

<b>TO:</b>	<b>CHAIR AND MEMBERS COMMUNITY and PROTECTIVE SERVICES COMMITTEE MEETING ON NOVEMBER 15, 2016</b>
<b>FROM:</b>	<b>LYNNE LIVINGSTONE MANAGING DIRECTOR NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES</b>
<b>SUBJECT:</b>	<b>PROPOSED SUBSIDY MODEL FOR PUBLIC TRANSPORTATION AND INFORMATION REGARDING CHILDREN UNDER 12/13 YEARS OF AGE RIDE FOR FREE</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director of Neighbourhood, Children and Fire Services the following actions be taken with respect to public transportation:

- a) the staff report dated [November 15, 2016], with respect to the following matters, **BE RECEIVED:**
  - i) a proposed subsidy model for public transportation;
  - ii) information regarding children under 12/13 years of age ride for free; and,
- b) a public participation meeting **BE HELD** at the Community and Protective Services Committee meeting scheduled for December 13, 2016, in order to obtain public input with respect to the proposed subsidy model noted in a), above.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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- Subsidized Public Transit for the Epileptic Population (February 18, 2004)
- Free Lifetime Bus Passes for War Veterans (August 30, 2004)
- Subsidized Bus Passes for People with Disabilities (December 9, 2004)
- Region of Waterloo’s Transit Affordability Program (May 30, 2005)
- Subsidized Public Transit Update (September 26, 2005)
- Subsidized Transit Information Report (February 9, 2009)
- Subsidized Transit for Low Income Londoners Options Report (November 2, 2009)
- Options for Bus Pass Subsidy (January 25, 2010)
- Public Transit Subsidy – 2011 Policy Considerations (July 19,2010)
- Municipal Scan of Public Transit Subsidies (March 29, 2011)
- London for All: A Roadmap to End Poverty (April 18, 2016)

<b>BACKGROUND</b>
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Through the City of London Strategic Plan strategic area of focus, *Building a Sustainable City (convenient and connected mobility choices)*, City Council requested Civic Administration to “explore a better subsidy model for transit riders so that more Londoners can benefit.”

In addition, the Municipal Council on April 19, 2016 resolved that:

*Civic Administration BE DIRECTED to consult with the Administration of the London Transit Commission (LTC) and report back at a future meeting of the Community and Protective Services Committee on the feasibility of undertaking the following processes:*

- i) *the provision of free transit on LTC buses for all children of 12 years of age and younger; and*
- ii) *as an alternative to, or in addition to a) above, the provision of free transit on LTC buses for all children 13 years of age or younger, which reflects the general maximum age of children enrolled in elementary school;*

*it being understood the report back shall include information from the City of London and the LTC with respect to the sources of financing for both options a) and b) noted above; it being further understood that the Civic Administration will consult with the LTC, the London District Catholic School Board and the Thames Valley District School Board and their staff; it being noted that these Boards have been advised of this communication.*

The purpose of this report is to:

1. Provide Council with an overview of a proposed model for subsidized transit based on a person’s ability to pay. This proposed model would replace the current subsidy programs for seniors and the visually impaired.
2. Provide Council with information regarding the provision of free transit on London Transit Commission (LTC) buses for all children 12 years of age and younger; and 13 years of age and under.

## 1. Subsidized Transit in London

The purpose of the subsidized transit program is to provide accessible public transit to individuals in order to help remove and prevent barriers that affect a person's ability to gain and maintain employment, access health care, recreational, educational and social activities for themselves and their families. Affordable transportation is a key component of enhancing the quality of life for all Londoners.

The current subsidized program provides a bus pass and/or bus tickets at a subsidized cost for seniors (25% subsidy) and the visually impaired (100% subsidy). The provision for reduced bus fares for seniors dates back to the 1950's, and the subsidized transit for the visually impaired dates back to the 1980's. The 2016 budget for this program is \$583,927 and will grow to \$616,045 by 2019.

Over the years, many groups have raised significant concerns about their inability to access the current program, and have requested that access to the program be broadened so that they too can benefit from the program. The current cost for a bus pass in London is \$81.00 for a monthly pass.

Civic Administration has taken a number of steps over the past few years in order to address a series of questions in the development of a proposed model for subsidized transit that would provide broader access to the program. These steps included a municipal scan, facilitated consultation, and a detailed review and analysis of approaches and impacts. These steps build on a foundation of knowledge of the current research in this area and experience with the current system.

The following questions informed the development of the subsidized transit model proposed in this report by Civic Administration:

- Who will have access to the new subsidized program?
- How is eligibility for the program determined?
- What should the level of subsidization be?
- Is the program capped?
- What are the potential impacts of the new program?
- How would the new program be administered?
- How will the program be evaluated?

Below is an overview of what was learned in relation to each question and the recommendations for the proposed subsidized transit model.

### Who will have access to the new subsidized program?

#### **Considerations:**

- Civic Administration conducted a municipal scan to learn what other cities across Ontario are providing their residents who access public transit (see Appendix A for full details).
- Of the 12 municipalities scanned, 8 offer their residents a subsidized/discount program based on the ability to pay. The remaining 4 municipalities do not offer a subsidy based on the ability to pay, however offer other discounts such as for seniors and the visually impaired.
- In 2013/2014, stakeholders from several community groups (Council for London Seniors, Canadian National Institute for the Blind (CNIB), Ontario Works/Ontario Disability Support Program Advocates, New Vision, Community Living London, and Accessibility Advisory Committee) met with City of London staff. The outcome of these meetings was a recommendation that a program be developed and that the only consideration to qualify for transportation subsidy should be an individual's ability to pay.
- The Council-approved budgets for subsidized transit for 2017-19 is as follows: \$594,334; \$605,038; \$616,045. It is recognized that this funding will not be sufficient to address the demand for subsidized transit either through the current program or the revised model proposed in this report.

#### **Recommendation:**

- The City of London broaden access to the program and determine eligibility solely on an individual's ability to pay.

### 1. How is eligibility for the program determined?

#### **Considerations:**

- Across all municipalities that have subsidized programs for residents experiencing low-income, eligibility requirements for transit subsidy programs are predominantly based on the low-income cut-off measure (LICO).
- Stakeholders recommended that eligibility be based on the Low Income Cut-off (see Appendix B for LICO amounts).
- Currently, the City of London uses LICO After-Tax for subsidy programs such as Child Care.

**Recommendation:**

- Based on the information gathered from above, Civic Administration recommends that eligibility criteria should be:
  - Residents of London
  - 18 years of age and over
  - Income below LICO After-Tax (LICO-AT)

**What should the level of subsidization be?****Considerations:**

- Of the 12 municipalities scanned, 8<sup>1</sup> offer a discount/subsidy of 50% or more. The remaining municipalities offer less than a 50% subsidy, but the purchase price for the monthly pass remains close to \$40 in all cases. Municipalities told us that based on their experience, this is a “tipping point” of affordability for those experiencing low-income. That is, if the pass is more than \$40.00, people are unable to afford to pay for it.
- City staff researched the impact transit subsidy has on individual living on low income and it was found that by providing a transit subsidy, it improves their access to public transit and improves their mobility. Porter, et al. (2015) define various benefits from improving mobility for non-drivers including improved access to education, employment, and therefore increasing economic productivity, plus improving healthcare access, and resulting reductions in the costs of providing public services<sup>2</sup>.
- In addition, the research states that fare reductions make transit more accessible to vulnerable groups who are most dependent on it, and also lessen the financial burden of transit on their personal budgets<sup>3</sup>.
- In October 2016, Civic Administration met with the stakeholders to review the proposed model for subsidized transit and the group recommended, based on municipal best practices that the subsidy level be set at 50%. Currently in London, this would mean that some low income Londoners could access a subsidized bus pass each month, paying only \$40.50 per month.

**Recommendation:**

- Understanding both the program challenges and successes from other municipalities and the importance of access to public transportation for people with low income, Civic Administration is recommending a 50% subsidy level (\$40.50/month based on the current cost for a monthly bus pass).

**Is the program capped?****Considerations:**

- The budget for the current program is set, but the program is not capped. This means that if demand for the program exceeds the budget, additional offsetting funds must be found in other program lines in that budget year.
- In recent years, there has been pressure on the budget for the current program and based on the aging demographics in London, the current funding level for subsidized transit in the base budget is not sufficient to sustain this program as currently structured into the future.
- There are also insufficient funds in the current budget to support every eligible Londoner who may want subsidized transit in the proposed program.
- 50% of the municipalities who offer a subsidy program for low income individuals cap their program and the remaining half do not cap.
- Balancing the current resources available and the desire to broaden access to the program, two options were considered:
  - Option One: The program is not capped; this is how the current subsidy program operates. The budget would have to be monitored regularly. If the budget is projected to be over-expended, Civic Administration would inform Council of this risk and seek further direction from Council.

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<sup>1</sup> Guelph, Hamilton, Waterloo, Niagara Region, Windsor, Mississauga, Halton Region, and Sudbury

<sup>2</sup> Ref: Christopher Porter, Jonathan Lee, Taylor Dennerlein and Paula Dowell (2015), *Selected Indirect Benefits Of State Investment In Public Transportation*, Research Results Digest 393, NCHRP Project 20-65, Task 52, National Cooperative Highway Research Program; at [http://onlinepubs.trb.org/onlinepubs/nchrp/nchrp\\_rrd\\_393.pdf](http://onlinepubs.trb.org/onlinepubs/nchrp/nchrp_rrd_393.pdf).

<sup>3</sup> Ref: Murray, S. (2007). *Fair Fares: Enhancing BC's Transit Use and Affordability, Behind the Numbers*, Canadian Centre for Policy Alternatives, May 2007.

- Option Two: The program is capped, so that the annual budget amount is not over expended. This would result in limiting access to the program and creating waitlists to manage access.

**Recommendation:**

- There are two important factors that Civic Administration considered regarding the above options: 1) the financial capacity of the current budget, and 2) customer access.
- Based on the availability of current resources, the recommendation is that the program be capped so that the annual budget is not over expended. It is anticipated this will result in waitlists for the program.

What are the potential impacts and implications of the new program?

**Impact on Users**

- The current subsidy program is not based on income, therefore some individuals in the two target populations (seniors and the visually impaired), may not be eligible for the proposed program based on their current income levels.
- On the other hand, by broadening access to the program beyond the two populations groups, it will be possible to provide accessible public transit to low income Londoners who are currently not able to access this program.
- It is important to note that the current budget for this program is not sufficient to allow all Londoners living under LICO-AT to access subsidized transit.

The information presented below is a summary of demographics from Statistics Canada related to subsidized transit for the both the current and proposed programs:

<p><b>Seniors</b></p> <p><u>Current Program</u></p> <ul style="list-style-type: none"> <li>• All individuals over 65 years of age can access subsidized transit</li> <li>• Approximately <b>569</b> senior bus passes are issued monthly</li> <li>• In addition, 44,518 senior bus tickets are purchased monthly</li> </ul> <p><u>Population Information</u></p> <ul style="list-style-type: none"> <li>• 64,100 seniors in London are 65 and over*</li> <li>• 605 of these seniors are living under LICO-AT</li> </ul>	<p><b>Visually Impaired</b></p> <p><u>Current Program</u></p> <ul style="list-style-type: none"> <li>• All individuals over 18 years of age who have a valid and current CNIB card can access subsidized transit</li> <li>• On average <b>400</b> visually impaired Londoners access public transit a month</li> </ul> <p><u>Population Information</u></p> <ul style="list-style-type: none"> <li>• There are approximately 14,500 Londoners who are visually impaired</li> <li>• The CNIB has issued cards to:               <ul style="list-style-type: none"> <li>○ 245 individuals between the ages of 19 to 64</li> <li>○ 463 seniors (over 65 years of age)</li> <li>○ The CNIB does not track the income levels of individuals receiving CNIB cards</li> <li>○ Not all CNIB cardholders' access subsidized transit (it is estimated that uptake is 55%)</li> </ul> </li> </ul>	<p><b>Individual living under LICO- AT</b></p> <p><u>Proposed Program</u></p> <ul style="list-style-type: none"> <li>• Individuals over the age of 18, with an income level below LICO-AT are eligible for subsidized transit</li> <li>• Based on the current budget, approximately <b>1, 222</b> bus passes could be issued monthly at a 50% subsidy</li> </ul> <p><u>Population Information:</u></p> <ul style="list-style-type: none"> <li>• In total, 32,475 Londoners over 18 years of age are living under LICO-AT including seniors and those that are visually impaired</li> <li>• Approximately 3,776 individuals on Ontario Works/Ontario Disability Support Program are receiving transportation related expenses to purchase a bus pass monthly.</li> <li>• Therefore, 28,699 adults are living under LICO-AT, and may be eligible for the proposed program</li> <li>• Seniors make up approximately 2.1% of this total eligible population</li> <li>• No information is currently collected about the income level of the visually impaired</li> </ul>
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\*Altus Group Economic Consulting (2012). Employment, Population, Housing and Non-Residential Construction Projections, City of London, ON. Prepared for City of London, June 2012.

Participation Rates:

To gain a better understanding about the impact of the proposed model on transit users, it is important to consider the participation rate in the program. The participation rate will determine the number of individuals that can be supported through the proposed model, based on the available budget. Highlighted below is the program reach for the proposed subsidized transit model based on population projections of residents that may be eligible for transit subsidy under the new model. It is important to note that it will take time to build the participation rate for the proposed program as City Staff work with stakeholders to communicate the new program to eligible residents. During the first two years while the program is being developed, is it expected that the participation rate will not exceed 20%.

100% Participation

- **28,699** Londoners could potentially access transit subsidy if every individual who was eligible wanted to participate in the program to purchase a subsidized bus pass
- The current program budget would be able to support transit subsidy at the recommended 50% level for **4.3%** of the entire eligible population

50% Participation

- If only 50% of all eligible London residents purchased a subsidized transit pass, this would amount to **14,349** Londoners
- At a 50% participation level, the current program budget would be able to support transit subsidy at the recommended 50% level for **8.5%** of the eligible population

20% Participation

- If only 20% of all eligible London residents purchased a subsidized transit pass, this would amount to **5,739** Londoners
- At a 20% participation level, the current program budget would be able to support transit subsidy at the recommended 50% level for **21.3%** of the eligible population

Based on participation rates (or uptake) in other municipalities and the understanding that in the Ontario Works program, the uptake for participants eligible for an employment related benefit to cover the cost of public transit is approximately 20%, Civic Administration has estimated the participation rate in the proposed program to be 20%.

The chart below provides more details about how the participation rate will impact the number of Londoners who are served through the proposed model including, the cost of the bus pass, the percentage of residents served within the current program budget and the amount to fully fund the program based on participation rates.

		20% Participation	50% Participation	100% Participation
50% Subsidy	\$ of Subsidized Pass	\$40.50	\$40.50	\$40.50
	% of eligible population reached based on current budget	2017: 21.3% 2018: 21.6% 2019: 22%	2017: 8.5% 2018: 8.7% 2019: 8.8%	2017: 4.3% 2018: 4.35% 2019: 4.4%
	Annual budget required to reach all Londoners living under LICO – AT	\$2.79M	\$6.97M	\$13.95M

Financial Implications

- The Council-approved budgets for subsidized transit for 2017-19 are as follows: 2017: \$594,334; 2018: \$605,038; 2019: \$616,045. No additional funding has been identified at this time.
- With a capped program, there will be no over expending on the current year’s budget.
- As noted previously in this report, this funding will not be sufficient to address demand for subsidized transit either through the current program or the proposed model.
- For further commentary, see the Financial Impact section at the end of the report.

Legal Implications

- A separate report will be provided from the City Solicitor’s Office.

How would the new program be administered?

Considerations:

- The City of London’s current subsidy program is not capped; the process to determine eligibility and to purchase bus passes or tickets is very straightforward. The current program is administered by the LTC (see Appendix C). In addition, there is no waitlist for the current program.
- Because it is recommended that the proposed subsidy program be capped, it is anticipated there will be a waitlist to be managed. Typically in other municipalities this is managed by a third party

for a small administrative fee.

- Some municipalities directly manage the waitlist and the administration of this program, however it generally requires additional staff.

***Recommendation:***

- The City of London contract with a third party to administer the proposed subsidy program and manage the waitlist.
- The administrator would accept applications for the program, manage eligibility, and administer the subsidy to low-income Londoners on behalf of the City.
- This means that, if an individual meets the criteria for the program and was approved for the pilot, they would pay their portion of the monthly bus pass (\$40.50) to the third party and the third party would then provide a grant (\$40.50) to the individual on behalf of the City to cover the remaining cost for an adult monthly bus pass (currently \$81.00).
- The third party would host a SMART Card terminal so that participants would be able to purchase their subsidized monthly bus pass on site. Participants would visit the organization monthly to purchase their subsidized bus pass. Eligibility, however, would be determined for one full year (see Appendix C for further details).
- Based on the experience of other municipalities, it is suggested that an administration cost of up to \$20,000 in total would be allocated from the current subsidized transportation budget to support one to two not-profit-organizations to administer the program. This will have the impact of reducing the funds available for subsidized bus passes thereby reducing the number of monthly bus passes available by 41.

How will the proposed program be evaluated?

***Recommendation:***

- As part of the implementation of the program, Civic Administration will work with key stakeholders (program participants, lead organization(s), LTC) to develop a detailed monitoring and evaluation plan.
- This plan will include monthly monitoring of the budget, participation and subsidy level, review of the third party administrative process, and impact of the program through methods such as customer satisfaction surveys.
- This will also provide an opportunity to assess whether there are any positive financial implications for the LTC, including consideration of increased ridership, which could increase access to additional funding (e.g. additional gas tax revenues).

Next Steps

1. Civic Administration recommends that Council hold a public participation meeting at the December 13 CPSC meeting in order to obtain public input with respect to the proposed subsidy model.
2. Pending the outcome of this meeting and Council's direction, Civic Administration would work with key stakeholders (including LTC), to develop a transition plan to move from the current subsidy programs (seniors and visually impaired) to the new subsidy program based on an individual's ability to pay. A detailed policy and/or by-law amendment(s) would be brought forward to Council.
3. The target start date to implement the new subsidy program as a two year pilot would be January 1, 2018.

**2. Free Transit for children 12 years of age and under (and 13 years of age and under)**

Currently in London, children under the age of five ride public transportation for free. City Council directed Civic Administration to consult with the LTC and school boards regarding the provision of free transit on LTC buses for all children of 12 years of age and younger; and 13 years of age or younger. Highlighted below are the results of these discussions.

**A) Consultation with the LTC**

The LTC administration provided a report to the London Transit Commission on April 27, 2016, responding to the *London for All* recommendation to provide free transit for children under 12 years of age (see Appendix D for a copy of this report). Included in this report is the estimated ridership and associated potential loss of revenue (cost) for the provision of free transit for children ages 5 to 12. In addition, estimated costs are also provided for children ages 5 to 14, which would cover the elementary school panel.

Given the lack of detail available with respect to how many children in these age categories currently utilize transit, these estimates were prepared based on a number of assumptions. As such, it is important to recognize the numbers as estimates only, that can only be confirmed once a program of this nature is

in place. The costs provided are intended to provide an “order of magnitude” with respect to the range of potential cost associated with this program.

**Estimated Ridership and Cost of Free Transit for Children Ages 5-12**

	2015 Ridership		5% Increase in Ridership		10% Increase in Ridership	
	Rides	Revenue	Rides	Revenue	Rides	Revenue
Child (5-12)						
Cash	24,287	\$ 32,787	25,501	\$ 34,427	26,716	\$ 36,066
Ticket	94,370	103,807	99,089	108,997	103,807	114,188
	118,657	\$ 136,594	124,590	\$ 143,424	130,523	\$ 150,254

The estimates associated with extending the free (to the customer) rides program to include 13 and 14 year old children (grade 8 students in elementary school) is more complicated given that riders aged 13 and 14 currently pay the student rate for tickets, or adult rate for cash fare, and also have the option of the student summer pass for the months of July and August. The table below sets out the estimated ridership for 2015 for children aged 13 and 14 including potential changes to same as noted above.

**Estimated Ridership and Cost of Free Transit for Children in Elementary School Age 5 -14**

	2015 Ridership		5% Increase in Ridership		10% Increase in Ridership	
	Rides	Revenue	Rides	Revenue	Rides	Revenue
Child (5-12)						
Cash	24,287	\$ 32,787	25,501	\$ 34,427	26,716	\$ 36,066
Ticket	94,370	103,807	99,089	108,997	103,807	114,188
	118,657	\$ 136,594	124,590	\$ 143,424	130,523	\$ 150,254
Student (13&14)						
Cash	45,592	\$ 125,377	47,871	\$ 131,645	50,151	\$ 137,914
Ticket	157,437	242,453	165,309	254,576	173,181	266,698
Summer Pass	12,154	9,945	12,762	10,465	13,370	10,963
	215,183	377,775	225,942	396,686	236,701	415,576
Total	333,840	\$ 514,369	350,532	\$ 540,110	367,224	\$ 565,830

The London Transit Commission further highlighted in their April 27, 2016 report that as outlined in the tables above, the supporting financial requirements associated with the free (to the customer) rides program for current child riders ranges from \$136,594 to \$150,254. For the expanded program, the supporting financial requirements ranges from \$514,369 to \$565,830. It is important to note the financial requirements for these programs are based on the current fare structure.

**B) Consultation with School Boards**

Civic Administration met with representatives from the Thames Valley District School Board and the London District Catholic School Board to discuss the recommendation to provide free transportation to children 12-13 years of age and under.

Attached as Appendix E is a letter from the Southwestern Ontario Student Transportation Services outlining their position on offering free transportation to elementary school children. The letter highlights that school aged children have unique transportation needs when travelling between home and school that cannot be replicated en masse by use of the public transit system. The service level provided to students travelling on student transportation greatly exceeds that which could be offered by the London Transit Commission. Specific details of this service level includes:

- Travel less than 300 meters to access the school bus stop
- Transportation on vehicles designed to specific safety standards for young riders
- Service on routes that do not require transferring buses

The letter further states that based on the reasons identified in the letter, if free public transit were offered to students under the age of 12, the School Boards do not believe there would be any impact to their current student transportation model as doing so may result in a decrease level of service in their view. Further, peak school bus service for elementary aged students coincides with peak service demands on public transit so system capacity would require significant exploration.

<b>FINANCIAL IMPACT</b>
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**Proposed Model for Subsidized Transit in London**

The proposed model will be implemented within the Council-approved budgets for subsidized transit for 2017-19 as follows: 2017: \$594,334; 2018: \$605,038; 2019: \$616,045. The proposed 2-year pilot program will provide an opportunity to assess the uptake of the program. This will also provide an opportunity to assess whether there are any positive financial implications for the LTC, including consideration of increased ridership which could increase access to additional funding (e.g. additional gas tax revenues).

Based on the results of the pilot, Civic Administration will consider the adequacy of the funding level for the subsidized transit program, and make any necessary adjustments for Council's consideration as part of the 2020-2023 Multi-Year Budget submission.

**Free Transit for children 12 years of age and under (and 13 years of age and under)**

There is currently no funding included in the 2016-19 Multi-Year Budget for this program. As this will be an ongoing annual cost, an ongoing, permanent funding source would be most appropriate (such as the property tax levy).

Should Council wish to pursue this initiative, this matter should be referred to the 2017 Budget Update deliberations (occurring November 24<sup>th</sup>/25<sup>th</sup> 2016). Civic Administration should also be directed to bring forward the necessary Budget Amendment form with the corresponding annual financial impacts for 2017-19.

<b>CONCLUSION</b>
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One of the strategies in the City of London Strategic Plan aimed at “Building a Sustainable City through *convenient and connected mobility choices*” is to explore a better subsidy model for transit riders so that more Londoners can benefit.” Affordable transportation is a key component of enhancing the quality of life for all Londoners. Accessible public transit helps to remove and prevent barriers that affect a person’s ability to gain and maintain employment, access health care, recreational, educational and social activities for themselves and their families. In addition, a vibrant, well-used transit system is an important part of building a healthy and inclusive community.

<div>PREPARED BY:</div> <div></div> <div>JEN CARTER MANAGER, POLICY &amp; STRATEGIC ISSUES, NEIGHBOURHOOD, CHILDREN &amp; FIRE SERVICES</div>	
<div>SUBMITTED BY:</div> <div></div> <div>CHERYL SMITH MANAGER, COMMUNITY DEVELOPMENT &amp; FUNDING NEIGHBOURHOOD, CHILDREN &amp; FIRE SERVICES</div>	<div>RECOMMENDED BY:</div> <div></div> <div>LYNNE LIVINGSTONE, MANAGING DIRECTOR NEIGHBOURHOOD, CHILDREN &amp; FIRE SERVICES</div>

- c. Sandra Datars Bere, Managing Director, Housing, Social Services and Dearness Home  
Lynn Marshall, Solicitor II  
Kyle Murray, Senior Financial Business Administrator  
London District Catholic School Board  
London Transit Commission  
Southwestern Ontario Student Transportation Services  
Thames Valley District School Board



**APPENDIX A**  
**Municipal Scan Information**

**APPENDIX A**

Municipality	Discount programs	Low-income Subsidy	Children	Funding source	Capped (y/n)	Comments
<b><u>Brampton</u></b> Adult Fares: \$3.75 tickets \$120 monthly pass	<ul style="list-style-type: none"> <li>• CNIB</li> <li>• Children (6-12)</li> <li>• Student (13-19)</li> <li>• Seniors</li> <li>• War Veteran</li> </ul>	No current program – expired Pilot through Halton Region	<ul style="list-style-type: none"> <li>• Children 5 &amp; under free</li> </ul>	N/A	N/A	<ul style="list-style-type: none"> <li>• Expired pilot through Halton Region (shared with Mississauga) – not continued at this time</li> </ul>
<b><u>Cornwall</u></b> Adult Fares: \$2.90 single ticket \$64 monthly pass	<ul style="list-style-type: none"> <li>• Senior</li> <li>• Student</li> <li>• Children (grade 1-6)</li> </ul>	<a href="#">Community Bus Pass Program</a> <ul style="list-style-type: none"> <li>• Support for transportation for OW/ODSP recipients</li> <li>• \$42/month</li> <li>• Capped at 175 passes per month</li> <li>• Can also purchase para-transit single ride tickets through this program (25 tickets for \$42)</li> </ul> 2016 Budget - \$42,000 (\$3500/month)	<ul style="list-style-type: none"> <li>• Children 5 &amp; under free</li> <li>• Read to Ride program – partnership with local libraries where children 5-13 can get on the bus for free by showing their library card in July and August</li> </ul>	Municipal tax base and transit budget	Yes – first come, first served	<ul style="list-style-type: none"> <li>• There has been a great response to this program and passes sell out very early every month</li> </ul>
<b><u>Elliot Lake</u></b> Adult Fares: \$2.50 single ticket \$62 monthly pass	<ul style="list-style-type: none"> <li>• Seniors</li> <li>• Students</li> </ul>	<a href="#">Affordable Access Policy</a> <ul style="list-style-type: none"> <li>• The City of Elliot Lake's Affordable Access Policy outlines the City's commitment to providing affordable access to municipal services and references discounts to transportation for low-income residents</li> <li>• Monthly pass is \$39 under this program</li> </ul>		Municipal tax base	No cap	<ul style="list-style-type: none"> <li>• The income based subsidy is not widely publicized and the discounted amount can only be found in the City's <a href="#">User Fee Bylaw</a>.</li> </ul>
<b><u>Guelph</u></b> Adult Fares: \$2.80/ticket \$80 monthly pass	<ul style="list-style-type: none"> <li>• Youth</li> <li>• Seniors</li> <li>• Refugee support pilot program</li> </ul>	<a href="#">Affordable Bus Pass Program</a> <ul style="list-style-type: none"> <li>• Family income below LICO</li> <li>• 27% of people below LICO in Guelph have become users of the ABPP</li> <li>• More users than expected and growing               <ul style="list-style-type: none"> <li>• 50% of adult fare</li> </ul> </li> </ul> 2016 Admin Budget: \$154,004	<ul style="list-style-type: none"> <li>• Children 5 &amp; under ride free</li> <li>• Youth discount (5-17) - \$2.25 single ticket; \$68 monthly pass</li> </ul>	Bottom line from transit	No cap – offered as a discounted pass just like other transit discounts	<ul style="list-style-type: none"> <li>• The designated budget for this program is rolled into transit operating</li> <li>• Have not capped the program but have seen more than expected participation in the program</li> <li>• 2300 participants for ABPP/1300 passes sold per month</li> </ul>

Municipality	Discount programs	Low-income Subsidy	Children	Funding source	Capped (y/n)	Comments
<b><u>Halton Region</u></b> <b>Oakville</b> Adult Fare: \$3.50 ticket \$115 monthly <b>Burlington</b> Adult Fare: \$3.50 ticket \$97 monthly <b>Milton</b> Adult Fare: \$3.50 ticket \$77 monthly pass	Oakville <ul style="list-style-type: none"> <li>Child/Student (6-19)</li> <li>Seniors</li> <li>CNIB</li> </ul> Burlington <ul style="list-style-type: none"> <li>Students (13-19)</li> <li>Seniors (65+)</li> <li>Children (6-12)</li> </ul> Milton <ul style="list-style-type: none"> <li>Student (6-18)</li> <li>Seniors</li> <li>CNIB</li> </ul>	<a href="#">Subsidized Passes for Low Income Transit (SPLIT)</a> <ul style="list-style-type: none"> <li>Introducing single ticket option in addition to monthly pass as a mechanism to try to increase program uptake</li> <li>50% discount on the adult fare from the resident's home municipality</li> </ul> 2016 Budget \$630,000 (projected \$415K) 3800 adults; 3183 seniors; 912 students	<ul style="list-style-type: none"> <li>Children 5 &amp; under free for all three municipalities</li> </ul>	Subsidy paid for by the region; program administered by the municipality	Capped, but have had trouble using their budget, likely due to the high up-front cost of the pass	<ul style="list-style-type: none"> <li>Currently evaluating their SPLIT program – results released early 2017</li> <li>Having some challenges with uptake for SPLIT and have not come close to spending their budget since the program was initiated in 2011</li> <li>Allocated some money through this program to the school boards to provide free transportation for at-risk high school students</li> </ul>
<b><u>Hamilton</u></b> Adult Fares: \$2.30 ticket \$101.20 monthly pass	<ul style="list-style-type: none"> <li>Seniors</li> <li>Golden age (80+) free</li> <li>Considering discount for individuals with disabilities</li> <li>Students</li> </ul>	<a href="#">Affordable Transit Pass Program</a> Must meet all of the following criteria: <ul style="list-style-type: none"> <li>Currently working</li> <li>18 to 64</li> <li>Receiving OW/ODSP but no transportation benefits OR family income below LICO</li> <li>50% of adult fare</li> </ul> 2016 Budget: \$328,560 4,910 Passes / year	<ul style="list-style-type: none"> <li>Children under 5 ride free (4 children:1adult)</li> <li>Children 5-19 eligible for a student pass (\$1.90/single ticket on PRESTO; or \$83.90/month)</li> </ul>	Municipal tax base	Capped – first come, first served basis	<ul style="list-style-type: none"> <li>Even though it is first come, first served, they have not had to deny anyone a pass since beginning the program in 2006</li> </ul>
<b><u>Kingston</u></b> Adult Fare: \$2.75 ticket \$72 monthly pass	<ul style="list-style-type: none"> <li>Youth</li> <li>Seniors</li> <li>Weekly and monthly commuter passes: unlimited weekday rides</li> <li>High school student transit pass pilot (grade 9-12 ride for free)</li> <li>Employer Transpass program</li> </ul>	<a href="#">Affordable Transit Pass</a> <ul style="list-style-type: none"> <li>Adult - \$46.75</li> <li>Youth/Senior - \$34.75</li> </ul>	<ul style="list-style-type: none"> <li>Children 6 &amp; under free</li> </ul>	Municipal tax base	No	<ul style="list-style-type: none"> <li>Staff noted the impact on new ridership and increased revenues to transit through the gas tax</li> <li>12-13% ridership growth in 2015 but 0% population growth</li> <li>This program did not result in a drop in sales for regular fare adult monthly passes, but rather a total net increase to the number of regular transit users</li> </ul>
<b><u>Mississauga</u></b> Adult Fares:	<ul style="list-style-type: none"> <li>Children (grade 1-8)</li> <li>Students (grade 9-12)</li> </ul>	<a href="#">MiWay Affordable Transit Pass Program</a>	<ul style="list-style-type: none"> <li>\$8.25/5 tickets</li> <li>\$16.50/10 tickets</li> </ul>	Region of Peel provides funding to	Yes	<ul style="list-style-type: none"> <li>OW participants were allowed to stay on the pilot program after finding employment to</li> </ul>

Municipality	Discount programs	Low-income Subsidy	Children	Funding source	Capped (y/n)	Comments
\$3.50 ticket \$130 monthly	<ul style="list-style-type: none"> <li>Seniors</li> <li>Visually Impaired</li> </ul>	<ul style="list-style-type: none"> <li>Pilot from June 1<sup>st</sup>, 2016-February 28<sup>th</sup>, 2017</li> <li>50% discount</li> <li>250 OW recipients in Mississauga</li> </ul>	<ul style="list-style-type: none"> <li>\$1.65 per trip with PRESTO card</li> </ul>	support subsidized transit for low-income		allow staff to better understand some of the barriers with which people are faced <ul style="list-style-type: none"> <li>Survey every month to participants in order to receive the subsidy</li> </ul>
<b>Niagara Region</b> Adult Fares: \$6 ticket \$160 monthly pass	<ul style="list-style-type: none"> <li>Seniors</li> <li>Students (13-19)</li> </ul>	<a href="#">Affordable Monthly Passes</a> (pilot project) <ul style="list-style-type: none"> <li>\$50/month for eligible riders once pilot has been established</li> </ul>	<ul style="list-style-type: none"> <li>Children 5 &amp; under free</li> </ul>	Municipal tax base	Not known	<ul style="list-style-type: none"> <li>Program suspended pending considerations about the cost of this program (as of October 2016)</li> </ul>
<b>Sudbury</b> Adult Fare: \$3.10 single ticket \$84 monthly pass	<ul style="list-style-type: none"> <li>Children 5+</li> <li>Seniors</li> <li>Student</li> <li>Seniors ride free Mondays</li> </ul>	Affordable Transit Pass Program <ul style="list-style-type: none"> <li>Resident of Sudbury</li> <li>Working (full time or part time)</li> <li>18-64 who do not qualify for existing seniors or student fares</li> <li>Received OW or ODSP but no transportation benefits OR below LICO</li> <li>50% discount from adult fare</li> </ul> 2016 – 1425 passes (lost revenue of \$59,000 annually)	<ul style="list-style-type: none"> <li>Children 4 &amp; under free</li> </ul>	Municipal tax base	Yes – first come first served	
<b>Waterloo</b> Adult Fares: \$3.25 ticket \$82 monthly pass	<ul style="list-style-type: none"> <li>Veteran's free pass for life</li> <li>SunONE summer pass for elementary and high school students</li> <li>Travel wise corporate pass</li> </ul>	<a href="#">Transit for Reduced Income Program</a> <ul style="list-style-type: none"> <li>Eligibility below LICO</li> </ul> \$750,000 Budget 1750 passes/month <a href="#">Transit Affordability Pass Program</a> <ul style="list-style-type: none"> <li>Available for adult OW recipients that are attending training programs for free</li> </ul>	<ul style="list-style-type: none"> <li>Children 4 &amp; under free</li> <li>No children's discount</li> </ul>	TRIP is 100% funded through the municipal tax base  TAPP is cost shared with the province (Ontario Works).	Capped – growing waitlist (500 as of March 2016)	<ul style="list-style-type: none"> <li>Administered by two community agencies on behalf of the region</li> <li>Program is overseen by a steering committee composed of transit, city staff and agency staff</li> </ul>
<b>Windsor</b> Adult Fares: \$3 ticket \$95.70 monthly	<ul style="list-style-type: none"> <li>Students</li> <li>Seniors</li> </ul>	<a href="#">Affordable Pass Program</a> <ul style="list-style-type: none"> <li>Recipients of OW/ODSP if not already receiving assistance for transit</li> <li>Households under LICO</li> </ul> 50% discount \$200,000 Budget Approximately 465 passes/month	<ul style="list-style-type: none"> <li>Children 5 &amp; under free</li> </ul>	Municipal tax base	No cap	<ul style="list-style-type: none"> <li>Transit absorbs the program deficit</li> <li>There is no cap on the program because without the discount, the revenues from the purchased passes would not be realized</li> </ul>

**APPENDIX B**  
**Low Income Cut-Off After Tax Amounts**

Size of economic family* or household unit	LICO After tax 2013
1 person	\$16,723
2 persons	\$20,582
3 persons	\$25,344
4 persons	\$31,618
5 persons	\$36,004
6 persons	\$39,929
7 or more persons	\$43,854

\***Economic Family** refers to a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common-law or adoption. A couple may be of opposite or same sex. Foster children are included. By definition, all persons who are members of a census family are also members of an economic family.

**Data Source:** <http://www.statcan.gc.ca/pub/75f0002m/75f0002m2014003-eng.pdf>

**APPENDIX C**  
**Proposed Model and Options for Subsidized Transit in London**

The charts below highlight the current subsidized transit programs (Seniors and the Visually Impaired) and the proposed new model for subsidized transit (based on an individual's ability to pay).

	CURRENT		PROPOSED
	Public Transit Subsidy for Seniors and Visually Impaired		Public Transit Subsidy based on an individual's ability to pay
Eligible Population	Seniors	Visually Impaired	Londoners 18 years of age and over with income below LICO-AT
Subsidy Level	25%	100%	50%
# of bus passes issued monthly	569 <sup>5</sup>	400	1,222 <sup>6</sup> (based on approved budget)
# of bus passes issued annually	6,833	4,804	14,664 (based on approved budget)
# of bus tickets issued monthly	44,518	Not applicable	To Be Determined as part of Pilot
# of bus tickets issued annually	534,220	Not applicable	To Be Determined as part of Pilot
Municipal Program Budget	2017    \$594,334 2018    \$605,038 2019    \$616,045		The current budget would be repurposed to subsidize the proposed new model.  The program will be capped so that the annual budget amount is not over expended.
Process	<b>Step One: Determining an Individual's Eligibility</b>  <u>Seniors</u> <ul style="list-style-type: none"> <li>Proof of eligibility as outlined on the LTC website is required in order to obtain an LTC issued senior's photo ID card</li> </ul> <u>Visually Impaired</u> <ul style="list-style-type: none"> <li>An eligible individual pays an annual \$10.00 CNIB registration fee, payable to LTC</li> </ul> <b>Step Two: Determining if Funding is Available</b> <ul style="list-style-type: none"> <li>Not applicable</li> </ul> <b>Step Three: Issuing a Subsidized Bus Pass</b> Eligible seniors must present their LTC photo ID card to obtain subsidized tickets or passes.  Visually impaired public transit users, show their CNIB card to board the bus.		<b>Step One: Determining an Individual's Eligibility</b> <ul style="list-style-type: none"> <li>An individual meeting the criteria outlined in Appendix C can complete an application requesting a grant to assist with the purchase of a monthly adult bus pass</li> <li>Pending the completion of an application and verification of the above criteria, the individual would be determined eligible for the subsidized transit program</li> <li>Eligibility would be determined for one full year</li> </ul> <b>Step Two: Determining if Funding is Available</b> <ul style="list-style-type: none"> <li>Once eligibility has been determined for the program, a subsidized monthly bus pass would be sold to eligible participants on a first come, first served basis</li> <li>There would be a maximum number of subsidized passes available each month, based on the chosen subsidy level</li> <li>Once the monthly maximum has been reached, the next eligible participants would be placed on a waiting list.</li> </ul> <b>Step Three: Issuing a Subsidized Bus Pass</b> <ul style="list-style-type: none"> <li>If the individual met the criteria and was approved for the pilot, they would pay their portion of the monthly bus pass and the City would provide a grant to the individual to cover the remaining cost for an adult monthly bus pass (currently \$81.00).</li> <li>SMART Card technology will allow the participant to purchase their subsidized monthly bus pass on site.</li> <li>Bus passes will be available for purchase each month.</li> </ul>

5 The numbers in this section for seniors and the visually impaired were calculated based on the average number of passes/tickets that were distributed in 2015.

6 The numbers in this section for the proposed model were calculated based on the program budget allocated for 2017, assuming the cost of the subsidy to be \$40.50 (50% of \$81 for an adult monthly pass).

Administration of the Program	LTC invoices the City of London monthly based on actual usage.	<ul style="list-style-type: none"><li>• To administer the proposed subsidy model, the City of London would contract with one or two not-for-profit organizations.</li><li>• Through an Expression of Interest issued by the City of London, the administrator would accept applications for the program, manage eligibility, and administer the subsidy to low-income Londoners on behalf of the City.</li><li>• An administration cost of up to \$20,000 in total would be allocated from the current subsidized transportation budget to support the not-profit-organizations. This would impact the number of bus passes issued monthly (decrease of 41 passes per month)</li><li>• The organization would host a SMART Card terminal so that participants would be able to purchase their subsidized monthly bus pass on site.</li><li>• Participants would visit the organization monthly to purchase their subsidized bus pass.</li><li>• Passes would be sold until the monthly maximum for the budget has been reached at which time a wait list would be started (See Appendix C for full details).</li></ul>
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## APPENDIX D

### LTC Staff Report: Poverty Panel Recommendations – Free Transit for Children

Staff Report #2  
April 27, 2016

To All Commissioners

#### Re: Poverty Panel Report Recommendations – Free Transit for Children

##### Recommendation

The report be NOTED and FILED.

##### Background

At the April 18, 2016 meeting, the Strategic Priorities and Policy Committee of Council directed civic administration to meet and consult with the administration of the London Transit Commission and report back to a future meeting of the committee on the feasibility and process for implementing the following:

1. The provision of free transit on LTC for all children 12 years of age and younger.
2. As an alternative to or in addition to the above the provision of free transit to all children 13 years of age or younger being the normal maximum age of children enrolled in elementary school.

It being understood the report will include sources of funding for both options from the City of London and the London Transit Commission. It being further understood that city administration will consult with the London Transit Commission and its staff as well as the London District Catholic School Board and the Thames Valley District School board.

The following report serves as background information in support of the pending discussions.

One of the key directional documents associated with the Commission's Financial Strategy is the Fare Pricing and Media Strategy. The Strategy has, as one of its principles, that fare pricing predicated upon broader social/community issues (social pricing) should be fiscally supported by an equalization grant program sponsored by a supporting organization(s). Social pricing provides a reduced public transit fare or free public transit usage for an identified demographic supporting the demographic's use of the service. Social pricing is extended to the group recognizing broader/community issues generally linked to economic capacity (or income redistribution) of the demographic. The equalization grant provides London Transit with the loss of transportation revenue (difference between Commission established base fare program per the Fare Pricing and Media Strategy and the determined social priced fare).

Currently there are two equalization grant programs sponsored by the City of London. One for London Seniors providing a 25% subsidy and the other for the Blind providing a 100% subsidy (free transportation). The equalization grants are listed as program items under the City's Community and Social Services budget. The 2016 budget for the two programs is \$528,800 comprised of \$394,500 for the senior program and \$134,300 for the blind program. The equalization grant is not a public transit subsidy but rather a subsidy supporting the defined demographics' use of public transit service. The equalization grant applies equally to accessible conventional and specialized transit services. London Transit treats the grant as transportation revenue, and invoices the City of London for the lost revenue, based upon utilization times the discounted amount.

The establishment of an equalization grant program in support of social pricing initiatives is predicated upon the following:

- Social pricing is outside the purview of the Commission – the Commission is charged with the responsibility and accountability for the maintenance, growth and sustainability of London's public transit services, ensuring the business of public transit is balanced in terms of the system's effectiveness and efficiency;
- The establishment of an equalization grant program allows for the direct cost identification of the program providing transparency and accountability;
- The equalization grant would be treated as transportation revenue, and as such the corresponding ridership as revenue rides noting revenue ridership (levels) is the primary factor for determining annual Provincial Gas Tax allocations. The LTC's annual Provincial Gas Tax allocation equates to approximately \$0.40 per ride, which means for the current budget of 118,657 revenue trips by children, results in gas tax allocation of trips of \$48,000. If the 118,657

trips were provided as free rides the LTC would forgo the annual \$48,000 in gas tax allocation as well as the loss of fare revenue of \$136,594;

- There is limited, if any, evidence based business case supporting the premise that such “social pricing” will attract and build ridership markets. The key determinates for attracting and building ridership is the service itself in terms of the directness of travel, coverage, service levels (frequency, time of day and day of week), safety, customer service and associated affordability; and
- The Commission’s approved four year operating estimates did not envision a loss of revenue ridership and related transportation revenue that would be experienced should the onus to fund the program fall to LTC.

**Estimated Impacts/Costs**

The starting point for estimating the ridership associated with a “kids ride free” program is the 2015 ridership in each of the child cash and child ticket categories. Given that public transit rides would be free of charge for this demographic, current child ridership levels can be expected to change, with the shift primarily occurring from yellow buses, the extent of which is subject to current service routing and frequency meeting the transportation needs of the rider. There may also be additional ridership from those currently walking to/from school. A mechanism will need to be put in place to ensure the extent of free (to the customer) rides are captured in order to ensure London Transit is provided the revenue associated with the total trips under the program. The table below sets out the 2015 ridership and related revenue associated with the child cash and ticket fares (ages 5-12), as well as potential change to the amount based on a 5% and 10% shift. The 5% and 10% change provides an order of magnitude of the potential funding requirements.

**Estimated Ridership and Cost of Free Transit for Children Ages 5-12**

	2015 Ridership		5% Increase in Ridership		10% Increase in Ridership	
	Rides	Revenue	Rides	Revenue	Rides	Revenue
Child (5-12)						
Cash	24,287	\$ 32,787	25,501	\$ 34,427	26,716	\$ 36,066
Ticket	94,370	103,807	99,089	108,997	103,807	114,188
	118,657	\$ 136,594	124,590	\$ 143,424	130,523	\$ 150,254

The estimates associated with extending the free (to the customer) rides program to include 13 and 14 year old children (grade 8 students in elementary school) is more complicated given that riders aged 13 and 14 currently pay the student rate for tickets, or adult rate for cash fare, and also have the option of the student summer pass for the months of July and August. The table below sets out the estimated ridership for 2015 for children aged 13 and 14 including potential changes to same as noted above.

**Estimated Ridership and Cost of Free Transit for Children in Elementary School Age 5 -14**

	2015 Ridership		5% Increase in Ridership		10% Increase in Ridership	
	Rides	Revenue	Rides	Revenue	Rides	Revenue
Child (5-12)						
Cash	24,287	\$ 32,787	25,501	\$ 34,427	26,716	\$ 36,066
Ticket	94,370	103,807	99,089	108,997	103,807	114,188
	118,657	\$ 136,594	124,590	\$ 143,424	130,523	\$ 150,254
Student (13&14)						
Cash	45,592	\$ 125,377	47,871	\$ 131,645	50,151	\$ 137,914
Ticket	157,437	242,453	165,309	254,576	173,181	266,698
Summer Pass	12,154	9,945	12,762	10,465	13,370	10,963
	215,183	377,775	225,942	396,686	236,701	415,576
Total	333,840	\$ 514,369	350,532	\$ 540,110	367,224	\$ 565,830



As indicated in the tables above, the supporting financial requirements associated with the free (to the customer) rides program for current child riders ranges from \$136,594 to \$150,254. For the expanded program, the supporting financial requirements ranges from \$514,369 to \$565,830, noting the financial requirements are based on the current fare structure. As the Commission is aware, there is significant upward pressure to increasing fares, which is heightened given ridership has not met expectations. To date, with the exception of the post-secondary tuition based pass program, fare increases have been avoided largely through cost containment and continuous improvement initiatives and increased reliance on Provincial Gas Tax operating support. The approved four year operating budget includes fare increases in transportation revenue estimates for both 2016 and 2018, particulars of which have yet to be determined. Fare pricing increases will impact the equalization grant requirements. If there is an expectation that LTC would underwrite the financial requirements of this program, the funding would be expected to come from higher fares to other groups and/or increased net investment support from the City of London.

### **Program Mechanics**

The smart card program provides the opportunity to issue cards to each student (ages 5 to 12 or ages 5 to 14 in the elementary panel). The card would be tapped at each boarding, essentially recording each trip. There would be no value or pass stored on the card (similar to the program in place with Fanshawe students where they tap their Fanshawe card to record a trip). This would allow the tracking of total ridership associated with the program, and the ability to bill the sponsoring organization of the program for the rides, thus treating the ridership as revenue rides for the purpose of reporting system ridership for determining Provincial Gas Tax allocation.

Should the concept of the issuance of smart card to all qualified children be adopted, cooperation with the various school boards would be ideal to assist with the issuance of the cards. As such, discussions should take place with each of the boards to ensure they are on side with such an approach. Should the school boards not be interested in playing a role in the distribution, alternative options need to be assessed, and may result in a longer roll-out period.

Recommended by:

Kelly S. Paleczny General  
Manager

APPENDIX E

Letter from Southwestern Ontario Student Transportation Services



Southwestern Ontario  
Student Transportation Services

201-557 Southdale Rd E.  
London, ON N6E 1A2

info@mybigyellowbus.ca  
www.mybigyellowbus.ca

September 25, 2016

City of London  
c/o Lynne Livingstone  
Managing Director, Neighbourhood, Children and Fire Services  
300 Dufferin Avenue  
London ON

Dear Ms Livingstone:

Southwestern Ontario Student Transportation Services ("STS") is the transportation consortium responsible for the administration of school transportation on behalf of the London District Catholic and Thames Valley District School Boards. The Board of Directors of STS have asked me to provide comment on children under the age of 12 in the City of London being provided free public transit and what, if any, impact that may have on traditional school bus service.

Public transit is an exceptionally valuable asset for all Londoners and we recognize that free transit for children under 12 is a key recommendation set out in the *London For All* plan. An effective public transit system connects the citizens in our community to the services they need and is a core asset in community vibrancy.

School aged children have unique transportation needs when travelling between their homes and schools that cannot be replicated en masse by use of a public transit system. The service level provided to students travelling on student transportation greatly exceeds that which could be offered by the London Transit Commission. For example, within the city of London, most elementary aged students:

- Travel less than 300 meters to access their school bus stop;
- Ride on one route for an in-city average of 15 minutes or less;
- Are serviced on routes that do not require transferring buses;
- Are guaranteed a seat on a vehicle at all travel times;
- Are transported on vehicles designed to specific safety standards for young riders;
- Are supported by school bus drivers who are licensed to a "B" class, meaning have undergone both Criminal Background Checks and Vulnerable Person Sector checks.

For these reasons, if free public transit were offered to students under the age of 12, we do not believe there would be any impact to our current student transportation model as doing so may result in a decrease level of service in our view. Further, peak school bus service for elementary aged students coincides with peak service demands on public transit so system capacity would require significant exploration.

We are supportive of the work in the *London For All* plan and any steps that our community can take to address poverty in London. We thank you for the opportunity to respond regarding the potential impact of free transit service to children under 12.

Further questions can be directed to the undersigned at 519-649-1160 extension 226.

Yours truly,

Maureen Cosyn Heath  
Chief Administrative Officer

Cc: LDCSB  
Cc: TVDSB