

Clause 4 in Report No. 16 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on November 17, 2016.

4

York Region Transit (YRT/Viva) Fares 2017 – 2020
and Fare Policy Update

1. Receipt of the presentation by Ann-Marie Carroll, General Manager, Transit, Transportation Services.
2. Adoption of the following recommendations contained in the report dated October 26, 2016 from the Commissioner of Transportation Services:
 1. Council approve a transition strategy that would maintain a revenue-to-cost ratio target at 40 per cent for the years 2017 to 2020, as opposed to the 45 per cent approved by Council March 2015.
 2. The proposed transit fare adjustments outlined in this report be approved and implemented July 1, 2017, July 1, 2018 and July 1, 2019, with the corresponding fare category pricing.
 3. The Student fare category be renamed 'Youth' to be consistent with other Greater Toronto Hamilton Area (GTHA) transit agencies.
 4. Council approve the YRT/Viva Fare Policy update to reflect fare initiatives identified in this report (Attachment 1).

Report dated October 26, 2016 from the Commissioner of Transportation Services now follows:

1. Recommendations

It is recommended that:

1. Council approve a transition strategy that would maintain a revenue-to-cost ratio target at 40 per cent for the years 2017 to 2020, as opposed to the 45 per cent approved by Council March 2015.

2. The proposed transit fare adjustments outlined in this report be approved and implemented July 1, 2017, July 1, 2018 and July 1, 2019, with the corresponding fare category pricing.
3. The Student fare category be renamed 'Youth' to be consistent with other Greater Toronto Hamilton Area (GTHA) transit agencies.
4. Council approve the YRT/Viva Fare Policy update to reflect fare initiatives identified in this report (Attachment 1)

2. Purpose

This report seeks Council approval of the YRT/Viva fare adjustments in 2017, 2018 and 2019 and the updated Fare Policy.

3. Background and Previous Council Direction

March 2015, Council approved the YRT/Viva Fare Policy update that adjusted fares, excluding cash, by approximately two per cent in 2015 and 2016

In 2014, through a best practice review, YRT/Viva's fare structure and fare box revenues were reviewed and compared to other transit agencies in the GTHA and globally.

In 2015, the YRT/Viva Fare Policy was updated to reflect current transit practices in anticipation for fare integration within the GTHA. The Fare Policy provides direction on adjusting and updating fares and promotes three guiding principles:

1. Contribute to and support ridership growth strategies that result in net new ridership
2. Support business objectives that aim to balance fare revenue to operating expenditures
3. Equally apply to all fare concessions, recognizing the need to meet business objectives

Council also approved a change in the target revenue-to-cost recovery ratio to 45 per cent from 50 per cent.

March 2015, Council approved the development of a fare strategy to guide YRT/Viva in achieving a 45 per cent revenue-to-cost ratio

YRT/Viva staff committed to developing a fare strategy that would be reported to Council late in 2016 and would:

- Achieve a 45 per cent revenue-to-cost ratio
- Promote fare equity across all ages
- Address people's ability to pay
- Identify non-passenger and other revenue opportunities

4. Analysis and Implications

YRT/Viva conducted a North American wide industry best practice review on fares and non-fare revenue opportunities

An industry best practice review was completed in August 2016, to determine how other transit agencies structure fares and concessions. In addition, an analysis of the existing fare structure was conducted to identify possible programs to increase ridership and revenues, and to address the issue of people's ability to pay for travel.

Revenue-to-Cost Ratio Target between 2017 and 2020

YRT/Viva staff are recommending a transition strategy that would maintain a 40 per cent revenue-to-cost ratio from 2017 to 2020, followed by transition towards 45 per cent in later years

There are a number of significant new transit projects that will be completed in the next several years that will drive the increase of ridership. These include: the commissioning of Cornell Terminal, Spadina Subway extension and associated bus terminals, and additional Viva rapidways. YRT/Viva will also expand the Viva network, begin the frequent transit network supporting Metrolinx's future Regional Express Rail service, and enhance the PRESTO smart card system. While beneficial, YRT/Viva will be faced with significant financial pressures to support the expansion of the transit network in York Region.

Expansion of the transit network in York Region will impact YRT/Viva's revenue-to-cost ratio by approximately five per cent which totals approximately \$20

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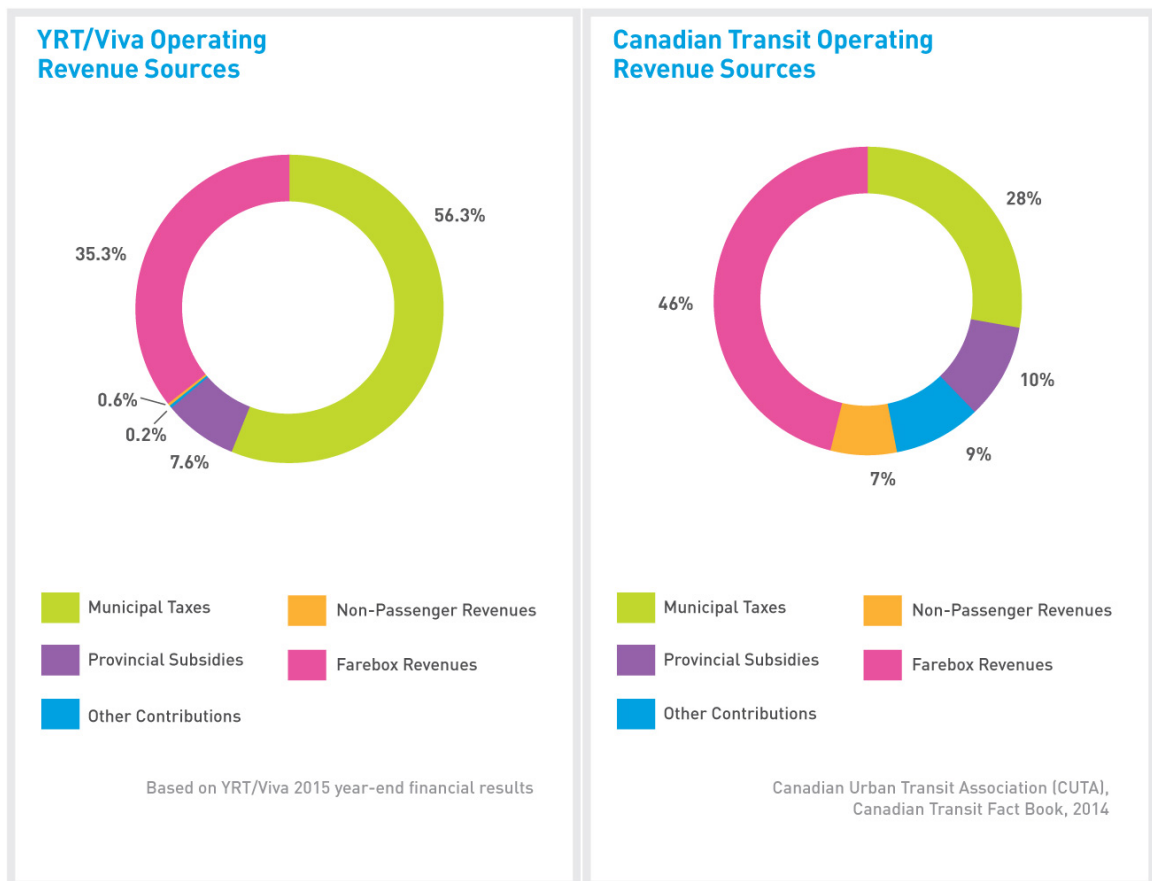
million. This estimate does not consider the implications of GTHA wide fare integration proposed by the Province.

Revenue from fares and advertising subsidizes approximately 40 per cent of YRT/Viva’s direct operating costs and makes up 35.9 per cent of total revenue

To maintain the current revenue-to-cost ratio of 40 per cent, annual fare rate increases are required to offset operating cost increases and pay for service improvements.

Currently, York Region residents subsidize transit at a higher rate than the Canadian average as shown in Figure 1.

Figure 1



YRT/Viva recommends implementing fare adjustments on July 1, 2017, July 1, 2018 and July 1, 2019

YRT/Viva staff proposes to continue to offer discounts for youth, seniors and children as previously endorsed by Council

The current fare policy specifies equity of discounts among each fare category while recognizing YRT/Viva’s need to meet business objectives. The best practice review identified discounts are generally equitable globally to all ages, often a 20 per cent decrease from the adult value.

Recognizing fare adjustments to meet the 20 per cent discount level would have a substantial financial impact on some customers, YRT/Viva is recommending an internal inflation rate be applied to all fare categories annually, with the exception of the cash fare. This approach is keeping with the current fare policy directive and enables YRT/Viva to meet its business needs.

The recommended adjustments, show in Table 1, would result in approximately \$4.6 million in additional revenue between July 1, 2017 and June 30, 2020. Staff will continue to review fares annually during the annual business plan and budget cycle.

Table 1
YRT/Viva Annual Fare Rate Adjustments

| | Fare Category | 2015 (\$) | Current 2016 (\$) | Proposed 2017 (\$) | Proposed 2018 (\$) | Proposed 2019 (\$) |
|------------------|---------------|--------------|-------------------------|--------------------------|--------------------------|--------------------------|
| Adult | Cash Fare | 4.00 | 4.00 | 4.00 | 4.00 | 4.25 |
| | Ticket | 3.40 | 3.50 | 3.63 | 3.75 | 3.88 |
| | Pass | 136.00 | 140.00 | 145.00 | 150.00 | 154.00 |
| Youth | Cash Fare | 4.00 | 4.00 | 4.00 | 4.00 | 4.25 |
| | Ticket | 2.60 | 2.70 | 2.85 | 3.00 | 3.03 |
| | Pass | 102.00 | 105.00 | 111.00 | 117.00 | 118.00 |
| Senior/ Child | Cash Fare | 4.00 | 4.00 | 4.00 | 4.00 | 4.25 |
| | Ticket | 2.10 | 2.20 | 2.30 | 2.35 | 2.40 |
| | Pass | 57.00 | 59.00 | 61.00 | 63.00 | 65.00 |

At this time, cash fares should remain an option to provide residents and visitors with a convenient means of taking transit without requiring them to purchase a

PRESTO card. Cash fares remain at a high value to discourage frequent riders from paying with cash.

A \$1.00 senior fare during off-peak hours was identified through the Seniors Strategy Task Force

A scan of the GTHA transit systems reveals the Cities of Brampton and Mississauga offer \$1.00 off-peak fares to seniors 65 years of age and older. Feedback received from transit agencies offering a \$1.00 off-peak senior fare include:

- Little to no increase in overall ridership
- Unknown fare evasion due to the time of day and limited day use
- Added administrative cost to create and distribute a special paper fare media card

A \$1.00 senior fare would cost approximately \$1.4 million, equivalent to a reduction of 14,000 hours of transit service

YRT/Viva recommends the introduction of a low-income pass program providing a reduced fare option for all eligible residents rather than providing a \$1.00 senior transit fare for a specific, targeted population. The Region would seek out a third party to administer and fund the program.

Municipal government agencies across North America have successfully implemented low-income programs. Some of these agencies include the Regions of Halton and Waterloo in Ontario, Cities of Calgary and Edmonton in Alberta, and Cities of Long Beach and Oakland in California. The City of Mississauga is piloting a low-income pass, which began in August 2016.

The Accessibility for Ontarians with Disabilities Act (AODA) requires fare parity with transit agencies operating both conventional and para-transit services

YRT/Viva operates both conventional and para-transit services. Under the AODA regulation, all YRT/Viva fare concessions must be applied to each service delivery type.

The Cities of Brampton and Mississauga do not operate para-transit service. The Region of Peel operates para-transit service, Peel TransHelp. While municipal conventional services offer a \$1.00 off-peak senior fare, Peel TransHelp charges \$3.50 per trip.

Ongoing YRT/Viva service delivery review

York Region's large geographical area requires YRT/Viva to maintain the largest bus fleet in the GTHA, with the exception of the Toronto Transit Commission (TTC), as shown in Table 2.

Table 2
Transit System Comparison

| Transit Agency | Revenue Ridership (\$M) | Revenue-to-Cost Ratio (%) | Service Area Population (\$M) | Service Area (sq.km) | Total Vehicles |
|-------------------------|-------------------------|---------------------------|-------------------------------|----------------------|----------------|
| TTC | 534.8 | 73 | 2.8 | 632 | 2,873 |
| Hamilton Street Railway | 22.3 | 47 | 0.5 | 235 | 221 |
| MiWay | 36.6 | 49 | 0.8 | 179 | 463 |
| Brampton Transit | 20.4 | 46 | 0.6 | 267 | 359 |
| YRT/Viva | 22.4 | 40 | 1.0 | 1,776 | 520 |
| Burlington Transit | 2.1 | 37 | 0.2 | 98 | 54 |
| Durham Region Transit | 10.8 | 35 | 0.6 | 406 | 195 |
| Oakville Transit | 3.0 | 34 | 0.2 | 104 | 89 |

Data sourced from 2014 Canadian Urban Transit Association Fact Book

The Region's unique mix of rural and urban communities and Council's commitment to deliver transit services to all nine municipalities is expensive

To deliver a cost efficient and effective transit service across such a diverse Region, YRT/Viva needs to be innovative to meet both YRT/Viva's business and customer needs.

For example, YRT/Viva is expanding Dial-a-Ride service to offer transportation options in areas where population density is low, and to replace traditional conventional routes which cost four times (or more) the average fare per passenger trip (Attachment 2). Over the next three years, YRT/Viva will continue to implement more Dial-a-Ride service into areas with low ridership, as well as, during off-peak times where conventional bus capacity is not required.

Staff will continue to assess all YRT/Viva services to identify efficiencies. Adjustments can be made to the YRT/Viva service throughout the year as directed by YRT/Viva's General Manager.

YRT/Viva will seek partnership opportunities that have potential to reduce operating costs, support ridership growth and provide transportation services to all York Region residents.

Fare and non-fare revenue opportunities

Focus groups determined that riders and non-riders support the Region's investment in public transit

In 2016 focus groups were conducted throughout the Region with riders, non-riders and front-line staff. These focus groups helped to better understand how the YRT/Viva service is perceived and peoples' awareness of the fare structure. Participants varied in age, education and socioeconomic status. YRT/Viva bus operators, on-street staff, and York Region Community and Health Services staff were also involved in the focus groups.

Feedback from the focus groups included:

- Zone structure not understood/serves little purpose
- Paper transfers encourage fare evasion and should be eliminated
- Fares, especially cash fares, are too high
- Short distance fares would be well-received
- Ticket vending machine and validation devices are not reliable and not all consistently accept cash, credit, debit
- More marketing of the benefits of pre-paid fare products is required

To promote increased revenue and ridership and support the key objectives of the YRT/Viva Fare Policy, staff is recommending six key initiatives

- Continue to work towards the implementation of equitable fare concession discounts for all age categories
- Promote smart fare technology with the elimination of paper fare media
- Eliminate current fare zones to simplify the fare structure and encourage transit ridership
- Expand non-fare revenue opportunities across the YRT/Viva system

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- Implement special pass programs (Post-Secondary, Employer and Low-income)
- Develop a comprehensive marketing plan to communicate fare changes and promote the special pass programs

The YRT/Viva Fare Policy supports the priority areas identified in the 2015 to 2019 Strategic Plan and Vision 2051

The proposed transit fare adjustments support the following areas:

2015 to 2019 Strategic Plan:

- Strengthen the Region's Economy
- Support Community Health and Well-being
- Provide Responsive and Efficient Public Service

Vision 2051:

- A place where everyone can thrive
- Interconnected systems for mobility

5. Financial Implications

The approval of the recommended fare adjustments would increase revenues collected through the farebox by \$4.6 million between July 1, 2017 and June 30, 2020

Fare adjustments have been identified in the 2017, 2018 and 2019 draft business plan and operating budget. Table 3 shows the expected additional revenue with the implementation of the recommended fare adjustments by fare category.

Table 3
Additional Revenue from Fare Increases

| | 2016 (\$) Year End Forecast | 2017 (\$) Increase | 2018 (\$) Increase | 2019 (\$) Increase |
|--------------|-----------------------------------|-----------------------|-----------------------|-----------------------|
| Cash | 19,865,400 | | | 997,865 |
| Adult* | 37,154,400 | 881,368 | 904,701 | 869,842 |
| Tickets | 29,899,800 | 619,989 | 636,227 | 649,806 |
| Passes | 7,254,600 | 261,379 | 268,474 | 220,036 |
| Youth | 8,136,000 | 356,995 | 366,637 | 63,624 |
| Tickets | 5,966,400 | 236,790 | 243,174 | 42,177 |
| Passes | 2,169,600 | 120,205 | 123,463 | 21,447 |
| Senior/Child | 2,712,000 | 71,799 | 50,926 | 49,098 |
| Tickets | 1,830,600 | 55,478 | 31,104 | 30,851 |
| Passes | 881,400 | 16,321 | 19,822 | 18,247 |
| | 67,867,800 | 1,310,162 | 1,322,264 | 1,980,429 |

*Adult includes Express fares

6. Local Municipal Impact

The revenue-to-cost ratio for public transit in York Region affects the residents of all municipalities as approximately 90 per cent of transit subsidy is drawn directly from the tax levy.

Implementation of the Fare Strategy outlined in this report would support ridership growth, and generate additional revenue over time, which reduces pressure on the tax levy support for transit services.

A marketing and communication plan will be developed to communicate fare adjustments and programs to all local municipalities prior to any changes taking place.

7. Conclusion

YRT/Viva is facing a number of cost pressures associated with the expansion of the transit network in York Region between 2017 and 2020. Annual fare increases and the implementation of initiatives identified in this report will support

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YRT/Viva's goal of maintaining the current 40 per cent revenue-to-cost ratio and provides a person of any age options to address their ability to pay for YRT/Viva services in York Region.

For more information on this report, please contact Ann-Marie Carroll, General Manager, York Region Transit (YRT/Viva) at ext. 75677.

The Senior Management Group has reviewed this report.

October 26, 2016

Attachments (2)

#7066563

Accessible formats or communication supports are available upon request



The Regional Municipality of York
York Region Transit (YRT/Viva) Fare Policy

Policy No.: 6982877

Original Approval Date: March 26, 2015

Policy Last Updated: November 3, 2016

Policy Statement:

YRT/Viva Fare Policy is based on three guiding principles:

1. The fare structure should contribute to and support ridership growth strategies that result in net new ridership
2. The fare structure should support business objectives that aim to balance fare revenue to operating expenditures
3. The fare structure should be applied equally to all fare concessions, recognizing the need to meet business objectives.

Application:

This policy applies to all passengers accessing transit services operated by or on behalf of the family of services offered by YRT/Viva.

York Region Transit / Viva (YRT/Viva) Fare Policy November 3, 2016

Purpose:

The purpose of this Fare Policy is to establish York Region Transit (YRT/Viva) fare structure using the three guiding principles approved by Council in March 2015. The fare structure shall apply to the YRT/Viva Family of Services which includes Conventional, Viva, Dial-a-ride and Mobility Plus Specialized Transit Services. YRT/Viva staff refer to this policy when making decisions about adjusting fares and fare structure changes. All such decisions will be made in consultation with York Region Council.

Definitions:

Conventional Bus Service: Transit service provided by or on behalf of York Region Transit, excluding Viva bus rapid transit and Mobility Plus transit services.

Family of Services: Includes YRT's conventional, Viva bus rapid transit, Dial-a-Ride and Mobility Plus Specialized Services.

Fare Media: Any form of payment that is currently accepted on YRT/Viva and Mobility Plus Services.

Fare Structure: Determines how much a customer is required to pay to access YRT/Viva Family of Services. The structure identifies fare values based on customer fare categories.

Mobile Payment: A smart fare technology accepted on YRT/Viva Family of Services.

Mobility Plus Specialized Service: YRT's specialized transit service for people with physical or functional disabilities who may be unable to use other YRT/Viva Family of Services for the entire duration of their trip, but who may be able to use these services for a part of the trip.

PRESTO: An electronic fare card accepted on YRT/Viva Family of Services.

Proof-of-Payment (POP): Customers riding Viva shall carry POP with them at all times and present it to a Transit Enforcement Officer upon request.

Smart Fare Technology: Fare payment using technology and accepted on YRT/Viva Family of Services. Smart Fare Technology includes PRESTO and Mobile Fare payment.

Special Pass Programs: Provides an additional discounted period pass to those who qualify. Special pass programs may include the Post-Secondary (U-pass) Pass Program, Employer Pass Program and Low Income Pass Program

Support Person: An individual who accompanies a person having a disability that requires assistance with communication, mobility, personal care or medical needs while traveling on YRT/Viva.

Viva: York Region's rapid transit services operating on Yonge Street, Davis Drive and Highway 7 corridors, which provides faster service than conventional bus service with off-board fare payment and limited service stops.

YRT/Viva: A public transit agency that offers conventional bus, bus rapid transit, dial-a-ride and specialized transit services in York Region.

Description:

1. Fare Policy Objectives

This Fare Policy supports YRT/Viva's mission of providing high-quality and accessible public transportation services for the benefit of the individuals and communities that it serves.

This policy sets six objectives that are critical to achieving the mission of YRT/Viva:

1.1 Increase ridership and improve service utilization

YRT/Viva's Family of Services contributes to reducing traffic congestion, improving the environment and social determinants of health by providing services that are accessible and efficient. This includes adopting fare strategies that contribute to increased ridership.

1.2 Establish Equitable Fares

YRT/Viva fare structure will support the travel patterns and requirements of transit riders while providing options that take into account the needs of various population groups of York Region and their ability to pay for transportation services. Special pass programs will be reviewed and implemented where appropriate.

Internal inflation rate will be used to calculate and establish any fare adjustments. Changes to fare structure will be reflected proportionally across all fare categories. Any fare discounts for different fare categories shall be established using the adult concession fare as the base.

1.3 Enhance Mobility and Access

Variety of services and fare options enhance the customers' ability to access YRT/Viva services to get them where they need to go, improving their quality of life.

1.4 Increasing Revenue

Fare and non-fare revenue is critical to YRT/Viva's ability to partially subsidize its operating costs. Fare increases or restructuring of fares need to meet both YRT/Viva's customer and business needs with a focus on achieving the Council set revenue-to-cost ratio target. YRT/Viva continues to look for non-fare revenue opportunities to help achieve the Council set revenue-to-cost ratio targets

1.5 Maximize Fare Revenue Collection

YRT/Viva will implement convenient smart fare technologies, including the use of the PRESTO fare card mobile device payment, and other modes of electronic payment. YRT/Viva will also continually explore ways to optimize the current customer revenue system.

1.6 Respect Customer Privacy

YRT/Viva recognizes the importance of respecting customer privacy and ensuring the security of personal information and would make every effort to put security features in place that protect the YRT/Viva customers

2 Fare Structure

2.1 Fare Media

YRT/Viva accepts various forms of fare media. Fare media requirements are listed in The Regional Municipality of York By-Law R-1415-2005-028 as amended.

Where amendments to the fare structure (Appendix 1) are approved by Regional Council, a comprehensive public communication strategy will be developed and implemented to advise customers and residents of approved changes to the fare structure.

2.2 Fare Levels

One fare will be charged on any YRT/Viva Family of Services within the two hour time period allotted. Monthly pass gives unlimited travel to a customer within the month the pass is purchased for.

Fares (Appendix 2) will be reviewed and updated through the business planning and budgeting process. Annually, a comprehensive public communication strategy is developed focusing on informing customers and residents of Council approved changes to fares.

2.3 Transfers

Transfers are valid for two hours and can be used in any direction of travel. The trip must be completed by the time of expiry.

2.4 Proof-of-Payment

Viva operates on a proof-of-payment system (POP). Passengers are required to carry POP with them at all times and required to present their POP to a Transit Enforcement Officer, upon request. Customers are responsible for ensuring that the appropriate fares, and any applicable fare supplements, are paid for each trip. Customers are required to pay their fare prior to entering the fare paid zone or boarding a Viva bus.

Responsibilities:

Regional Council will review and approve any increase in/or restructuring of fares, as proposed by YRT/Viva staff via the General Manager of Transit – YRT/Viva and the Commissioner of Transportation Services.

YRT/Viva staff will continue to monitor the budget, ridership and research best practices to help increase the revenues in accordance with this Fare Policy.

Reference:

'York Region Transit (YRT/Viva) Fare Adjustments and Fare Policy Update' – Committee of the Whole, Report No. 5, Clause 4, Regional Council Meetings of March 26, 2015.

Contact:

General Manager, Transit -YRT/Viva, Transportation Services Department

Approval Information:

| | |
|--|-----------------------------------|
| Council Approval Date: [REDACTED] | Committee Name: [REDACTED] |
| Council Minute No.: [REDACTED] | Report No.: [REDACTED] |
| Extract eDOCS #: [REDACTED] | Clause No.: [REDACTED] |

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Accessible formats or communication supports are available upon request.

Appendix 1 YRT/Viva Fare Structure

1. YRT/Viva Fare Categories

Adult

Applies to any person having reached the age of 20, but not yet having reached the age of 65. Also includes any person between the ages of 13 and 19 who is not enrolled in full-time attendance in a qualifying secondary educational facility.

Youth

Applies to any person having reached the age of 13, but not having reached the age of 20, and in full-time day attendance at a qualifying educational facility (ticket/pass must be accompanied with a valid Student ID card issued by the facility).

Applies to both Public and Catholic educational facilities located in Toronto, Durham, Halton, Peel or York. Must be a facility which:

- Leads to a secondary school diploma;
- Is registered and approved as providing satisfactory instruction by the Ontario Ministry of Education or the District or Catholic Schools Boards of Toronto, Durham, Halton, Peel or York.

Senior

Applies to any person having reached the age of 65 Seniors must show proof of age with tickets and monthly passes.

Child (free ride)

Children under the age of 1 always ride free. One child up to and including 5 years of age may ride free with a paying adult (16 years of age or older). Each additional child traveling with the same adult must pay the child fare.

Child

Applies to any person from the age of 6 to 12 (elementary school age).

2. Transfers and Fare Integration

Transfers

Transfers will be accepted on YRT/Viva from the following transit agencies so long as they have not expired:

- a) Durham Region Transit
- b) Brampton Transit
- c) Mississauga Transit
- d) Oakville Transit
- e) Burlington Transit
- f) Hamilton Street Railway
- g) TTC contracted routes in York Region

Transfers will NOT be refreshed. Customers must retain their original transfer and travel must be completed by the two-hour issuance time.

Durham Region Transit (DRT)

- DRT transfers will be accepted everywhere on YRT/Viva.
- DRT monthly passes will be accepted only at the two transfer locations: Highway 404/Davis Drive Carpool Lot and Lake Ridge Road/Highway 48. YRT/Viva transfers will not be issued, so customers will be required to pay appropriate YRT/Viva fare on their return trip.
- DRT fare payment using PRESTO card e-purse or DRT monthly pass will be accepted as long as the customer has tapped and paid a fare in Durham. A DRT monthly pass on a PRESTO card will allow a customer to continue travelling and transferring again within York Region (as long as the transfer is within two hours of the original tap). Customers will be required to pay appropriate YRT/Viva fare on their return trip.
- GTA Weekly Passes are not accepted on DRT.

Viva Orange/TTC Fare Integration

- Passengers may ride Viva Orange between Downsview Station and York University with a TTC pass or transfer:
 - Use a valid TTC pass (Day, GTA, Weekly or Monthly Metropass), valid TTC transfer or valid YRT/Viva fare media.
 - Viva Orange northbound: Board at Downsview Station, Dufferin-Finch or Murray Ross for travel as far north as York University.
 - Viva Orange southbound: Board at York University, Murray Ross or Dufferin-Finch.

York Region Transit / Viva (YRT/Viva) Fare Policy

November 3, 2016

- TTC Route 196 York University Rocket will continue to operate every two to 15 minutes. Viva Orange will continue to operate every 16 to 24 minutes.
- Viva buses will continue to drop off customers at Downsview Station outside the fare-paid area. A valid TTC fare will still be required to enter Downsview Station.
- Viva Orange is a proof-of-payment service. Valid YRT/Viva fare media, a valid TTC pass or valid TTC transfer is required for use of the service between Downsview Station and York University, and must be presented upon the request of YRT/Viva Enforcement staff or passenger may be subject to a fine or criminal charge.

Restrictions

- YRT/Viva fare media is not valid for entry into TTC subway stations or TTC buses, except those operating in York Region.
- TTC fare media is only valid on Viva Orange between Downsview Station and York University.

GO Transit Fare Integration

Ride to GO is available on any YRT/Viva and contracted TTC routes in York Region travelling to/from a GO Train station. Passengers must have a PRESTO Card or valid prepaid GO fare media to use this fare integration.

- GO Transit group passes and employee passes cannot be used with Ride to GO
- YRT and contracted TTC vehicles at GO Train stations will only accept GO Transit single-ride or day pass if leaving the GO Train station. The ticket must show the current date/time cancellation from connecting GO Train or Bus.

3. General Conditions for all Fare Media

Fare Media remains the property of York Region Transit and is subject to confiscation without refund if the holder violates any of these conditions, alters the fare media or tries to use it unlawfully.

- Fare Media must not be altered or reproduced in any fashion.
- Fare Media is non-refundable with the exception of PRESTO
- Fare Media will not be replaced if lost or stolen.
- Pre-paid credit cards are not accepted as a form of payment at on-street ticket vending machines.

4. Support Person Assistance Card

Effective January 1, 2015, YRT/Viva customers who need to be accompanied by a support person are required to carry a YRT/Viva Support Person Assistance Card. View Support Person Assistance Card details.

5. Ride Free

YRT/Viva allows Emergency Service personnel, members of the Canadian National Institute for the Blind (CNIB), and any other organization operating within the Region dealing with persons with visual impairments to travel free of charge on YRT/Viva conventional services.

Passengers 100 years old and older travel free on all YRT/Viva service including conventional and mobility plus specialized service.

6. Employee Commuting Option

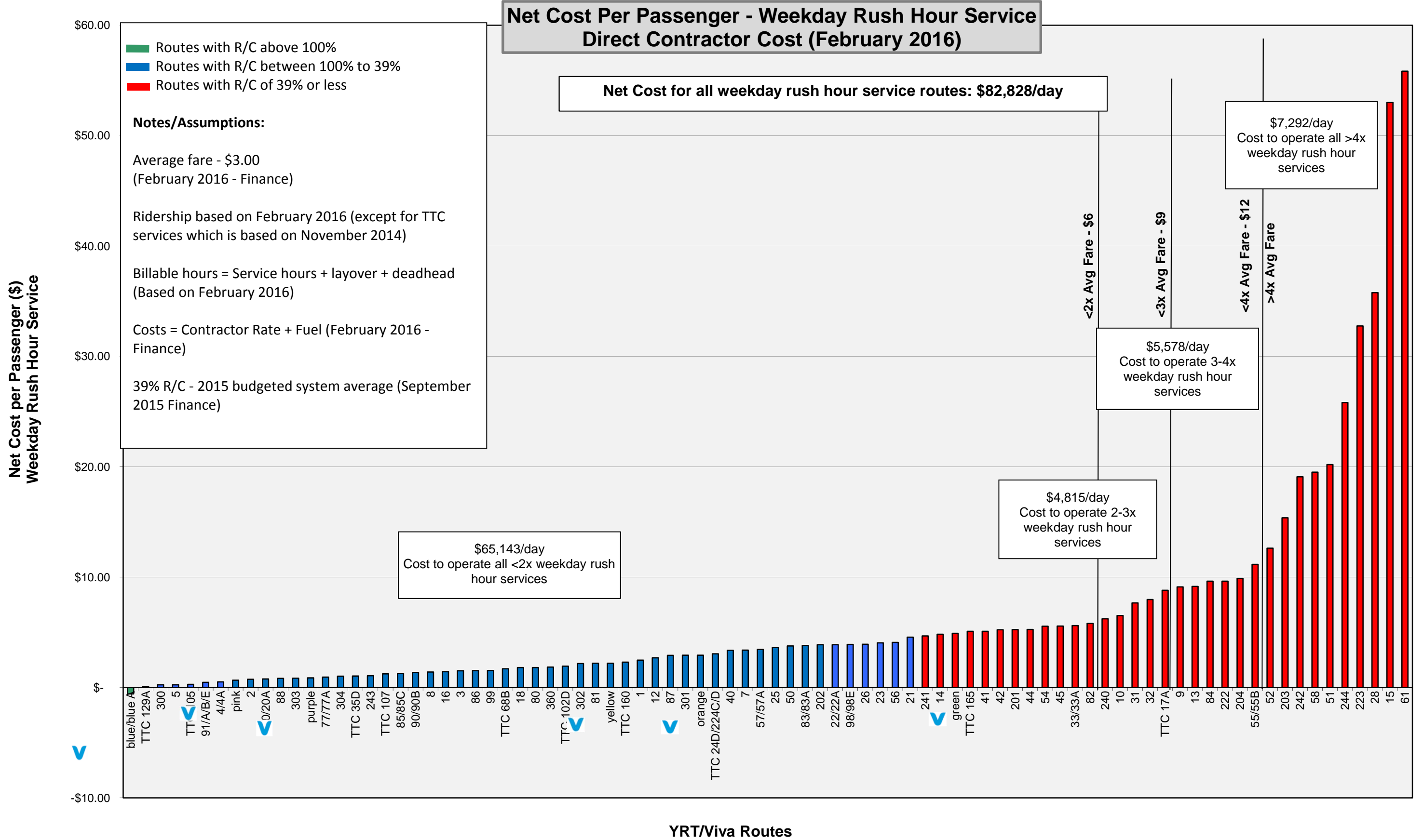
York Region employees are eligible for a YRT/Viva and Mobility Plus pass at no charge through the Employee Commuting Option (ECO) Program. The ECO Program is available to all full-time, part-time and contract employees with terms longer than six months.

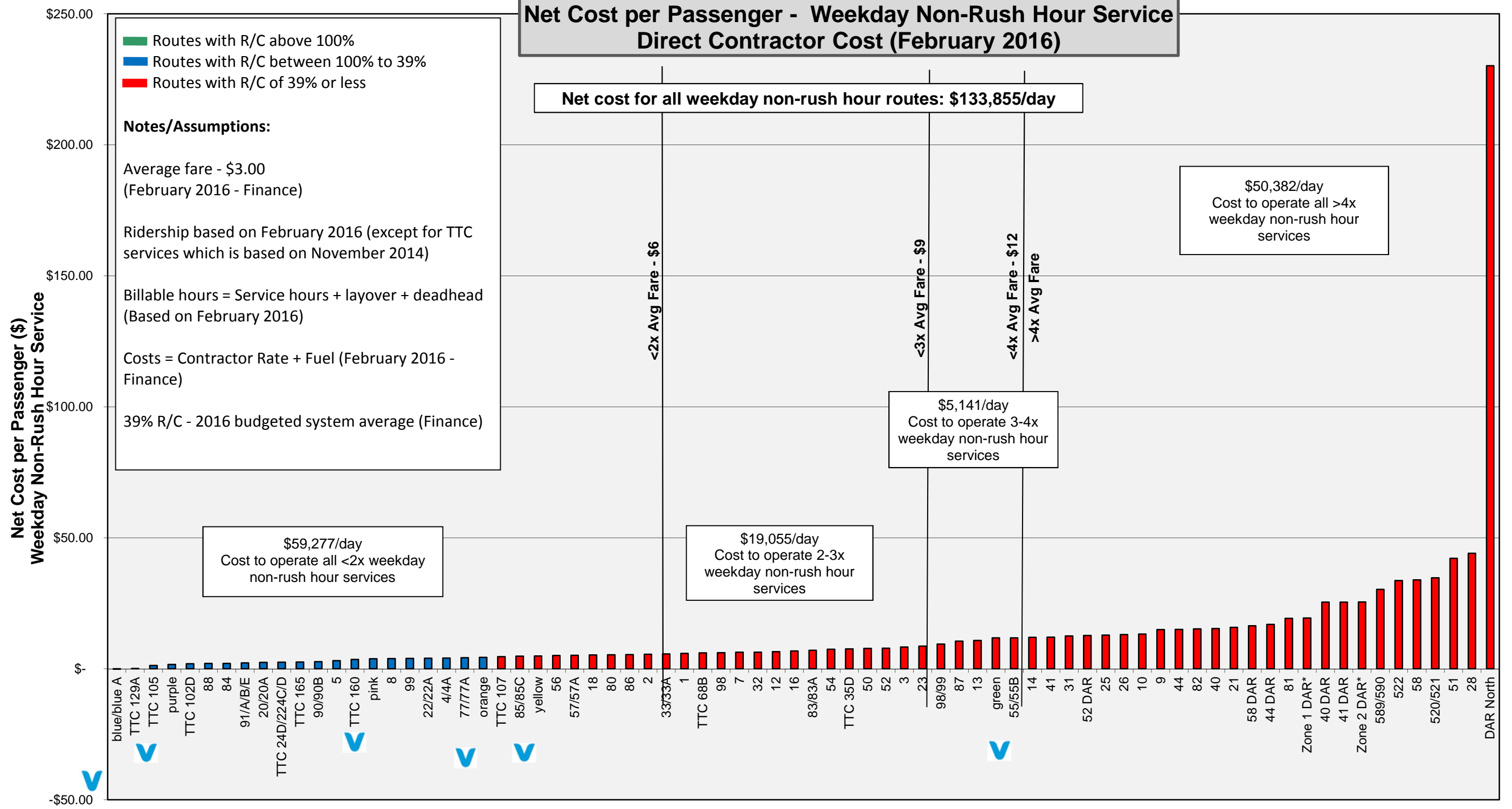
The ECO pass is considered a taxable benefit. Employees enrolled in the ECO Program will have incremental tax deducted from their pay on a monthly basis, and the value of the taxable benefit will show as an entry on their annual T4 form.

Appendix 2

YRT/Viva Fares 2017-2019

| Category | July 1, 2016 | July 1, 2017 | July 1, 2018 | July 1, 2019 |
|-----------------------------|--------------|--------------|--------------|--------------|
| All cash | \$ 4.00 | \$ 4.00 | \$ 4.00 | \$ 4.25 |
| Express cash | \$ 4.50 | \$ 4.50 | \$ 4.50 | \$ 4.75 |
| Adult ticket | \$ 3.50 | \$ 3.63 | \$ 3.75 | \$ 3.88 |
| Youth ticket | \$ 2.70 | \$ 2.85 | \$ 3.00 | \$ 3.03 |
| Senior/Child ticket | \$ 2.20 | \$ 2.30 | \$ 2.35 | \$ 2.40 |
| Express ticket | \$ 4.00 | \$ 4.13 | \$ 4.25 | \$ 4.38 |
| Adult pass | \$ 140.00 | \$ 145.00 | \$ 150.00 | \$ 154.00 |
| Youth pass | \$ 105.00 | \$ 111.00 | \$ 117.00 | \$ 118.00 |
| Senior/Child pass | \$ 59.00 | \$ 61.00 | \$ 63.00 | \$ 65.00 |
| Express pass | \$ 162.00 | \$ 166.00 | \$ 171.00 | \$ 175.00 |
| GO Fare Integration Subsidy | \$ 1.00 | \$ 1.00 | \$ 1.00 | \$ 1.00 |





YRT/Viva Routes

*Note:

- Zone 1 DAR is weekday midday zone-based Dial-a-ride in the Oak Ridges area (Route 84 - Oak Ridges)
- Zone 2 DAR is weekday evening and Saturday zone-based Dial-a-ride in the Aurora and Oak Ridges area (Route 32 - Aurora South, Routes 84 - Oak Ridges)

York Region Transit (YRT/Viva) Fares 2017- 2020

Presentation to
Committee of the Whole

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November 3, 2016



Fare Report Recommendations

1. Council approve a transition strategy that would maintain a revenue-to-cost ratio target at 40 per cent from 2017 to 2020.
2. The proposed transit fare adjustments be approved and implemented on July 1, 2017, July 1, 2018 and July 1, 2019.
3. The Student fare category be renamed 'Youth' to be consistent with other Greater Toronto Hamilton Area transit agencies.
4. Council approve the YRT/Viva Fare Policy update to reflect fare initiatives identified in the report.



Agenda

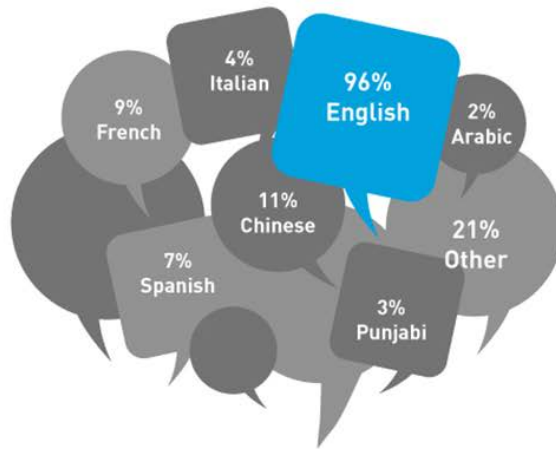
The background image shows a modern transit station. On the left, there is a blue glass building with a staircase. In the foreground, a blue bus is blurred, suggesting it is moving. The scene is set outdoors with trees and a clear sky.

- 1. Background Information**
- 2. Current Fare Structure**
- 3. Fare Adjustment Recommendations**
- 4. Fare Adjustment Not Recommended**
- 5. Fare Policy Recommendations**
- 6. Questions**

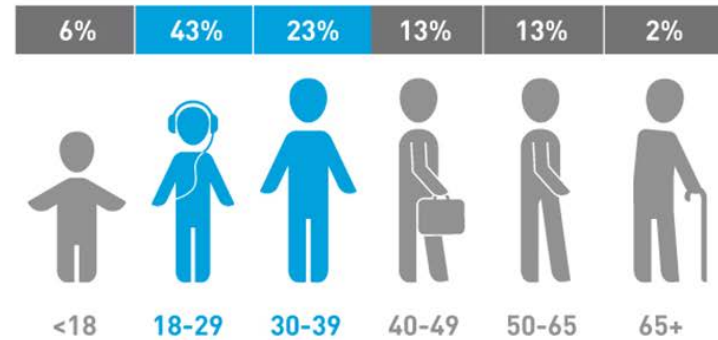
Background

YRT/Viva Customers

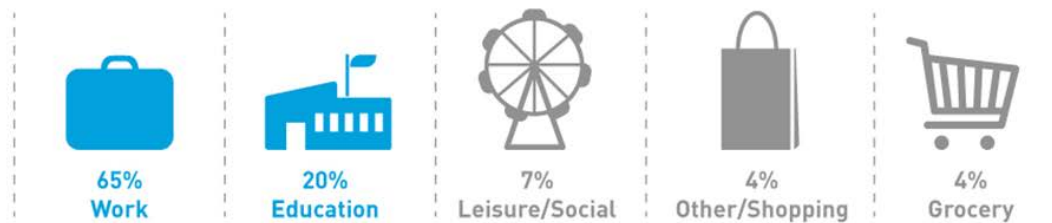
Languages



Age



Primarily reason for travel



Annual income



Sixty-six per cent of customers are between ages 18 to 39

Guiding Principles of Current Fare Policy

1. Contribute to and support ridership growth strategies.
2. Support business objectives that aim to balance fare revenues to operating costs.
3. Equally apply to all customer categories.



In 2015 Council approved an ultimate recovery-to-cost ratio

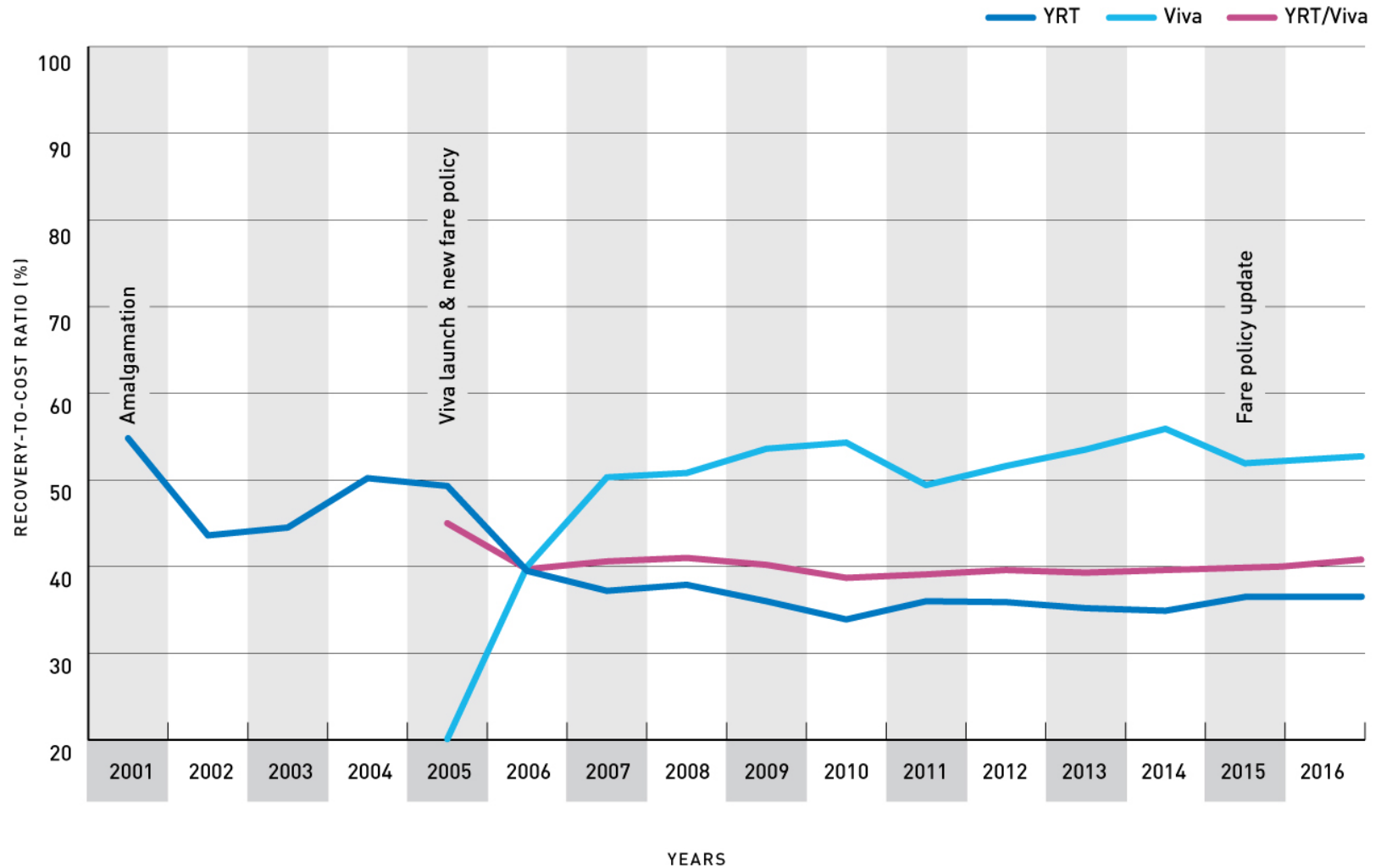
Best Practice Review

- Reviewed other transit agencies' fares and concessions
- Identified programs to promote the increase of ridership and revenue
- Reviewed how transit agencies address the issue of people's ability to pay to use transit
- Identified non-fare revenue opportunities



YRT/Viva's fare structure was benchmarked against other North American transit agencies

Revenue-to-Cost Ratio Trends



GTHA Transit System Comparison

| Transit Agency* | Revenue Ridership | Revenue-to-Cost Ratio (%) | Service Area Population | Service Area (square km) | Total Vehicles |
|-------------------------|---------------------|---------------------------|-------------------------|--------------------------|----------------|
| TTC | 534.8 million | 73 | 2.8 million | 632 | 2,873 |
| MiWay | 36.6 million | 49 | 0.8 million | 179 | 463 |
| Hamilton Street Railway | 22.3 million | 47 | 0.5 million | 235 | 221 |
| Brampton Transit | 20.4 million | 46 | 0.6 million | 267 | 359 |
| YRT/Viva | 22.4 million | 40 | 1.0 million | 1,776 | 520 |
| Burlington Transit | 2.1 million | 37 | 0.2 million | 98 | 54 |
| Durham Region Transit | 10.8 million | 35 | 0.6 million | 406 | 195 |
| Oakville Transit | 3.0 million | 34 | 0.2 million | 104 | 89 |

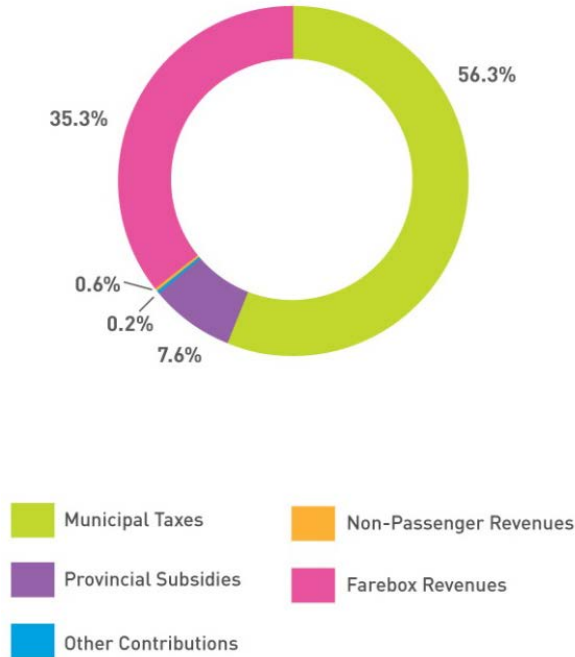
* Data from the 2014 Canadian Urban Transit Association Fact Book

YRT/Viva's proposed fare structure would maintain a 40 per cent revenue-to-cost ratio for the next four years

Current Fare Structure

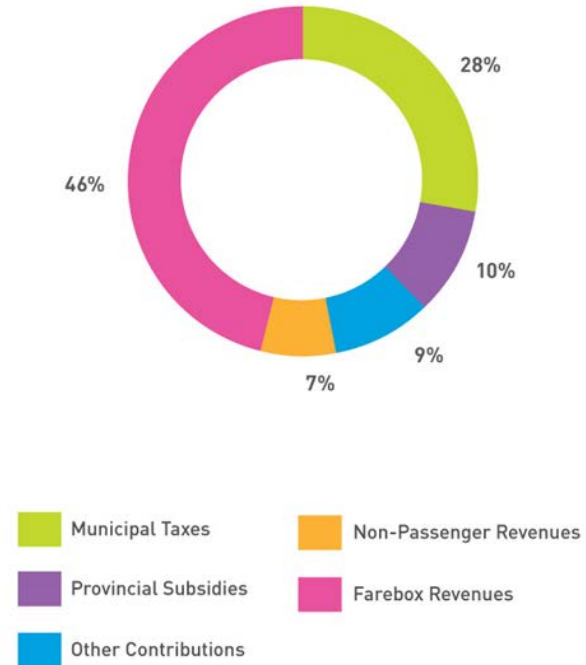
Operating Revenue Sources

YRT/Viva Operating Revenue Sources



Based on YRT/Viva 2015 year-end financial results

Canadian Transit Operating Revenue Sources



Canadian Urban Transit Association (CUTA),
Canadian Transit Fact Book, 2014

Over half of YRT/Viva's revenue sources come from municipal taxes

Current YRT/Viva Fare Category Discounts

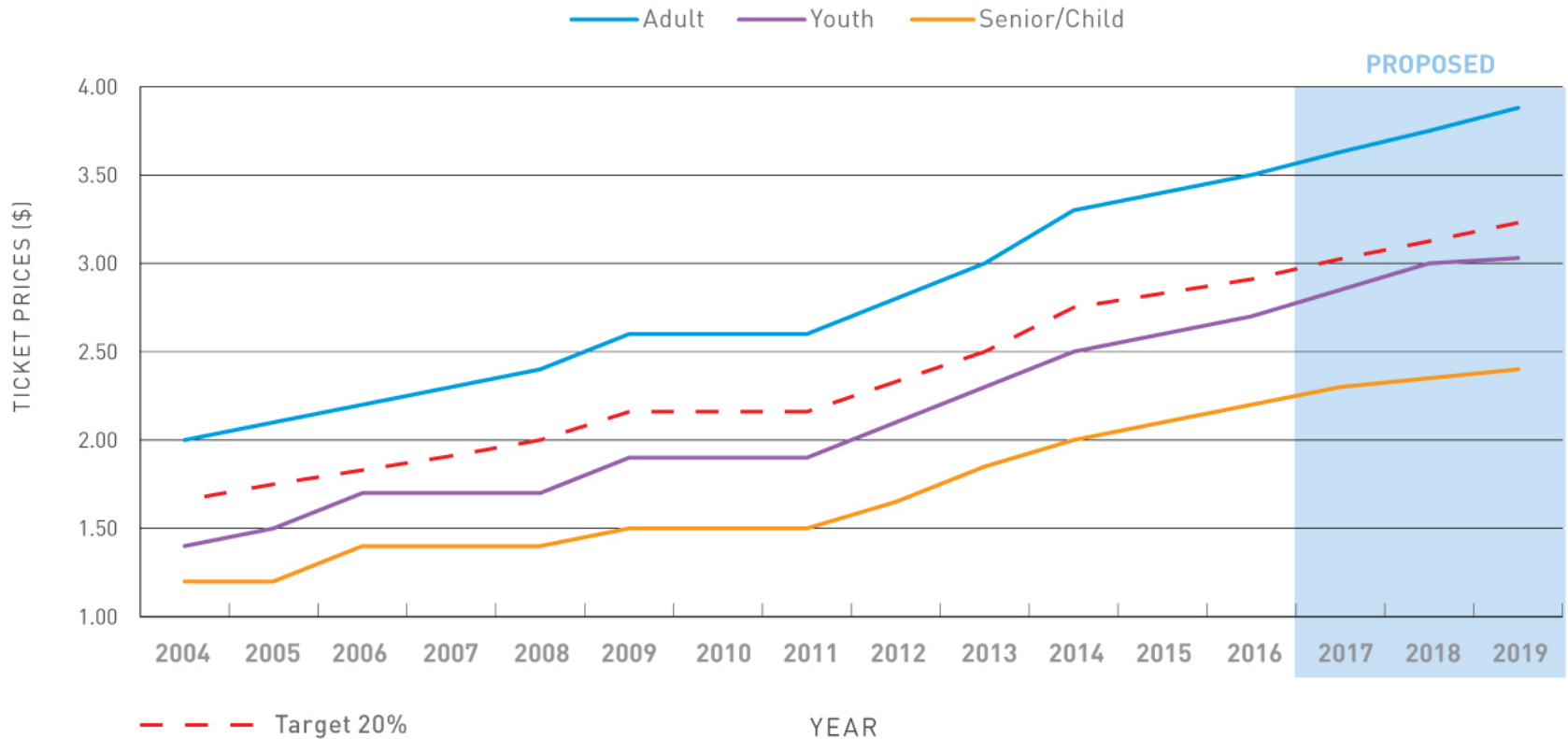
| 2016 YRT/Viva Fare Category | 1 Zone Ticket | Discount from Adult Ticket Fare of \$3.50 | 1 Zone Monthly Pass | Discount from Adult Ticket Fare of \$3.50* |
|-----------------------------|---------------|---|---------------------|--|
| Youth | \$2.70 | 22.9% | \$105.00 | 25.0% |
| Senior/Child | \$2.20 | 37.1% | \$59.00 | 57.9% |

* Based on 40 trips per month



Best practice indicates a 20 per cent discount from the adult ticket fare

Annual Fare Adjustment Trends



YRT/Viva youth and senior/child fares have historically been discounted up to 60 per cent off the adult ticket price

YRT/Viva System Expansion

| YRT/Viva | Millions (\$) |
|-----------------------------|-----------------------|
| Viva Network Expansion Plan | \$9.1 million |
| Spadina Subway opening | \$7.8 million |
| New PRESTO agreement | \$5.0 million |
| | |
| NET Pressure | \$21.9 million |

Cost pressures impact YRT/Viva's ability to reach a 45 per cent revenue-to-cost ratio

Fare Adjustment Recommendations

Proposed Fare Rate Adjustments

| | Fare Category | 2016 (\$) | 2017 Proposed (\$) | 2018 Proposed (\$) | 2019 Proposed (\$) |
|---------------------|---------------|-----------|--------------------|--------------------|--------------------|
| Adult | Cash | 4.00 | 4.00 | 4.00 | 4.25 |
| | Tickets | 3.50 | 3.63 | 3.75 | 3.88 |
| | Monthly Pass | 140.00 | 145.00 | 150.00 | 154.00 |
| Youth | Cash | 4.00 | 4.00 | 4.00 | 4.25 |
| | Tickets | 2.70 | 2.85 | 3.00 | 3.03 |
| | Monthly Pass | 105.00 | 111.00 | 117.00 | 118.00 |
| Senior/Child | Cash | 4.00 | 4.00 | 4.00 | 4.25 |
| | Tickets | 2.20 | 2.30 | 2.35 | 2.40 |
| | Monthly Pass | 59.00 | 61.00 | 63.00 | 65.00 |

Additional Revenue From Fares (2017 to 2019)

| Category | Total 2016 (\$ forecast) | Additional 2017 (\$) | Additional 2018 (\$) | Additional 2019 (\$) |
|---------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Cash | 19,865,400 | 0 | 0 | 997,865 |
| Adult | 37,154,400 | 881,368 | 904,701 | 869,842 |
| Tickets | 29,899,800 | 619,989 | 636,227 | 649,806 |
| Monthly Pass | 7,254,600 | 261,379 | 268,474 | 220,036 |
| Youth | 8,136,000 | 356,995 | 366,637 | 63,624 |
| Tickets | 5,966,400 | 236,790 | 243,174 | 42,177 |
| Monthly Pass | 2,169,600 | 120,205 | 123,463 | 21,447 |
| Senior/Child | 2,712,000 | 71,799 | 50,926 | 49,098 |
| Tickets | 1,830,600 | 55,478 | 31,104 | 30,851 |
| Monthly Pass | 881,400 | 16,321 | 19,822 | 18,247 |
| TOTAL | \$67,867,800 | \$1,310,162 | \$1,322,264 | \$1,980,429 |

Fare Adjustment Not Recommended

\$1.00 Senior Fare

- \$1.4 million revenue loss
- Service reductions to offset the cost
- AODA fare parity
- Little to no ridership increase
- Fare evasion concerns
- New paper fare media



**YRT/Viva recommends implementing a
Low-Income Pass Program for eligible residents**

Fare Policy Recommendations

Focus Groups

Participants:

- Customers and residents
- Bus operators
- York Region staff

Top suggestions:

- Reduce fares
- Eliminate current zones
- Eliminate paper transfers
- Implement short distance fares
- Eliminate ticket vending and validation
- Expanded promotion and communication



Customers and residents support public transit investment

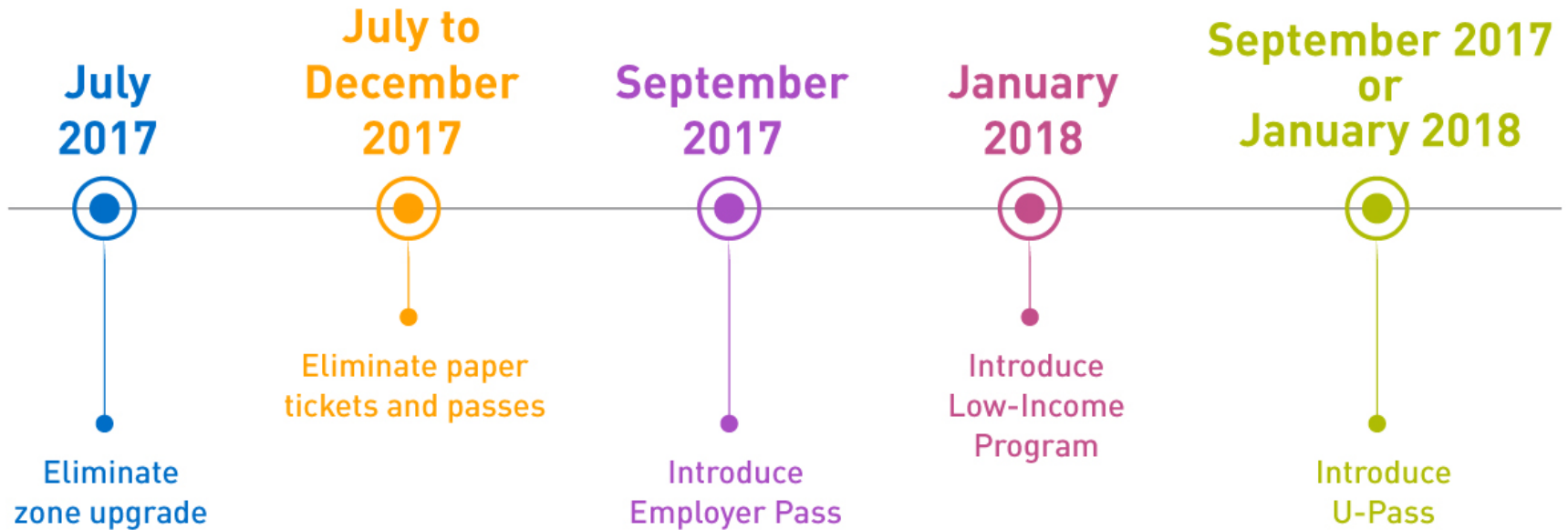
Recommendations to Increase Revenue Ridership

1. Equitable fare concession discounts
2. Smart fare technology with the elimination of paper fare media
3. Eliminate current fare zone upgrades
4. Expand non-fare revenue opportunities
5. Implement special pass programs (U-Pass, Employer, Low-Income)
6. Implement a communications plan



Fare structure scenarios must have a positive impact on both revenue and ridership

Recommended Timelines



Annual fare adjustments are applied on July 1

Questions