

TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE DECEMBER 13, 2016
FROM:	LYNNE LIVINGSTONE MANAGING DIRECTOR NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES
SUBJECT:	CHILDREN 5 TO 12 YEARS OF AGE RIDE FOR FREE ON PUBLIC TRANSIT COUNCIL BY-LAW AND AGREEMENT

RECOMMENDATION

That, on the recommendation of the Managing Director of Neighbourhood, Children and Fire Services the attached proposed By-law (Appendix A) **BE INTRODUCED** at the Municipal Council meeting on December 19, 2016 to approve an Agreement between the Corporation of the City of London and the London Transit Commission to provide free bus transportation for individuals 5 to and including 12 years of age commencing January 1, 2017, and to authorize a grant to the London Transit Commission for such purpose; and to authorize the Mayor and Clerk to execute the agreement.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Proposed Subsidy Model for Public Transportation and Information Regarding Children 12/13 Years of Age Ride for Free (November 15, 2016)

BACKGROUND

At the November 24, 2016 Strategic Priorities and Policy Committee meeting, the committee recommended that free public transit for children aged 12 and under be approved in the amount of \$150,000. This recommendation will be considered by Council on December 6, 2016.

The purpose of this report is to bring forward the required By-law and Agreement between the City and the London Transit Commission (LTC) to establish free bus transportation for individuals 5 to and including 12 years of age (children under 5 years of age currently ride the bus for free), and to authorize a grant to the London Transit Commission, effective January 1, 2017 for such purpose.

The subsidy to LTC (budgeted at \$150,000) relating to the provision of free transit for children ages 5 to and including 12 years of age will be managed in the same manner as the current subsidies in place for seniors and the blind. The budget for this subsidy will reside with Neighbourhood, Children and Fire Services, and LTC will provide an invoice each month based on the actual ridership. This approach ensures that the actual costs associated with the specific subsidy can be tracked and reported on annually.

FINANCIAL IMPACT

As noted in the aforementioned report and subsequent Budget Amendment Form prepared for the 2017 Budget Update, the estimated cost to the City (\$150,000) to provide no cost bus transportation for children ages 5 to and including 12 reflects current best estimates, but is subject to some uncertainty due to the lack of detail currently available with respect to the number of children presently utilizing transit. Once the program has been implemented, more refined costing will be possible. Civic Administration will monitor actual costs incurred compared to the budgeted amount (\$150,000) and will bring forward any adjustments, if required, to a future budget update cycle.

SUBMITTED BY:	RECOMMENDED BY:
Cheryl Smith Manager, Community Development & Funding Neighbourhood, Children and Fire Services	Lynne Livingstone Managing Director, Neighbourhood, Children and Fire Services

c. London Transit Commission

APPENDIX A

By-law No.

A by-law to approve an agreement with the London Transit Commission for free bus transportation for individuals 5 years of age to and including 12 years of age, and to authorize a grant to the London Transit Commission, and to authorize the Mayor and City Clerk to execute the agreement

WHEREAS By-law No. A.-6377-206, being A By-law to continue the London Transit Commission, provides:

- in Section 2 that the London Transit Commission is a body corporate;
- in Section 7 that the London Transit Commission possesses and may exercise all the powers, rights, authorities and privileges with respect to the operation, extension, alteration, repair, control and management of the local transportation system of the City of London;
- in Subsection 7(a) that such powers, rights, authorities and privileges include “to manage, operate, establish, equip, alter, extend and maintain a bus system over the streets and public places of the City of London.., and in subsection 7(f) “to enter into agreements with the Corporation for all or any of the following: ...the performance of services by the Commission to the Corporation”;
- in Subsection 13 that, “with the intent that the transportation system shall be self-sustaining and shall not operate with a deficit, the Commission shall so regulate and fix all tolls and fares for the carriage of passengers that a revenue shall be produced which, together with the application of an appropriate part of any annual approved operating subsidy from the City of London, other operating revenues and funding from reserves and/or senior levels of government shall be in each year sufficient to provide the cost of operating the transportation system....”;
- in Section 14 that the Council may by by-law enter into an arrangement with the London Transit Commission to provide, either at all times, or within specified times, free transportation or transportation at reduced fares, to any class of residents of the City of London and to provide in such by-law or by-laws for the making of grants to the Commission to cover the cost of providing such transportation;

AND WHEREAS Municipal Council resolved at its Meeting of November 22, 2016 [insert council resolution of December 6, 2016]

AND WHEREAS Section 107 of the *Municipal Act, 2001*, S.O. 2001, c. 25 provides that a municipality may make grants, on such terms as to security and otherwise as the council considers appropriate, to any person, group or body, including a fund, within or outside the boundaries of the municipality for any purpose that council considers to be in the interests of the municipality;

AND WHEREAS council considers it to be in the interests of the municipality to provide a grant to London Transit Commission to cover the cost of providing free transportation to individuals 5 years of age to and including 12 years of age;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The agreement attached as Schedule A between The Corporation of the City of London and the London Transit Commission, with respect to free bus transportation for individuals 5 years of age to and including 12 years of age, commencing January 1, 2017 and the provision of a grant by the City to the London Transit Commission for such purpose, is hereby approved and authorized.
2. The Mayor and City Clerk are authorized and directed to execute the agreement approved in paragraph 1 above on behalf of The Corporation of the City of London.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on December 19, 2016.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – December 19, 2016
Second Reading – December 19, 2016
Third Reading – December 19, 2016

AGREEMENT (Free Bus Transportation for Individuals 5 years of age to and including 12 years of age)

THIS AGREEMENT made with effect as of January 1, 2017

B E T W E E N:

LONDON TRANSIT COMMISSION
(the "Commission")

OF THE FIRST PART

- AND -

THE CORPORATION OF THE CITY OF LONDON
(the "City")

OF THE SECOND PART

WHEREAS the City has the capacity, rights, powers and privileges of a natural person for the purposes of exercising its authority pursuant to the provisions of section 9 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended;

AND WHEREAS section 107 of the *Municipal Act, 2001* provides that a municipality may make grants, on such terms as to security and otherwise as the council considers appropriate, to any person, group or body, including a fund, within or outside the boundaries of the municipality for any purpose that council considers to be in the interests of the municipality;

AND WHEREAS the Commission is a body corporate and a local board continued under By-law No. A.-6377-206;

AND WHEREAS pursuant to the provisions of Section 14 of By-law No. A.-6377-206, the parties desire to enter into an agreement for the Commission to provide free transportation to children 5 years of age to and including 12 years of age and for the City to provide grants to the Commission to cover the costs of providing such transportation.

NOW THEREFORE IN CONSIDERATION of the premises and the covenants and agreements hereinafter contained, the parties agree as follows:

1. Individuals 5 years of age to and including 12 years of age shall be entitled to free public transportation on buses operated by the Commission in the City of London.
2. Bus operators will use reasonable discretion when determining eligibility for such free public transportation set out in paragraph 1.
3. The Commission will provide an invoice to the City based on the actual ridership of those individuals set out in paragraph 1 above multiplied by \$1.15 per ride subject to any fare increases as determined by the Commission. In the event actual ridership is not known, the invoice amount shall be calculated as set out in the preceding sentence but based on 2015 ridership of those individuals set out in paragraph 1, plus an additional 10% of such 2015 ridership.

4. The City will pay by way of grant to the Commission on the 15th day of every month the amount for free transportation rides in the preceding month as determined in paragraph 3. Such grant represents the cost to the Commission of providing free transportation as set out herein.

5. The City may terminate this agreement at any time on providing 60 days' advance notice to the Commission.

IN WITNESS WHEREOF the Parties have duly executed this Agreement.

SIGNED, SEALED, AND DELIVERED

LONDON TRANSIT COMMISSION

Per: _____

Print Name: _____

General Manager*

*I have authority to bind the Commission.

Per: _____

Print Name: _____

Secretary-Treasurer*

*I have authority to bind the Commission.

THE CORPORATION OF THE CITY OF LONDON

Per: _____

Matt Brown, Mayor

Per: _____

Catharine Saunders, City Clerk