

**STRATEGIC INITIATIVE AND UPDATE****Transit Fare Strategy Update****Report Purpose**

To provide an update to the Priorities Committee on a new Transit fare strategy based on the recommendations from the Transit Fare Study Final Recommendations from June 2015.

**Council History**

October 25, 2011 – Council approved the Social Inclusion Policy (SER-005-004: Social Inclusion) and received the Municipal Subsidy Strategy for information.  
March 27, 2012 – Council approved the Transit Master Plan which recommended a detailed transit fare study.  
March 10, 2015 – Consultant presented Council with the draft recommendations.  
April 19, 2016 – Transit presented Council with an update on the consultant's Transit Fare Strategy Final Report June 2015.  
June 14, 2016 – Transit presented an update on the 2012 Transit Master Plan.

**Strategic Plan Priority Areas**

**Economy:** Balance user fees and taxpayer support. Improve labour mobility and access to jobs with affordable transit fares.

**Governance:** n/a

**Social:** Enhance community connectivity and access to services by providing affordable, equivalent and convenient fare options to all residents in the community including seniors, youth and low-income families.

**Culture:** n/a

**Environment:** Improve efficient resource usage and reduce environmental footprint by promoting more sustainable transportation modes.

**Other Impacts**

**Policy:** n/a

**Legislative/Legal:** n/a

**Interdepartmental:** Transit fares could impact other departments including Family and Community Services.

**Summary**

Transit has been working on developing a new fare strategy since 2014. In June 2015, the consultant conducting the Transit fare study, submitted the Transit Fare Strategy Final Report which provided recommendations for a new fare strategy. The recommendations from that report were based on a strategy that would achieve the following objectives:

- Provide a consistent, equitable and easy to understand fare structure
- Provide a Smart Fare ready fare structure
- Provide opportunities for increasing ridership on local routes
- Provide opportunities for increasing ridership in underrepresented target groups such as youth and seniors

April 19, 2016, Transit provided an update to Council on these recommendations and a plan for incorporating these recommendations into a fare policy. Since April the regional Smart Fare project has been moving forward and discussions on a possible regional fare strategy have started to take place. Preliminary discussions regarding a regional strategy have included discussions around a distance based fare system as one option. Based on these discussions there is a potential for a County fare policy introduced now to be significantly different then a regional fare strategy required in 2018/2019 when the Smart Fare system is implemented.

Based on the ongoing regional Smart Fare discussions, and the need for the County's fixed-route fares to be Smart Card ready, Transit is not recommending bringing forth a fixed route fare policy at this time. Transit is recommending a fare strategy that:

- Is Smart Fare ready
- Incorporates the recommendations from the Transit Fare Strategy Final Report June 2015:
  - Base fare is the Adult Commuter cash fare
  - Tickets and other cash categories will be based on an approved fixed percentage discount
  - Bus passes will be based on an approved fixed trip multiplier
  - New fare products will be introduced that provide opportunities for increasing ridership in underrepresented target groups such as seniors and youth

The fare strategy Transit is proposing is expected to see ridership increase by about 20,000 annually. This is based on the elasticity model that was developed by the consultant and updated by Transit staff in 2016. This updated model is based on ridership data from 2015 versus the 2013 data used by the consultant.

The strategy will also see revenue decrease by about \$100,000. Based on savings Transit has identified in the 2017 Operating Budget, this revenue decrease can be accommodated without an increase in the 2017 Operating Budget.

### **Communication Plan**

A communication plan will be developed to convey these changes using the County website and digital screen, local newspaper, and social media.

### **Enclosure(s)**

- 1 Transit Fixed Route Fare Strategy ppt (9272712)