

TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE MARCH 19, 2019
FROM:	LYNNE LIVINGSTONE MANAGING DIRECTOR NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES
SUBJECT:	BYLAW AND AGREEMENT WITH LONDON TRANSIT COMMISSION: REDUCED FARE FOR SENIORS BUS TRIPS

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 March 26, 2019 to:

- (a) authorize the London Transit Commission to reduce the fare amount for individual bus trips for seniors 65 years of age and over, commencing April 1, 2019;
- (b) authorize the City to provide a grant to reimburse the London Transit Commission for the cost of the reduced fare amount set out in (a), above;
- (c) authorize and approve an Agreement between the City and the London Transit Commission with respect to (a) and (b) above; and,
- (d) authorize the Mayor and the City Clerk to execute the Agreement authorized and approved in (c), above.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Children 5 to 12 Years of Age Ride for Free on Public Transit Council By-Law and Agreement (December 13, 2016)
- Adults 18 and Over Income-Related Subsidized Public Transit Program Council By-Law, Agreement and Administration Process (October 11, 2017)
- Subsidized Bus Pass for Youth 13 to 17 Years of Age Council By-Law and Agreement (June 18, 2018)

BACKGROUND

At the Municipal Council meeting on December 18, 2018, Council resolved: "That the proposed reinstatement of reduced cost of Senior's Bus Tickets BE REFERRED to 2019 Budget Process and the Civic Administration BE DIRECTED to establish a source of financing (2018-C12) (4.2/1/CWC)".

Following this, at the Municipal Council meeting on February 12, 2019, Council resolved: That the following actions be taken with respect to the following Operating Budget Amendment Cases: Business Case #13 (Subsidized Transit for Seniors) – Net Impact \$285, BE APPROVED.

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 a reduced fare bus ticket for individuals 65 years of age and over, and to authorize a grant to reimburse the LTC effective April 1, 2019, for such purpose.

Agreement with LTC

The grant to LTC relating to the reduced fare bus tickets will be managed in a similar manner as the current four subsidies in place for the youth subsidized bus pass, the income-related bus pass, children under 12 ride for free, 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 makes sure that the actual costs associated with the specific reduced fare or subsidized bus pass can be tracked and reported on annually.

Attached as Schedule A to the by-law is the formal agreement between the City of London and the London Transit Commission. The LTC will re-establish the seniors reduced fare bus ticket (the seniors fare will be 75% of the adult ticket fare) for individuals 65 years of age and over. The City will in return provide grant payments to the LTC to reimburse them for the difference between the cost of a seniors reduced fare and the cost of the adult regular fare. Under Section 10 of the *Municipal Act*, municipalities may pass by-laws respecting economic, social, and environmental well-being of the municipality and the health, safety, and well-being of persons.

No Violation of Human Rights Code

Section 15 of the *Human Rights Code*, R.S.O. 1990, c. H.19 provides that a right to non-discrimination because of age is not infringed where an age of sixty-five years or over is a requirement, qualification or consideration for preferential treatment. The Ontario Human Rights Commission states the following: “The *Code* permits special discounts for older persons, “golden age” passes and other benefits for persons over 65 years old.” See: <http://www.ohrc.on.ca/en/book/export/html/2468>

NEXT STEPS

In order to implement reduced fare bus tickets for seniors by April 1, 2019, Civic Administration and the LTC will undertake a communication strategy in the coming weeks. The strategy will share the information in a number of different ways including:

- City of London and LTC social media;
- Updates to the LTC website; and,
- emails to local organizations and networks across the City.

FINANCIAL IMPACT

The City’s total net cost of the reduced fare bus tickets program will be entirely dependent on the uptake of the program. The following table illustrates the estimated annual financial impact to the City at different sales volumes based on 75% of the basic adult ticket fare. For reference, the number of tickets sold in 2017, the last year senior’s bus tickets were sold, was 534,106.

# of Tickets Sold per Year	Total Annual Net Cost to the City of London
400,000	\$188,000
500,000	\$235,000
600,000	\$282,000
700,000	\$329,000

Through the approval of 2019 Budget Amendment #13, Council approved \$285,000 in 2019 to support this program, it being noted that the program is for nine months in 2019.

CONCLUSION

One of the strategies in the 2015-2019 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.

PREPARED AND SUBMITTED BY:	RECOMMENDED BY:
CHERYL SMITH MANAGER, NEIGHBOURHOOD STRATEGIC INITIATIVES & FUNDING NEIGHBOURHOOD, CHILDREN & FIRE SERVICES	LYNNE LIVINGSTONE MANAGING DIRECTOR NEIGHBOURHOOD, CHILDREN & FIRE SERVICES

- c. Lynn Marshall, Solicitor II
 Kyle Murray, Director, Financial Planning & Business Support
 Kelly Paleczny, London Transit Commission

APPENDIX A

By-law No. L.T.C.-

A by-law to authorize the London Transit Commission to reduce the fare amount for individual bus trips for seniors aged 65 and over, to approve an agreement with the London Transit Commission for the City to provide a grant to reimburse LTC for the costs of the reduced fare amount, 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 December 18, 2018, “That the proposed reinstatement of reduced cost of Senior’s Bus Tickets BE REFERRED to 2019 Budget Process and the Civic Administration BE DIRECTED to establish a source of financing. (2018-C12) (4.2/1/CWC)”;

AND WHEREAS the Managing Director, Neighbourhood, Children and Fire Services brought forward a proposal for seniors subsidized bus tickets which was considered during the Strategic Priorities and Policy Committee Multi-Year Budget Meeting of January 24, 2019;

AND WHEREAS at the Municipal Council meeting on February 12, 2019, Council resolved: That the following actions be taken with respect to the following Operating Budget Amendment Cases: Business Case #13 (Subsidized Transit for Seniors) – Net Impact \$285, BE APPROVED;

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 subsidized transportation to individuals 65 years of age and over;

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

1. An arrangement be entered into with the London Transit Commission, effective April 1, 2019, to provide transportation at reduced rates to those residents of the geographic area of the City of London who are 65 years of age or older, subject to the following conditions:
 - (a) Fare to be 75% of the basic adult ticket fare as established by the London Transit

Commission, with no cash fares;

(b) Reduced fare applies to fares purchased by way of paper tickets, or stored value smart card, or such other technology as determined by London Transit Commission;

(c) Suitable identification card with proof that age is 65 or older to be presented on each purchase of fares and at the request of the bus operator at any time;

(d) Special tickets, stored value smart card, or such other technology, is to be provided by the London Transit Commission at its own expense.

2. The agreement attached as Schedule A between The Corporation of the City of London and the London Transit Commission, with respect to reduced fare for bus transportation for individuals 65 years of age and over, commencing April 1, 2019 and the provision of a grant by the City to the London Transit Commission for such purpose, is hereby approved and authorized.

3. 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.

4. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on March 26, 2019.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – March 26, 2019
Second Reading – March 26, 2019
Third Reading – March 26, 2019

SCHEDULE A

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AGREEMENT (Establishment of a Reduced Fare for Seniors 65 years of age and over)

THIS AGREEMENT made with effect as of April 1, 2019

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 transportation at reduced fares in the form of a reduced cost bus ticket to seniors 65 years of age and over 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. **Commencement of Agreement**

This Agreement shall commence on April 1, 2019.

2. **Seniors Bus Fare - Fee**

Commencing April 1, 2019, the Commission will re-establish the seniors bus fare (75% of the basic adult ticket fare) for individuals 65 years of age and over.

3. **Eligibility**

The senior bus fare shall only be available for purchase and use by individuals of a class based on the following:

- 65 years of age and over; and,
- City of London resident.

The Commission shall use best efforts to ensure that only those individuals who are eligible are allowed to purchase and use a senior bus fare for transportation on buses operated by the Commission in the City of London.

4. **Seniors Bus Fare - Statistics**

The Commission will provide the City with ridership and sales statistics for the seniors bus fare on a monthly basis as part of the monthly invoicing.

5. **Invoice**

The Commission will provide a monthly invoice to the City based on the actual sale of seniors bus fare in the preceding month.

6. **Grant to Commission**

The City will pay monthly by way of grant to the Commission the amount in the preceding month as determined in paragraph 5. Such grant represents the cost to the Commission of providing the senior bus fares.

7. 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: _____

Ed Holder, Mayor

Per: _____

Catharine Saunders, City Clerk