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UPDATE ON FARE SUBSIDY REQUESTS

The Transportation Services Committee recommends:

- 1. Receipt of the presentation by Irene McNeil, Director of Strategic Policy and Business Planning, Transportation Services;**
- 2. Receipt of the deputation by Andrea Sager, People Ensuring Quality – Community Living Newmarket/Aurora District;**
- 3. Receipt of the deputation by Cheryl Zeleny, resident, Thornhill;**
- 4. Receipt of a Petition forwarded by Mayor D. Barrow, Town of Richmond Hill, containing 327 signatures of people identified as People Ensuring Quality, regarding York Region Transit fares;**
- 5. Receipt of the communication from Chris Williams, Alternative Education Head, Milliken Mills High School; and**
- 6. Referral of the recommendations contained in the following report dated December 17, 2009, from the Commissioner of Transportation Services to staff for further consideration and a report back to the Transportation Services Committee which will include a review of the issues, parameters and eligibility for fare subsidies and provide options based on the premise that the Committee supports fare subsidies in principle.**

1. RECOMMENDATIONS

It is recommended that:

- 1. Council endorse the following fare policy guiding principles:**
 - (a) The fare structure should contribute to and support ridership growth strategies that result in net new ridership.**
 - (b) The fare structure should support business objectives that aim to balance fare revenues to operating expenditures.**
 - (c) The fare structure should be applied equitably to all customer categories recognizing the need to meet business objectives.**
- 2. The Council-approved annual York Region Transit fare structure be applied universally with no additional subsidies beyond the published rates.**
- 3. The pilot program for discounted tickets to participating homeless shelters be discontinued.**

2. PURPOSE

This report provides a policy-based response to a number of outstanding requests for special transit fare subsidies. In addition, this report provides a review of the principles that form the basis of the current York Region Transit (YRT) fare policy.

3. BACKGROUND

Several requests for additional transit fare subsidies have been received on behalf of clients with low income

The Transportation Committee has received a number of requests from local groups/agencies for transit fare subsidies. The basis for these requests is the client's income level. The following groups have requested assistance above and beyond the current fare subsidies:

- Community Living (Newmarket\Aurora district).
- Markham Unionville Support Team (MUST).
- York Region Alliance to End Homelessness (YRAEH).
- Individual requests based on low income.

In addition to the above, at the request of Aurora Council, Regional Council initiated a fare subsidy pilot with select homeless shelters. The results of the pilot are described in Section 4 of this report.

Two existing discount programs that address high school related issues include:

- Student Transportation Services (continuation and consideration of further discounting of student passes in lieu of yellow school busing).
- Milliken Mills High School (continuation of free student passes for high risk students in work programs).

The impact of these two programs is further discussed in Section 4 of this report.

The mandate of the Region's public transit system is to deliver public transit services that contribute to a sustainable, balanced transportation system

The requests for additional fare subsidy, beyond what is already Council-approved as part of the YRT fare structure, need to be considered from the perspective of the public transit mandate.

The Region has, over the past eight years, invested significantly in the expansion of the YRT/Viva system. This investment was based on the following strategic drivers:

- Recognition of public transit as a critical element of the overall transportation network.
- Public transit provides mobility options for residents and employees, thereby supports growth management direction.
- Good public transit is an essential component of any congestion management program.
- Public transit supports city building, consistent with Region's planning intensification goals, especially within the Centres and Corridors as identified in the Regional Official Plan.

Success of the public transit mandate is measured by an increase in ridership (ridership/capita) and ultimately an increase in overall transit modal share. The cost recovery ratio is also an important measure of the transit system's financial performance.

4. ANALYSIS AND OPTIONS

Currently, the Region subsidizes public transit operating costs by about 60%; the YRT/Viva system recovers only 40% of its operating costs through the farebox

As with most North American public transit systems, YRT recovers only a portion of its operating cost (40%) through user fees (farebox). The remaining 60% of the cost is funded through the municipal property tax levy. The Region's public transit system is currently in expansion mode, with increases in ridership and revenue lagging somewhat behind investments in operations. However, it is expected that ridership levels will continue to increase as the economy rebounds; intensification in the main Regional corridors continues, and as improvements in the transit system itself attract new ridership. The existing revenue/cost (r/c) recovery target to match user fees to operating costs is 50%. This cost recovery target is being examined in the context of the new Five-Year Service Plan (2010-2015), currently in development.

The current fare policy is based on three guiding principles; ridership growth, revenue optimization and fair application

The fare policy is based on three guiding principles:

- (a) The fare structure should contribute to and support ridership growth strategies that result in net new ridership.
- (b) The fare structure should support business objectives that aim to balance fare revenues to operating expenditures.
- (c) The fare structure should be applied equitably to all customer categories recognizing the need to meet business objectives.

These principles are supported by a number of past strategic decisions. For example, in 2005, a standard flat cash fare was approved to simplify the fare structure and promote loyalty (i.e. discourage use of the higher cash rate and encourage the use of tickets/passes). The higher flat cash rate has resulted in lower cash usage, thus reducing cash handling costs.

The current fare policy is attached as *Attachment 1*.

Customer loyalty programs, off-peak use strategies and direct competition programs have been developed to further encourage transit ridership and maximize revenues

A variety of ridership growth strategies have been developed aimed specifically to attract new customers or maintain the customer base. Examples of these types of programs include YRT's Travel Training Program and the business-focused RideSaver Program.

Travel Training Program: An integral part of this program is the free fare for travel training purposes to facilitate and encourage persons with disabilities, seniors who have lost the privilege to drive and new customers to public transit. Fare media is provided to agencies during the training period only. A training plan outlining clear goals, objectives and timelines needs to be submitted by the agency to the designated YRT Travel Trainer for approval.

RideSaver Program: The RideSaver program offers York Region employers discounted fare media to encourage employees to use transit. This initiative supports Council's strategic goal of increasing transit market share and to reduce the Region's carbon footprint by taking cars off the road. The program is a business incentive program offered in partnership with Smart Commute and is specifically designed to increase ridership by attracting new riders to the system. The financial impact of this program is negligible at this time, with the goal simply being to increase convenience of monthly pass purchases (on-site distribution) thereby encouraging the transit habit. Smart Commute helps facilitate the sale of transit passes to businesses directly, while YRT staff focus their efforts on promoting the benefits and providing trip-making options to employees.

During off-peak hours, a variety of discounted fare strategies are in place to attract riders in an attempt to fill available capacity on the YRT system

Off-peak ridership is encouraged by offering specific target markets with carefully priced discounted fares. It is estimated that about 45,000 high school students reside in York Region, the majority of who do not drive. This presents YRT with major market potential. Approximately 28% of YRT's current ridership is students equating to about \$11 million or 22% of total annual revenues. However, the challenge is that the majority of these students are also within a reasonable walking distance to their schools. As such, YRT needs to promote and market transit heavily to this market. With the exception of some morning commute trips, most of the trips made by high school students are during off peak hours. To maintain this loyal base of customers, a discount is offered to high

school students either through direct sales or distribution through the school board. The additional school board discounts are necessary to compete with the cost of yellow school busing, thus eliminating the duplication of service that could result.

Senior passengers, albeit a much smaller percentage of the market at 7%, also travel predominantly during off-peak hours. This travel pattern, coupled with the fact that this market is one of our fastest growing demographic segments, presents yet another market opportunity. It is estimated that the senior population in York Region will increase by greater than 325% from the current 92,000 to over 300,000 by 2031. There is capacity on the YRT/Viva system during the midday and this segment currently generates revenues of up to \$800,000 annually.

Results of pilot program for selected homeless shelters indicates that this initiative is not consistent with the Transit fare policy guiding principles

A request from Aurora Council to assist a multi-church program with reduced transit fare media led to the creation of this pilot program. Since November 2008, YRT has been conducting the pilot for a small pre-selected group of agencies whose mandate focused on assistance to homeless individuals. The pilot provided adult tickets at a 15% discount, which were distributed through local municipal offices.

The results of this pilot have been mixed. With the exception of Newmarket, the volumes were significantly lower than anticipated and monthly volumes have been consistently decreasing for the past several months. Feedback from some agencies confirms that this initiative does not always meet the needs of the diverse clientele they are assisting. In fact, one of the original agencies opted out of the program during the pilot as their clients did not require assistance with transportation. See *Attachment 2* for actual volumes and value of tickets provided during the first 12 months of the pilot.

Based on the pilot results and the inconsistency with the Fare Policy guiding principles, it is not recommended that this program be continued.

A number of 'grandfathered' discount scenarios exist within the current fare policy and are considered negligible in terms of financial impact

There are a number of 'grandfathered' examples whereby free fares have been offered to specific customer categories. These include:

- Emergency Service Workers
- Persons with visual impairments
- Veterans on specific dates only
- Special Events (e.g. New Year's Eve)

The purpose of these 'exceptions' relates to system security, unique contribution to community and/or issues relating to ability to use the system. It is recommended that no changes be made to the current fare policy as it relates to the free-use category.

Client income levels are the basis for the recent transit subsidy requests. To further understand this policy question, staff carried out a financial impact analysis of various levels of subsidy. If transit fare policy were to be allocated to include subsidies for low income customers such as Ontario Disabilities Support Program (ODSP) and Low Income Cut Off (LICO) recipients in York Region, the cost could be anywhere between \$500K and \$25M per year, depending on the subsidy level and number of recipients considered. Details relating to the financial impact of these subsidy requests are outlined in *See Attachment 3*.

It should be noted that existing programs such as Ontario Works and ODSP, already have a provision to allocate a portion of program funding for the purposes of client transportation needs.

To reiterate, the YRT fare policy promotes the use of transit by attracting non-riders, optimize revenue to balance impact to tax levy, and is fair because it is universally applicable to all residents. It is through this lens that the outstanding requests for additional subsidy and ODSP and LICO have been considered and are shown in Table 1.

Table 1
Additional Subsidy Requests and YRT Fare Policy

Agency	Type of Request (Existing or new)	Fare Policy Principles			Comments
		a) Ridership growth (net new riders)	b) Optimizes Revenues to Costs (r/c ratio)	c) Equitable application of Fare Policy	
ODSP and LICO	New	✗	✗	✗	Most clients are existing users. Sets a precedent for the Region to further subsidize provincially-mandated social assistance costs which already include transportation support . <i>Not recommended</i>
Community Living	New	✗	✗	✗	
MUST	New	✗	✗	✗	
YRAEH	New	✗	✗	✗	
Individuals	New	✗	✗	✗	
YRT Travel Training	Existing	✓	✓	✓	Free fare media during training only Future cost avoidance <i>Recommended</i>
Milliken Mills High School	Existing	✗	✗	✗	No net new ridership <i>Not recommended</i>
RideSaver	Existing	✓	✓	✓	Volume discount provided to companies. <i>Recommended</i>
Homeless Pilot	Existing (Pilot)	✗	✗	✗	No net new ridership <i>Not recommended</i>
Student Transportation Services (Public & Catholic Board)	Existing	✓	✓	✓	Promotes off-peak ridership, maintains major market <i>Recommended</i>

✗ - Does not meet requirement ✓ - Meets requirement

5. FINANCIAL IMPLICATIONS

Providing any further subsidies or discounts on transit fares would further lower the revenue/cost ratio (currently at 40%). Currently, approximately 60% of the operating cost of YRT/Viva is covered through tax levy with 40% recovered from the farebox.

Providing additional subsidies or discounts would have a direct impact on tax levy. The recommendation of this report is that no additional transit subsidies be provided. If the recommendation is adopted, then there are no financial implications.

6. LOCAL MUNICIPAL IMPACT

The cost impact of the transit fare subsidy affects the residents of all municipalities as 100% of any subsidy amount would be drawn directly from the tax levy.

7. CONCLUSION

In order to increase the transit modal split and maximize revenues from ridership, a fare policy based on consistent principles is required. Based on a review of each subsidy request against the three fare principles, none of the requests for subsidy is recommended. An important additional consideration is that any type of subsidy would set precedent for the Region to assume more provincially-mandated social assistance costs into the transit operating budget and subsequently onto Region's residential tax levy. Moreover, there are presently no resources/processes in place to administer a fare subsidy system based on low income in the Region, nor is it reasonable that this area of business be part of the public transit mandate. On this basis, it is recommended that no transit fare subsidy programs or additional discounts be offered and that the pilot program for homeless shelters be terminated. Notwithstanding this conclusion, it is recommended that the 'grandfathered' free fare groups, as outlined in the current fare policy, be maintained.

For more information on this report, please contact Paul Tobin, Manager, Transit Finance, at Ext. 5691 or Irene McNeil, Director, Strategic Policy and Business Planning, at Ext. 5021.

The Senior Management Group has reviewed this report.

(The three attachments referred to in this clause are attached to this report, as well as a communication from Chris Williams, Alternative Education Head, Milliken Mills High School, which was circulated at the Committee meeting.)



STATUS

Council Approved

December 18, 2008

CAO Approved:

December 18, 2008

TITLE: York Region Transit Fare Policy	NO.: 1 Approval Date: December 18, 2008 Last Updated:
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POLICY STATEMENT:

York Region Transit (YRT) operates its transit services in accordance with a comprehensive set of fare related policies.

APPLICATION:

This document applies to all YRT conventional bus services, including TTC contracted services operating north of Steeles Avenue, GO Transit route 69 and Brampton Transit services operating within York Region, to YRT Mobility Plus services and to Viva bus rapid transit services.

PURPOSE:

The purpose of this policy is to formalize and document all YRT fare related policies. Actual fare rates will be reviewed separately as part of the annual business plan and budget process.

DESCRIPTION:

1. Fare Payment Process

a. Pay Fare on Boarding

With conventional bus and Mobility Plus services, passengers pay upon boarding. On conventional buses, cash and unvalidated tickets are deposited into the farebox. Passes, validated tickets and transfers are presented to the driver for visual acceptance. On Mobility Plus buses, the correct adult cash fare or an unvalidated adult ticket must be deposited into the farebox or a valid pass presented to the driver for visual acceptance and recording. On Mobility Plus accessible vans and sedans that do not have a farebox, the correct adult cash fare or an unvalidated adult ticket is collected and a valid adult pass is visually accepted and recorded by the driver.

b. Pay Fare before Boarding

When taking the Viva service, passengers are required to pay their fare prior to boarding a Viva vehicle and to present proof of having made that payment on demand to a roving enforcement officer. Prior to boarding a Viva vehicle, pre-purchased and unvalidated tickets must be validated in a vivaNow validator located at each Viva station and at designated YRT

and TTC bus terminals. A ticket that was properly validated and is still within the Transfer Time Validity Window ('TTVW') or a valid monthly pass or GTA weekly pass is accepted as Proof-of-Payment by enforcement officers.

c. Fare Payment Options

i. Cash

Cash is accepted for fare payment in the farebox on conventional buses and Mobility Plus vehicles and is accepted to purchase validated single journey tickets and fare supplements at oneRide and multiRide fare machines. Exact change is required except at multiRide fare machines which will provide change. The cash fare for all passenger fare classifications is the same as the adult cash fare.

ii. Credit and Debit Cards

Credit cards are accepted for payment at oneRide machines and at the YRT Customer Service Centre. Debit cards are accepted for payment at multiRide machines and at the YRT Customer Service Centre.

iii. Transfers

A transfer that was issued by a YRT or GO Transit route 69 or Brampton Transit driver or was issued by a TTC driver operating under contract in York Region, or a YRT ticket that was validated by a VivaNow ticket validator or a validated single journey ticket that was issued by a oneRide or multiRide machine, in each instance before the expiry of the TTVW, constitutes an acceptable fare payment when presented to a conventional or Mobility Plus driver or an acceptable proof of fare payment when presented to an enforcement officer.

iv. Validated Single Ride Ticket

A validated ticket which is good for immediate travel may be purchased at oneRide machines using coins in exact change or using credit cards. Intended to be the equivalent of a passenger paying a cash fare in a conventional bus farebox, oneRide-issued tickets are available for all passenger fare classifications at the cash fare price. Single ride validated tickets may also be purchased at multiRide machines using cash or debit cards.

v. Multiple Ride Ticket Booklets

Unvalidated tickets available in the different passenger fare classifications may be purchased only in sets of 10 from multiRide fare machines, using coins, banknotes and debit cards. Booklets of 10 tickets in each passenger fare classification are also available from the YRT Customer Service Centre and from third party ticket agencies at a price that is discounted from the single ride ticket rate.

vi. Period Passes (Monthly Pass & GTA Weekly Pass)

YRT passes, that are available in the different passenger classifications and that are acceptable for unlimited travel for a calendar month, may be purchased from multiRide fare machines using coins, banknotes or debit cards and from third party ticket agencies at a price that is discounted from the corresponding multiple ride ticket rate. The GTA Weekly Pass can be purchased throughout the GTA and is valid for travel on TTC, Mississauga Transit, Brampton Transit and YRT's conventional buses and Mobility Plus and Viva bus rapid transit services. The GTA weekly pass is valid for unlimited travel on YRT in a single fare

zone. A fare supplement is required for travel on the YRT Express Bus services and when traveling on YRT across the zone boundary. All passes are to be presented to conventional and Mobility Plus drivers on boarding and to enforcement officers on demand while riding Viva. YRT adult monthly passes and GTA weekly passes are transferable between passengers, but can only be used by one passenger at any one time.

vii. Zone Upgrade Fare Supplements

Passengers can purchase a Zone Upgrade fare supplement from both oneRide and multiRide machines. A fare supplement is also required when travelling on the YRT Express Bus services using an adult, student or senior ticket or YRT monthly pass or using a GTA weekly pass.

viii. Ride-to-GO Fare Supplement

While YRT and GO Transit do not have an agreement to honour each other's transfers, there is a special discount 'Ride to GO' fare available for YRT passengers to ride YRT to or from a GO rail station when connecting to GO rail service. YRT passengers must present the YRT driver with proof of paying a 'valid GO fare' to be able to travel on YRT for this discounted fare which requires depositing 50 cents into the farebox or requires purchasing a valid Ride-to-GO fare supplement from a oneRide or multiRide machine prior to boarding Viva or YRT. Riders also have the option of purchasing a GO sticker, which is sold with monthly GO passes.

For travel inbound to the GO rail station, a 'valid GO fare' would be a valid GO pass (with proper ID) for travel originating at that station or a multi-ride GO ticket for travel originating at that station with adequate validation room (defined as having at least one unused ride left). For travel outbound from the GO rail station, a valid GO fare would be a valid GO pass (with proper ID) for travel terminating at that station or a ticket for travel on GO termination at that station that was recently cancelled or validated such that the passenger proves that they were on the most recent GO rail service that arrived at the station.

ix. Scrip Ride Fares (Mobility Plus only)

The Scrip Ride Program is a spontaneous service for Mobility Plus customers who need to take last-minute or unplanned trips. This service enables same-day trips to be arranged through local taxi firms. Fares are paid with Scrip Ride coupons which can be obtained through the mail or at the YRT office (at 50% of book value). Amounts vary depending on the distance of the trip (see appendix 2).

x. Employee Commuting Option (ECO Pass)

The Employee Commuting Option Program is an employer benefit for free use of the transit system by York Region employees (taxable benefit). A separate employer policy outlines the parameters for participation in this program which began May 1, 2008. It replaced the former policy, which provided adult tickets at a 50% discount for Region staff.

2. Fares

a. Passenger Fare Classifications

YRT passenger fare classifications include:

- Adult
- High School Student
- Senior
- Child
- Post-Secondary Student (possible future use)

Children under 5 years ride free. All Mobility Plus service passengers are currently deemed to be part of the adult passenger fare classification.

For formal definitions please refer to appendix 1.

b. Fare Table

The fares that YRT charges its passengers are specified in a fare table, which is reviewed as part of YRT's annual business planning and budgeting cycle. Revisions are submitted to Regional Council for approval. YRT practice has been to seek approval for fare adjustments effective January 1 of each year.

c. Flat Fare

YRT has set one common fare for all passengers in the same passenger fare classification. These will apply to all YRT services including conventional buses, Mobility Plus and Viva bus rapid transit services. The fare is the same for journeys of different distances within the same fare zone.

d. Fare Payment Zones

YRT has divided the Region into three fare payment zones and has created a fourth zone for Mobility Plus service only. For a detailed description of the zones please refer to appendix 2.

For a two-zone journey, passengers must pay or possess proof of payment of having paid a two-zone fare or must pay or possess proof of payment of a fare zone supplement in addition to the one zone fare.

e. Premium Services

YRT operates premium Express Bus services on the 407ETR for which a higher fare is charged and for which all passenger fare classifications pay the same fare.

f. Discounted Fares

i. Fare Classification

YRT offers a discount from the cash fare and from the adult ticket fare to full-time high school students (with valid identification), to seniors (with valid identification) and to children for the pre-purchase of tickets in books of ten. Children under five years ride free. YRT does not currently offer a fare discount for post-secondary students, however if

a post- secondary student referendum approves a University Pass (U-Pass), then YRT will provide a discounted pass product. Mobility Plus passengers must pay the adult fare.

ii. Pre-purchase

To encourage the pre-purchase of tickets and passes and to encourage increased ridership through lower fares, a price discount from the cash fare is provided on the pre-purchase of 10-ride tickets and a larger discount from the cash fare on the pre-purchase of monthly passes.

iii. Volume purchase

YRT is conducting a pilot of its RideSaver program which allows participating businesses to receive a 15% discount off the price of a regular adult or express monthly pass on the condition that participants commit to purchase a minimum of 15 transit passes per month. Participants may charge their employees any price for the pass that is equal to or less than the price paid to YRT. Results of the ongoing pilot program will be presented to Regional Council in the fall of 2009.

iv. York Region employee

York Region employees can participate in the ECO pass program as of May 1, 2008. This provides free travel (taxable benefit) on the entire YRT/Viva system. (see Fare Payment Options item x)

v. School Board purchase

YRT provides the York Region School Boards with a price discount for the purchase of student passes by the School Boards. This agreement minimizes the requirement for the use of yellow school buses by school boards where public transit is available and accessible to students.

g. Free Travel on Conventional Transit Services (YRT/Viva)

i. Emergency Services Workers

YRT offers free travel to emergency service workers (fire fighters and paramedics) in uniform and while travelling to and from work or while on duty. YRT offers free travel to sworn police officers upon identification to the driver and presentation of their badge and photo ID (warrant card) while on or off duty (but excludes retired police officers).

ii. YRT Staff / Contractor Property Passes

YRT staff may participate in the ECO pass program (non-taxable benefit). Free travel is also offered to any of its contractor staff carrying a valid YRT photo ID in addition to their Corporate issued security pass, while on duty.

iii. Persons with Visual Impairments

YRT offers free travel on conventional or Viva services to any client of the Canadian National Institute for the Blind (“CNIB”) or any other approved agency dealing with visual impairment with appropriate identification.

iv. Travel Training for Persons with Disabilities

YRT provides free tickets and passes to approved organizations for the purpose of training persons with disabilities to use public transit. Participants are taught how to use public transit safely and independently. Interested organizations can apply to this program and will be accepted only for use for training persons with disabilities to use transit independently.

v. Special Dates/Times

YRT offers free travel to certain passengers on certain dates and at certain times including:

- *August- Warriors Day* - YRT offers free travel to veterans and their families with appropriate identification, including uniforms, medals or service papers.
- *November 11* - YRT offers free travel to veterans and their families with appropriate identification, including uniforms, medals or service papers.
- *December 31*- YRT offers free travel to anyone after 7:00 p.m. on New Years Eve.

vi. Special Events

Free tickets/passes are occasionally provided to participants at special events requiring travel on YRT/Viva. Marketing opportunities are considered as part of this approval. These tickets and passes can be used for the approved event purposes only.

vii. Prizes

YRT occasionally provides a limited number of free tickets or passes to organizations as a prize for fundraising events or where a ridership marketing development opportunity is deemed to exist. These requests are approved by the Manager, Marketing and Customer Service and/or the General Manager of Transit.

viii. Marketing - Ridership Development

YRT periodically offers free or concessionary travel to conventional service target market groups with a view to encouraging ridership trial and development as a part of the marketing program. A follow-up review of program effectiveness is conducted.

3. Transfers**a. Between YRT Services**

The time printed on YRT transfers is the expiry time of the Transfer Time Validity Window ('TTVW'), which is an established length of time from the moment a passenger pays the fare on boarding the initial bus or makes the initial fare payment of a oneRide ticket or the VivaNow validator. YRT has established the TTVW to be 120 minutes. Prior to the expiry of the TTVW, YRT transfers are valid for travel in any direction on YRT, Viva, and TTC and Brampton vehicles operating in York Region. YRT drivers manually update the time set on transfers every fifteen minutes. Validated tickets, which are issued by oneRide and multiRide machines and which function essentially like transfers, have the TTVW expiry time prominently printed on the tickets at the time of purchase. Pre-purchased tickets that have been validated at a vivaNow machine also function essentially like a transfer with the TTVW expiry time prominently printed at the time of validation.

Conventional bus drivers will issue a one-zone transfer upon request unless the passenger pays the second zone supplement or deposits a two-zone ticket, in which event the driver will issue a two-zone transfer. Tickets purchased for two-zone travel prominently indicate the two-zone transfer validity.

To make a second transfer by boarding a third YRT conventional bus prior to the expiry of the TTVW, the passenger is required to retain the original transfer to present to the driver on boarding the third bus. Passengers transferring to Viva service must retain the transfer and display it to the enforcement officer on demand. The time printed on the transfer/ticket must be later than the time of inspection.

b. Between YRT and TTC Contracted Services

In contrast with YRT practice, TTC drivers set the time on their transfers to be the start time of their northbound or southbound route or when the northbound bus crosses Steeles Avenue, rather than the expiry time of the TTVW. YRT drivers and enforcement officers must calculate whether the transfer is still valid by adding on the established TTVW time to the time on the transfer.

c. Between YRT and Brampton Transit Services

In instances where BT and YRT operate a common route and a common schedule, BT drivers will accept YRT or BT passes and will issue a YRT transfer for fare payment either by cash or by BT or YRT ticket. YRT drivers will accept BT and YRT passes and will issue a YRT transfer for fare payment by cash, BT or YRT ticket or valid BT transfer. BT follows the same policy as TTC when issuing transfers, setting the transfer time to the beginning of the trip and not adjusting it throughout the trip.

4. Enforcement

a. Transit Bylaw

Transit Bylaw No. R-1415-2005-028 provides the legal framework for fare payment and passenger conduct on YRT public transit vehicles.

b. Challenge but Concede

Drivers are expected to refuse boarding to any passenger that declines to pay the correct fare. Should the passenger continue to refuse payment, insist on boarding or become unruly, drivers shall allow the passenger to board the vehicle. The purpose of this response is to avoid any confrontation or physical/verbal assault on drivers. In order to maintain driver safety, drivers should call for assistance through their respective dispatch office after the passenger has boarded. Dispatch staff will escalate as required.

c. Refusal of Passage

- i) No passenger will be required to leave a bus, if there is any concern for their personal safety.
- ii) Notwithstanding subsection i), any individual who is perceived to pose a safety risk to other passengers, employees or the safe operation of the vehicle shall be refused passage.

d. Penalties – Warnings, Summons & Provincial Offence Notice

At the discretion of the enforcement officer, passengers violating the Transit Bylaw may be issued a warning, a summons or a provincial offence notice. All incidents are maintained in a database and may be used to ascertain repeat offenders.

5. Fare Media Design Modification Process

The current design specification for the fare media including tickets, passes and transfers represents a very carefully determined design compromise that balances the often conflicting requirements of the various equipment and consumable suppliers. YRT has determined that even the most minor changes to this specification including graphics and colour must be approved in advance by all of the following individuals:

- YRT Manager, Finance
- YRT Manager, Transit Management Systems
- YRT Supervisor, Fare Enforcement

6. Refunds & Exchanges

YRT allows pro-rata refunds of monthly passes only on compassionate grounds or in the event that a passenger moves out of the Region. A per day reduction of twice the current cash fare value will be applied to the refund starting from the first day of the month. An additional \$10.00 administration fee will also be deducted from the refund total. Refunds are available only at the YRT Customer Service Centre at 50 High Tech Rd.

YRT does not allow refunds of tickets, but allows the exchange of tickets from an earlier fare period for tickets from the current fare period, when the customer pays the difference between the earlier and current ticket prices. Tickets can be exchanged only at the YRT Customer Service Centre at 50 High Tech Rd.

RESPONSIBILITIES:

REFERENCE:

“Review of Fare Policies at York Region Transit” – July 14, 2006

CONTACT:

Paul Tobin, Manager, Finance - Transit

APPROVAL INFORMATION

CAO Approval Date:

Committee:

Clause:

Report No:

Council Approval:

Minute No.

Page:

Date:

Summary of Results for Homeless Shelter
Pilot Program
November 2008 to November 2009

Municipality	Participating Agencies	Zone 1 Ticket pad Volume (10 tickets per pad)	Zone 2 Ticket pad Volume (10 tickets per pad)	Value of Tickets Purchased (net of 15% discount)	Cost to Region (value of 15% discount)
Aurora	3	146	96	\$ 6,084	\$913
Georgina	2	80	176	\$ 7,108	\$1,066
Newmarket	4	520	377	\$ 22,498	\$3,375
Richmond Hill	3	78	63	\$ 3,652	\$548
Program Total	12	824	712	\$ 39,341	\$5,902

Ontario Disabilities Support Program (ODSP) and Low Income Cut Off (LICO)
Subsidy Impact Analysis

	Participation Rate	Discount %					
		15%		25%		33%	
		Annual Impact	% of YRT Revenue	Annual Impact	% of YRT Revenue	Annual Impact	% of YRT Revenue
ODSP	15%	\$226,800	0.5%	\$378,000	0.8%	\$498,960	1.0%
	25%	\$378,000	0.8%	\$630,000	1.3%	\$831,600	1.7%
	50%	\$756,000	1.5%	\$1,260,000	2.5%	\$1,663,200	3.3%
LICO	15%	\$3,189,375	6.4%	\$5,315,625	10.6%	\$7,016,625	14.0%
	25%	\$5,315,625	10.6%	\$8,859,375	17.7%	\$11,694,375	23.4%
	50%	\$10,631,250	21.3%	\$17,718,750	35.4%	\$23,388,750	46.8%
ODSP + LICO	15%	\$3,416,175	6.8%	\$5,693,625	11.4%	\$7,515,585	15.0%
	25%	\$5,693,625	11.4%	\$9,489,375	19.0%	\$12,525,975	25.1%
	50%	\$11,387,250	22.8%	\$18,978,750	38.0%	\$25,051,950	50.1%

Note: above analysis is based on ODSP population of 8,000, LICO population of 112,500, adult monthly pass cost of \$105/pass and annual fare revenue \$50 million.

Transit Fare Subsidy Requests

Presentation to
Transportation Services Committee
Reference Item D2

Irene McNeil
January 6, 2010



Transit Fare Subsidy Requests

Overview

- ❑ Background
- ❑ Fare policy principles
- ❑ Basis of fare subsidy requests
- ❑ Comparison of requests to policy principles
- ❑ Conclusion



Multiple Requests for Transit Fare Subsidies

Background

Council and/or YRT have received numerous requests for discounted transit fares; e.g.:

- ❑ Homeless shelter pilot in progress with 15% discount on tickets; Alliance request that pilot be extended and made permanent.
- ❑ MUST (Markham Unionville Support Team) requested an unspecified subsidy from Transit Committee.
- ❑ Community Living (Newmarket/Aurora) requests.
- ❑ York Region School Boards.



Fare Policy Principles

Principles of Current Fare Policy

1. **The fare structure should contribute to and support ridership growth strategies that result in net new ridership.**
 - ❑ Encourage use – increase modal split/market share.
 - ❑ Increase ridership (especially where capacity exists).
2. **The fare structure should support business objectives that aim to balance fare revenues to operating expenditures.**
 - ❑ Discounted categories to maximize revenues and ridership (cash vs. passes vs. tickets).
 - ❑ Cost avoidance (promote ridership shift from paratransit to conventional).
3. **The fare structure should be applied equitably to all customer categories recognizing the need to meet business objectives.**



Basis of Fare Subsidy Requests

Basis of fare subsidy requests before Committee and Council

❑ **MUST:**

- For low income; limited employment opportunities / persons with developmental disabilities.

❑ **York Region Alliance to End Homelessness:**

- For low income to assist with access to housing and social services.

❑ **Community Living:**

- For low income; access to employment / cognitive / persons with developmental disabilities.



Comparison of Requests to Policy Principles



Refer to Table 1 in Committee report



Requests for further discounted fares compared with fare policy principles



✗ - Does not meet requirement

✓ - Meets requirement



Other Considerations



Providing further transit fare subsidies for low income customers, persons with developmental disabilities, through the transit operating budget:

- ❑ Blurs the mandate of Region vs. Province in addressing low incomes and social equity.
- ❑ Conflicts with funding guidelines (ODSP, etc.).
- ❑ Presently no Regional resources/processes in place to administer a fare subsidy system based on low income.

Conclusion

Based on existing transit fare policy principles, there is no basis for granting any further transit fare subsidy requests.



Letter of Concern for Transportation Committee

January 4, 2010

Re: Discontinuation of bus passes

Dear committee members,

I am writing this brief letter with the hope that it reaches you during your debate on the sensitive subject of the provision of bus passes for community groups in need. I am writing with the hope that this letter will somehow influence your decision in a positive way to reconsider the outright termination of donated bus passes which are so critical to the functioning of small programs with big mandates and very tiny budgets. While I understand that this is a very complex issue for York Region Transit and one which has come to the forefront during recent economic difficulties, I cannot stress enough the significance of these bus passes to the success of 'at-risk' community education programs like ours.

T.E.A.M. (Teaching Esteem and Academics in Markham), an education program for at-risk youth between the ages of 14-19 is a project based approach to learning which attempts to re-engage teens who have had little success with mainstream education. The program has developed partnerships with community groups across York Region and students travel to diverse learning opportunities by bus to participate in meaningful and relevant learning where they are also able to give back to the community through service. In partnership with the Town of Markham since 1994, T.E.A.M. students from challenging socio-economic circumstances have been able to not only stay in school, but have been encouraged to change their lives in very positive ways and become responsible, contributing members of society in York Region. The ten bus passes donated to T.E.A.M. at Milliken Mills High School every month are one of the fundamental building blocks of the scaffolding which supports this small group of 'at-risk' students. It is not exaggeration when I say that most of what we have been able to accomplish through our program for these kids and for the community groups and environment which have benefitted from their enhanced engagement to learning and positive participation has been done because we have been able to travel to the places of need where projects happen. Your donation of bus passes through the years has been at the heart of this ability to travel and engage and change.

I want to say a deep and appreciative thank you to all of you on the committee for your generous support of our program through the years and to this point. Even if things don't go our way and the passes are discontinued it is important for all of you to know what incredible support you have provided to the students of York Region who have toiled through these opportunities to get their lives back on track.

Thank you for your continued interest and concern,

Chris Williams

Alternative Education Head
Milliken Mills High School

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