass \$75.00 (year to date)
- In the absence of technology, non-residents will have the ability to purchase a daily permit:
  - Online from home in advance of their visit or;
  - from staff at Town Hall during regular operating hours;
  - The daily permits will be a “pay at one, play at all” model. If a user moves to a secondary trail location on the same day, they will need to scan the onsite QR code to reactivate their parking pass at a different location. Due to the administrative time involved with the purchasing of a permit outside of the mobile application model, there will be an additional fee of \$4.00. This will be a non-refundable fee. The Township cannot guarantee space will be available for parking by trail users upon arrival at the desired location. This message will be included within the mobile application, on our webpage in the section where permits are available to purchase, and Town Hall staff will be advised to give this guidance to non-residents upon purchase.

#### Residents

This program enables Uxbridge residents to park for free by obtaining a “Resident Permit Parking Card” through the 4Pay Inc app. It is an easy three step process:

1. Residents download the app and create an account.
2. Once the account is created, Driver's License Scan Technology is used to verify their residency. This means the residents will scan their driver's license using their smartphone and based on previously established criteria within the app, it will validate if they are an Uxbridge resident. When the resident meets the criteria, the app instantly provides them with a Resident Permit Parking Card. From a data security perspective, personal information is never stored.
3. Thereafter, when Township of Uxbridge residents visit the site, through the app and the activation of their resident permit parking card, they scan the onsite QR code, and the system provides them with a parking confirmation.

The Township of Uxbridge has a comprehensive permit parking webpage that contains information, a frequently asked questions section for both resident and non-residents, as well as a step-by-step video on how to register and use your “Resident Permit Parking Card”. This information will continue to be available for the Trail Sustainability Project.

## **Support To Use the Parking System**

### **Residents**

- If they have signed up for an account and they don't want to use the Driver's License Scan Technology in the 4Pay app, staff can manually provide them a Resident Permit Parking card at Town Hall.
- Residents without a smartphone can come to Town Hall to have their license information permanently stored in the 4Pay app to avoid receiving a ticket.

### **Non-Residents**

- If a non-resident does not have a smartphone they can:
  - purchase a pass at Town Hall during regular business hours the day they are visiting or for a future date;
  - purchase online via our Township webpage for the day they are visiting or for a future date.

### **At the parking site:**

- Signs erected on site provide direction to residents and non-residents on how to use the app.
- Users can obtain assistance within the app via:
  - 4pay support email contact; or
  - Links to Township webpages
- By-law officers will provide education when they are on-site.
- A team of trained students will be deployed on-site to provide support during the early stages of deployment at the various trail locations.
- The project team is working with CRINS (Canadian Radiocommunications Information and Notification Service) to augment and maintain good cell service.

### **Off Site:**

- Annual pass holders are provided with a link in their email confirmation on how to use their pass at future visits.
- Residents and Non-Residents can contact Town Hall. Town Hall administrative staff have been trained and provided with support material.
- If administrative staff are unable to assist, they will direct concerns to By-law staff.
- For technical assistance By-law can escalate to 4Pay support to have a ticket created/opened. Average response time from 4Pay support is 4 hours or less.

- The By-law email address is included in the 4Pay support escalation communication for awareness.

### **Après Trail Pilot**

- Within the app, ads and promotions from BIA businesses will promote economic development and encourage trail users to visit the many amenities and businesses.
- 6-month pilot with BIA business advertising from the start of the trail sustainability fund project (the overall project is a one-year pilot).
- Après trail pilot will involve BIA **Retail and Eatery** businesses.
- Participants are able to customize their own ads and promotions.
- The trial period will allow us to:
  - gather data;
  - measure the traction from the ads/promotions being produced from user interaction with the permit parking;
  - determine our next steps.

### **Marketing/Communications**

To get to this point we have maintained our engagement and open lines of communication with many of our stakeholder partners (Region of Durham, TRCA, LSRCA, DMBA, Trail Hub, Green Durham Association, Uxbridge Horseman's Association, Uxbridge Trail Committee, ORTA). Their support continues to be an integral part of the success of the Trail Sustainability Project.

Our marketing partner (4Pay Inc.) has developed our project assets and a roll out supported by a full media campaign. They have also developed a media kit that can be provided to our stakeholder partners to assist in communication and meaning creation.

The AI component of the app will also educate users of the by-laws restricting smoking and the use of cannabis on Municipal and Public property.

### **Enforcement**

Employment of a temporary part-time Parking Enforcement Officer who will be primarily dedicated to the trail head permit parking area will be essential. This Officer will be able to assist in the enforcement efforts from Report PWO-35/22 Resident/Non-Resident Safety and Emergency Vehicle Access Concession 6 and 7.

The By-law enforcement costs are projected to be \$22,000 which includes (salary, benefits, uniform, training, vehicle, mobile device etc.)

The By-law enforcement costs will be funded and offset through parking ticket revenue. Current projections given vehicle volumes anticipate a break-even amount.

## **Timeline**

Summer 2022 implementation – target of July 2022

## **Budget**

### **Anticipated Revenue for Trail Sustainability Reserve Fund**

A conservative estimate based on visitor information provided by Provincial Tourism data in the Durham Forest and user data from Toronto Region and Conservation Authority (TRCA) trail counters, estimate \$150,000 in revenue for 2022 (July to December).

Amounts generated from the parking permits will be placed in the Trail Sustainability Reserve Fund for future improvements, maintenance, and infrastructure at the identified sites. Any ticket revenue will be used to offset By-law enforcement costs.

## **Costs**

### **Original Budget for this Project**

#### **Project Costs (1):**

Project Coordinator	51,000
Technology	3,500
Develop & Complete App Set Up	5,000
Develop Guidelines	6,500
Marketing Communication Plan	7,700
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	<b>73,700</b>

#### **Funding Sources:**

Uxbridge BIA	1,500
Region of Durham	15,000
Uxbridge - Municipal Modernization Funds	20,350
RED Funding	36,850
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	<b>73,700</b>

(1) Excludes budgeted "in-kind costs" of \$33,000

#### **Project Costs Incurred to Date:**

2021 Project Costs	29,173
2022 Project Costs	35,190
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	64,363

#### **Projected Costs - remainder of 2022**

4Pay - development	9,000
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AI Hub - Durham College	2,500
Extension of Project Manager (wages & benefits)	17,400
	28,900
<b>Estimated Project Costs</b>	<b>93,263</b>
<b>Project Cost Over Original Budget</b>	<b>19,563</b>

The proposed project cost overages are proposed to be funded through the Ontario Cannabis Legalization Implementation Fund (OCLIF), given the AI component of the app will also educate users of the by-laws restricting smoking and the use of cannabis on Municipal and Public property. The OCLIF fund balance as of year-end 2021 is \$29,181.

## RECOMMENDATION

THAT Report BL-04/22 of Heather Gayman, Project Coordinator and Kristina Bergeron, Manager of By-law Services, be received for information;

THAT the Finance Committee approve the permit parking for the trail heads identified in this report;

AND THAT the Finance Committee agree to the terms of the Après Trail Pilot project in collaboration with the BIA (6 month pilot on marketing & advertising using AI);

AND THAT a public communications strategy be developed to ensure the public, both Uxbridge Residents and Non-Residents are informed on the process of obtaining a permit for the identified and surrounding area;

AND THAT Staff undertake the development of an amending by-law to incorporate the permit parking strategy into the Township's Traffic Control By-law as soon as possible;

AND THAT an amending Fees By-law be brought forward for Council's approval that will implement the new permit parking fees of \$6.00 per day or \$75.00 annual or \$10.00 per day when purchased outside of the app for the trial period of 12 months for non-residents;

AND THAT the Finance Committee approve the funding of additional \$22,000 for education/enforcement at the identified trail head locations, with these costs offset through parking enforcement revenues estimated at \$22,000;

AND THAT the Finance Committee approve additional project costs of \$19,563 and that the funding for these additional costs be funded from the Ontario Cannabis Legalization Implementation Fund (OCLIF).



Respectfully Submitted by:

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Heather Gayman, Project Coordinator  
Kristina Bergeron, Manager of By-law Services