

Date: 2021-05-03

Subject: **Update on Transit Services**

Secondary Title: Report Seeks Council approval required to initiate Brampton Transit services planned for November 1, 2021 (at the earliest)

Contact: **Alex Milojevic, General Manager, Transit**
alex.milojevic@brampton.ca 905-874-2750 ext. 62332

Report Number: Brampton Transit-2021-546

Recommendations:

1. That the report from Alex Milojevic, General Manager, Transit, dated May 3, 2021, to the Committee of Council Meeting of May 12, 2021 re: **Update on Transit Services (Report Number Brampton Transit-2021-546, IB.C)**, be received; and,
2. That Council enact the by-law attached as Appendix A hereto to amend Schedule G (Transit Division User Fees & Charges) of the User Fee By-law 380-2003 to:
 - a. Implement free transit fares for Brampton seniors to coincide with the transit service changes outlined in this report to be introduced effective November 1, 2021; and,
 - b. Further defer the effective date of the previously approved increases to Brampton Transit adult and cash fares to a date in 2022 to be proposed in a future report to Council or as part of the 2022 budget process.
3. That Council approve the introduction of the Council-approved 2020 service increase effective November 1, 2021 (at the earliest), as previously deferred to the fall of 2021 as a result of COVID-19, including the expansion of Züm service to Toronto Pearson Airport and other growth areas throughout the city; and,
4. That Council acknowledges the approval of the November 1, 2021, effective date to implement recommendations 2(a) and 2(b) of this report is subject to factors outlined in this report that support a return to pre-COVID service levels; and,

5. That the General Manager, Transit, be delegated authority to implement recommendations 2(a) and 2(b) of this report at date later than November 1, 2021, as may be required for which the COVID-19 factors outlined in this report are achievable.
6. That Council approve the carry-over of the one-time \$900K transfer to the 2022 budget from the General Rate Stabilization (GRS) Fund, which was initially approved as part of the 2020 budget and then deferred to the 2021 budget as required to help offset the costs to expand Züm service to Toronto Pearson Airport.

Overview:

- **As part of the 2020 budget, Council approved a transit service increase of 27.6K service hours (annualized), to address critical ridership pressures and to expand Züm service to Toronto Pearson Airport.**
 - **As a result of COVID-19 and the reduced ridership demand, the 2020 transit service increases and associated one-time funds to help offset the new services were deferred to fall 2021.**
- **Additionally, as part of the 2020 budget, Council approved:**
 - **Fare changes in the form of increased cash and adult fares,**
 - **Free fares for Brampton Seniors (with valid Brampton Transit Seniors ID Card),**
 - **As a result of COVID-19 (reduced ridership demand and Brampton Transit facility closures) the 2020 fare changes and free fares for Brampton Seniors was deferred to a later date to be determined by Council.**
- **Subject to Council approval of the recommendations contained within this report, and supporting guidance from public health stakeholders related to COVID-19 community impacts, staff are recommending:**
 1. **A further deferral of the approved 2020 fare increases for cash and adult fares to a date in 2022 to be proposed in a future report to Council or as part of the 2022 budget process; and,**
 2. **That City Council approve the carry-over of the one-time \$900K transfer to the 2022 budget from the General Rate Stabilization (GRS) Fund to help offset the costs to expand Züm service to Toronto Pearson Airport.**
 3. **Effective November 1, 2021, (or at a later date to be determined by the General Manager, Transit) proceed to introduce, subject to COVID-19 operational impacts on Transit and community impacts:**
 - i. **An increase in service hours to address ridership pressures and to expand Züm service to Toronto Pearson Airport; and,**
 - ii. **Free fares for Brampton seniors**
- **Staff will report back to Council as may be required with further updates on transit services, funding, or the impacts of COVID-19.**

Background:

City Council has provided the various approvals required for deferral of transit services from fall of 2020 to fall of 2021, as a result of the impacts of COVID-19. This included a deferral of the Council-approved 2020 fare changes, service level increases, and introduction of free fares for Brampton seniors.

Subject to a number of conditions and factors being met, as described in this report, staff are recommending to implement the free fares for Brampton seniors to coincide with the increase in service hours to occur at the earliest date of November 1, 2021.

Dependant on how COVID-19 trends over the next few months it may be necessary to delay the free fares for Brampton seniors and/or the increased service hours being recommended in this report. Upon City Council's approval of the recommendations included in this report, this decision will be deferred to the General Manager, Transit, with supporting guidance from public health stakeholders related to COVID-19 community impacts.

In understanding the full impact of the COVID-19 pandemic on riders and residents, staff also recommend a further deferral of the increase to cash and adult fares previously approved by Council to a date in 2022 to be established by Council as part of the budget process.

Approved 2020 Fare & Service Adjustments:

At a Special Council Budget Meeting, held on February 26, 2020, City Council approved Brampton's 2020 budget, which included:

- An increase of 17,200 transit service hours (annual), to address critical ridership demands, at a net cost of \$1,482K.
- An increase of 10,400 transit service hours (annual), to extend Züm service to Toronto Pearson Airport, at a net cost of \$900K offset by the approval of a one-time transfer from the GRS fund of \$900K.
- A fare change (inflationary increases to cash and adult fares), effective April 13, 2020, contributing \$1.05M in revenue on an annual basis.
- Free fares for Brampton seniors at an annual loss in revenues of \$750K.

Current Situation:

COVID-19

Brampton Transit continues to operate with restrictions due to COVID-19:

- Key messaging that Brampton Transit is restricted for essential travel only.
- On buses and at Terminals, passengers are required to wear a non-medical mask or face covering (with the exception of children 2 years of age and under, the elderly or others that have medical conditions that would prevent the wearing).
- Front door boarding, rear door exiting.

- Operators required to fully close the upper glass portion of the operator safety shield.
- Bus load capacity equivalent to full seated capacity, with passengers able to choose to sit or stand as they wish.
- In April 2021, bus operators are required to wear medical masks on buses and terminals and wear eye protection when assisting customers or when unable to maintain a 2-metre physical distance.

Customer Service counters at terminals (excluding Trinity Commons) were re-opened to the public on June 22, 2020.

A number of factors will drive Brampton Transit's ability to return service to pre-COVID revenue and ridership levels. Some of these include, but are not limited to:

- Capacity limits are restored to normal operations, being fully seated/standing loads permitted.
- Absenteeism and the ability to realign resources away from sanitizing buses at the levels being done today, and returning staff back to their regular duties.
- Further guidelines as may be established by the Government of Canada, Province of Ontario, and Peel Public Health for the transit industry.
- Guidance provided by public health stakeholders specific to the COVID-19 landscape in the City of Brampton.

Update on Transit Fares

Free Fares for Brampton Seniors 65+

Recommendation 1: Implement deferred 2020 free fares for Brampton seniors effective November 1, 2021 (at the earliest).

Background: Through the 2020 budget process, Council approved the introduction of free fares for Brampton seniors with roll out anticipated in the fall of 2020. Due to the impacts of the COVID-19 pandemic, Council approved the deferral of the introduction to the fall of 2020. This date was further deferred, due to COVID-19, for implementation to a date in 2021 to be proposed in a future report to Council. These deferrals were done to avoid requiring seniors to come, in person, to Brampton Transit facilities to acquire a Brampton Transit Senior ID card when the facilities remain closed to the public due to COVID-19.

Subject to City Council's approval of the staff recommendation included within this report, it is proposed to proceed with the implementation of free fares for Brampton Senior Residents effective November 1, 2021 (at the earliest).

A new PRESTO free fare pass (Brampton Senior Resident fare only) will be introduced, and both the existing \$1 Brampton senior cash fare and the \$15 Brampton senior PRESTO monthly pass will be eliminated. The existing \$1.60 PRESTO e-purse (available to all seniors aged 65+) will remain available.

Roll Out:

To be able to ride Brampton Transit free of charge, Brampton senior residents will be required to load a free fare pass onto their PRESTO card, and obtain a Brampton Transit Senior ID Card to be used at the time of fare payment on the bus.

Brampton senior residents will be able to use their current PRESTO card, or may purchase a new PRESTO card for \$6 at various locations.

It is anticipated that by November 1, 2021, we will be able to support this roll out in person. If this date is not practical based on the COVID-19 landscape, then we will look at deferring this launch to a later date, to be determined by the General Manager, Transit. Our top priority remains the health and safety of our riders and employees.

The recommended rollout of the free fares for Brampton senior residents balances the ease of use for Brampton senior residents, and risk mitigation for the City and includes:

- Brampton senior residents will need two cards: a Brampton Senior ID Card and PRESTO card to load the free fare pass onto.
- PRESTO free fare passes will be valid for one-year and Brampton seniors will be required to renew the pass in person.
- PRESTO is being used to allow us to capture accurate ridership data for reporting purposes.
- Additional locations to the Clark and Sandalwood Transit facilities will be explored for senior to obtain a Brampton Transit Senior ID card.

Note: Presently, in response to COVID-19, the Brampton Transit Senior ID card is only available online at www.bramptontransit.com

Service:

Recommendation 2: Implement deferred 2020 service hours effective November 1, 2021 (at the earliest).

Background: As previously approved by City Council on September 30, 2020, through CW206-2020, the fall 2020 transit service increases were deferred to the fall of 2021 due to the ongoing COVID-19 impacts on ridership demand and revenue.

This included a combined 27,600 service hours required to address critical ridership demands in key areas across the city and extend Züm service to Toronto Pearson Airport.

Preplanning is necessary in order to make preparations to launch these new service hours in the fall of 2021 per above. Staff recognize the need to closely monitor to the current situation related to COVID-19 and the trends over the coming weeks and months.

Ultimately, the ability to proceed with the additional service hours effective November 1, 2021 (at the earliest) will be based on several impacts, including:

- Status of COVID-19, including how rapidly the community and province are able to recover from the 3rd wave, and assuming there are not any future waves.
- Adequate staff resources - based on levels of absenteeism, and the ability of staff to return to their regular duties who were redeployed to the increased sanitization of vehicles and/or facilities.
- Ability to restore all cancelled routes and services.
- Lifting of current bus load capacity restrictions allowing for the redistribution of resources
- Advice, guidance, and regulations provided by senior staff, City Council, senior levels of government, and public health officials.

While it is currently anticipated that by November 1, 2021, we will be able to support the delivery of these services. If this date is not practical based on the COVID-19 landscape, then we will look at deferring this launch to a later date, to be determined by the General Manager, Transit. Our top priority remains the health and safety of our riders and employees.

Fares Changes:

Recommendation 3: Further defer 2020 fare changes for cash and adult category, to a date in 2022, to be proposed in a future report to Council or as part of the 2022 budget process.

Background: Through the 2020 budget process, City Council approved the introduction of fare changes (inflationary increases to cash and adult fares) effective April 13, 2020. City Council subsequently deferred the fare changes (through By-laws 041-2020, 052-2020, and 096-2020) to August 31, 2020 and then later to a "Date to be set by Council".

Based on the impact of the COVID-19 pandemic on riders and residents staff are recommending the fare changes previously approved by Council as part of the 2020 budget process, to be considered by City Council for a date in 2022 to be determined as part of the 2022 budget process.

Revenue/Ridership Update:

Although transit buses continue to run providing critical front-line services to the community, Transit ridership continues to remain low. During Q1/2021 ridership levels have remained just under 50% of the same period in 2019. As a result of lower ridership demand, Transit continues to see substantial fare revenue losses. Initial high level estimates suggest that Transit could realize a fare revenue budget shortfall of approximately \$42M in 2021, dependent of levels of ridership recovery.

With savings from reduced service, an initial high level estimate suggests that Transit could see an overall net budget shortfall in the range of \$26M in 2021. Staff anticipate

this estimated shortfall will be covered by the funding being provided through the Safe Restart Program (Phase II and III).

About 80% of pre-COVID-19 service is currently being operated. With the seated-load equivalent for the number of customers permitted on buses, the effective carrying capacity of the transit system is in the range of 50% to 55% at the present time. This means the service being operated is roughly commensurate with the current level of ridership overall.

Transit staff will continue to refine these forecasts and work closely with Finance staff to report back to Council as part of the City's Q2 Operating Forecast Report in the coming months.

Corporate Implications:

Financial Implications:

As part of the 2020 Transit operating budget, Council approved a revenue reduction in the amount of \$750K (annual) for the implementation of free fares for Brampton seniors and a revenue increase of \$1.05M (annual) for an inflationary increase to adult and cash fares. Deferral of the inflationary increases to adult and cash fares to 2022, as well as implementing free fares for Brampton seniors as of November 1, 2021 (at the earliest), will result in the majority of the \$750K revenue loss impact, and the entire \$1.05M revenue gain impact being unrealized.

As part of the 2020 Transit operating budget, Council also approved service increases of 27,600 annual hours at a net cost of \$2,382K, of which, a one-time transfer of \$900K from the GRS fund was approved to help offset these costs. Implementation of this service increase on November 1, 2021, will result in only a portion of the \$2,382K net costs being incurred in 2021 and deferring to 2022 the one-time \$900K GRS transfer to align with a full years cost impact of the new service.

These budget impacts will be included in the calculation of Transit COVID impacts for the 2021 budget year and Transit staff anticipate sufficient coverage through Safe Restart Program phases II and III.

Term of Council Priorities:

In support of *Living the Mosaic: Brampton 2040 Vision*, this report achieves the following Term of Council Priorities for 2019-2022:

- Brampton is a healthy and safe City. Continue to ensure the safety and well-being of our citizens.
- Brampton is well run City. Maintaining effective stewardship of municipal assets and services.

Conclusion:

Staff will continue to follow the recommendations and guidance provided by senior levels of government and public health officials. Further update reports will be submitted to City Council periodically for the duration of the pandemic as required, including a status update later this year should the ongoing impacts of COVID-19 prevent impact our ability to not launch the free fares for Brampton seniors and/or increased service hours as recommended in this report.

Authored by:

Scott Gillner
Senior Policy Advisor, Transit

Reviewed by:

Ivana Tomas
Director, Transit Services, Transit

Approved by:

Alex Milojevic
General Manager, Transit

Submitted by:

David Barrick
Chief Administrative Officer

Attachments:

Appendix A - DRAFT User Fee By-law 380-2003 regarding Brampton Transit Fees to provide free fares for Brampton senior residents.

Appendix B - Brampton Transit Ridership: 2018, 2019, 2020, 2021 (Q1)