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YORK REGION TRANSIT YRT/VIVA TRANSIT U-PASS PROGRAM

The Transit Committee recommends the adoption of the recommendations contained in the following report, March 26, 2008, from the Commissioner of Transportation Services:

1. RECOMMENDATIONS

It is recommended that:

1. Staff be authorized to implement a Universal Transit Pass (U-Pass) program with Greater Toronto Area post-secondary institutions, in partnership with the Toronto Transit Commission (TTC) and GO Transit.
2. The U-Pass price for York Region Transit/Viva be established at a rate that is consistent with the TTC and GO Transit.
3. The Regional Chair and Clerk be authorized to execute any contracts with respect to the U-Pass program, subject to the approval of Legal Services as to form and content.

2. PURPOSE

This report outlines a proposal for a universal transit pass (U-Pass) program with post-secondary institutions located in the Greater Toronto Area (GTA), in partnership with the TTC and GO Transit. It seeks approval to introduce the U-Pass program to post-secondary institutions, on an individual basis, as interest arises.

3. BACKGROUND

Many North American colleges and universities now have U-Pass programs. In Canada, the program is in place at over 20 institutions in 12 different communities. In Ontario, there are successful U-Pass programs in Hamilton, Guelph, Kingston, London, North Bay, Peterborough and St. Catharines.

U-Passes are priced lower than regular passes because the cost is shared by the entire student population

U-Pass programs, being universal by nature, require mandatory participation by all members of a student group (such as full-time undergraduates) attending a particular post-secondary institution. It provides students with unlimited access to transit for the entire semester, school year or calendar year. The U-Pass price is typically much lower

than the cost of buying regular adult transit passes or tickets because the cost of the transit fares is shared by the entire student population. While some individuals may benefit more directly than others, U-Passes work because they have substantial benefits for the student group as a whole.

U-pass programs must be net revenue neutral for the program to be considered. Typically, the U-Pass cost is set by the transit system to realize additional revenue. This revenue can be used to provide new routes, extended schedules and increased frequency of service, or simply to offset operating costs.

There are many benefits with the U-Pass program

Experience with the U-Pass program has indicated it is a win-win program that benefits the students, the post-secondary institution, the transit system and the local community.

For the students, it reduces transportation costs, creates new and convenient travel options (new revenue can pay for improved transit services), and makes it cheaper and easier to use transit more often (errands, social outings, etc.).

Benefits to the transit system include ridership growth and maximizing transit use by filling existing buses. Students may also be more likely to continue to use transit after they graduate. Student transit use at a particular post-secondary institution can grow as much as 50% as a result of the mandatory U-Pass program.

Despite all of their benefits, there are challenges to implementing a U-Pass program varying from one situation to another. These challenges include getting the students' buy-in for the program, timing a student referendum, working through program details, negotiating a contract, providing adequate transit services and maintaining a solid relationship with the post-secondary institutions.

TTC has approved the U-Pass program

In 2005 the TTC undertook research to assess the feasibility of a U-Pass program with several post-secondary institutions in Toronto, including:

- York University.
- University of Toronto.
- Ryerson University.
- Humber College.
- Centennial College.
- Ontario College of Art and Design.
- George Brown College.
- Seneca College.

Based on the research, a U-Pass program framework was developed and approved for implementation by the TTC in early 2006.

The first meeting between student leaders and TTC staff was held in January 2007, where interest was expressed in holding a student referendum at George Brown College. It was later determined that was not feasible and efforts should be directed towards a future referendum date instead.

York University indicated an interest in September 2007 and unfortunately, the student association has not moved forward with the planning of a referendum and will now have to consider a revised date in 2008.

York University student leaders also requested that YRT and GO Transit participate in the U-Pass program for them to consider taking forward a referendum. The rationale was that large percentages of their student population use YRT/Viva and GO Transit to travel and that their participation would increase the chances for a more successful student referendum.

4. ANALYSIS AND OPTIONS

Working group developed to implement U-Pass program

In the fall of 2007, TTC, YRT/Viva and GO Transit developed a joint working group to consider the implementation of a common U-Pass program, initially with York University.

Building on the research completed by the TTC in 2005 and 2006, current data was collected from York University to determine the distribution of student home addresses, as well as recent transit ridership to the University. There are currently 40,000 full-time undergraduates attending York University and approximately 10,000 live in York Region.

In February 2008, the University of Toronto – Scarborough campus student association contacted the TTC to discuss the opportunity for a U-Pass program in September 2008. The student association was also interested in a combined U-Pass program with YRT/Viva and GO Transit similar to that of York University.

Students get to select their preferred transit system

Based on input from TTC, YRT/Viva and GO Transit, the U-Pass program would allow students to select which transit system pass they would require at the time of university registration. The joint U-Pass program would be mandatory for all full-time undergraduate students and the price will be set at \$60/month or \$480 for the school year. This program will provide students with a unique U-Pass photo identification that will not be transferrable.

Because GO Transit operates on a fare-by-distance basis, those who select GO Transit will have the value submitted towards their monthly GO Transit fare. The U-Pass will be valid only during the 8-month school term (September to April) and only for the transit

system which they select. To use both TTC and YRT/Viva, students would be required to pay for both passes.

There are significant benefits for YRT/Viva

The U-Pass program creates an attractive, convenient alternative travel option for students. As a result, ridership on transit services associated with the post-secondary institution grows, sometimes by as much as 50%. Other advantages of the program include additional new guaranteed revenue, an increased transit habit, and reduction of auto use which improves the health of a community.

The key challenge for this program will be to promote the program and sell the U-Pass benefits to students at post-secondary institutions to achieve a successful referendum and adoption of this program.

Further discussions with post-secondary institutions are required

Discussions are continuing with York University and the University of Toronto – Scarborough student associations. U of T has indicated that there is an interest in a referendum in March 2008 for a fall 2008 U-Pass program introduction. The TTC has received approval from its Commission to participate with U of T - Scarborough campus for September 2008. YRT/Viva and GO Transit staff support the initiative, however, YRT staff have indicated that it must be further endorsed by York Region Council in April 2008 to proceed.

York University's student association indicates that its referendum would be considered this fall for an introduction of the program in January 2009. A referendum is a requirement for the introduction of the U-Pass.

Should a student referendum be successful (50% "Yes" vote for mandatory U-Pass program), staff would continue to work with the post-secondary institution to create a formalized agreement that would outline the details and terms and conditions of the program, including the implementation and program launch.

4.1 RELATIONSHIP TO VISION 2026

New and innovative ideas that encourage transit ridership lead to improved transportation, environment and health for the community. This program meets several of the goals related to Vision 2026, including, "Quality Communities for a Diverse Population", "Enhanced Environment, Heritage and Culture", "A Vibrant Community" and "Infrastructure for Growing Region".

5. FINANCIAL IMPLICATIONS

The price of the U-Pass was originally established by the TTC at approximately 60% of the value of the Toronto Adult Metropass. This equates to \$60 per month. To offer a

consistent price for students, the U-Pass price for YRT/Viva customers is also recommended to be set at \$60 per month, which is about 63% of the current YRT/Viva Adult pass price of \$95.

The draft 2008 Business Plan and Budget does not include any revenue amounts relating to this initiative. In the case of York University, it could provide additional gross revenue of approximately \$4 million annually. This is calculated based on the revenue from an additional 7,000 potential student riders, minus the discount loss from the revenue generated from the existing 3,200 student riders.

Depending on the interest in the program and the number of additional new riders, additional transit service may be required. The additional revenue would more than offset new service required. Experience elsewhere suggests the revenues associated with the U-Pass program will far exceed any incremental service-related costs.

6. LOCAL MUNICIPAL IMPACT

Currently, almost 10,000 York University students live in local York Region communities. There are many more students attending other universities and colleges in the GTA and the U-Pass program will provide a discount opportunity to students and promote the use of public transit. Experience with the program in other communities has shown that it increases transit ridership overall, therefore, improving the health of communities by reducing car travel and associated harmful emissions.

7. CONCLUSION

The U-Pass program has been growing in communities across Canada, supported by the students, post-secondary school administrators, transit systems and local communities. The U-Pass experience can provide significant benefits to all groups in meeting local transportation challenges.

Staff will continue to pursue this program with interested post-secondary student associations in 2008 to encourage and support the successful introduction of the program. In addition to York University and U of T – Scarborough, staff will pursue the program with other local post-secondary institutions, including Seneca College and Humber College.

It is recommended that staff be authorized to proceed with the implementation of the U-Pass program, and that the U-Pass be priced at a rate consistent with that of the TTC and GO Transit.

For more information on this report, contact Mary-Lou Johnston, Manager, Marketing & Customer Service (ext. 5614) of the Transit Branch of Transportation Services.

The Senior Management Group has reviewed this report.