

Date: 2023-04-14

Subject: **Brampton Transit 2023-2027 Business Plan**

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Report Number: Brampton Transit-2021-744

Recommendations:

1. That, the report titled: **Brampton Transit 2023-2027 Business Plan –** , to the Committee of Council Meeting of May 10, 2023, be received and
2. That, the summary document of the Brampton Transit Business Plan 2023-2027 and the Service Guidelines document attached to this report be endorsed to help guide the improvement and expansion of the Züm/Brampton Transit network and services, through the next five years (2023 to 2027), noting that future changes in services are still subject to change and subsequent approval through the annual budget approval process.

Overview:

- **With the Brampton Transit Business Plan for 2018-2022 nearing completion, Brampton Transit issued RFP 2021-231 to hire a consultant to develop a new five-year Business Plan (2023-2027).**
- **The Business Plan’s primary purpose is to ensure individual projects and plans are all effectively contributing to the organization’s vision /strategic direction and that key activities are prioritized and staged to fit within the City’s financial plan. It provides a roadmap for the next five years for Brampton Transit’s operations and it helps to ensure that Brampton Transit runs an effective, efficient and quality service at a peak performance level. A Business Plan also helps to hold staff accountable to deliver the various initiatives outlined in the Plan.**
- **The Business Plan is comprised of several components including a Vision & Strategic Directions report, Customer Experience Strategy, Service Strategy (with accompanying Service Guidelines), Management**

Plan and a high level Financial Plan for the next five years. The document also outlines Asset & Infrastructure requirements, as well as a strategy to improve Accessibility.

- **The Brampton Transit Business Plan 2023-2027 has been completed and all of the individual strategies have been combined into one comprehensive plan. A copy of the Summary Document and Service Guidelines are attached to this report. Prior to its completion, Brampton Council and residents provided input into the strategy through a Council Workshop held on February 27, 2023 and various Public Information Centers held in late March and early April of 2023. Overall feedback from this engagement was positive.**
- **Components of the Plan will be updated annually based on performance monitoring and are subject to the annual budget approval process. The endorsement of this plan will help guide the improvement and expansion of the Züm/ Brampton Transit network and services, through the next five years (2023 to 2027).**

Background:

In the fall of 2021, Brampton Transit issued RFP 2021-231 to hire a consultant to develop a new five-year Business Plan (2022-2027). Transit required the expertise of an external consultant who had the knowledge and experience in developing a comprehensive Business Plan for public transit service providers.

The Business Plan will guide the improvement and expansion of the Züm/Brampton Transit network and services, through the next five years. The Business Plan identifies the needs and requirements to support these changes, while adhering to the long-term visions set forth by a number of related policy documents, and ensuring the integration with adjacent and connecting inter-regional transit services.

The Business Plan is comprised of several components including a Vision & Strategic Directions report, Customer Experience Strategy, Service Strategy (with accompanying Service Guidelines), Management Plan and a high level Financial Plan for the next five years. The document also outlines Asset & Infrastructure requirements, as well as a strategy to improve Accessibility.

Current Situation:

The Brampton Transit Business Plan 2023-2027 is completed and all of the individual strategies noted above have been combined into one comprehensive plan. A copy of the Summary Document is attached to this report.

Over the past decade, the City has made a significant investment in public transit, which has helped to improve the quality of life of residents and contribute to a healthier environment and a strong local economy. The Business Plan from 2023 to 2027 builds on the previous Business Plan (2018-2022) and sets out the direction that Brampton Transit will need to take, to support and align its future services.

The Business Plan's primary purpose is to ensure individual projects and plans are all effectively contributing to the organization's vision /strategic direction and that key activities are prioritized and staged to fit within the City's financial plan. The Business Plan is an important communication tool for transit staff and management that will clearly set out steps required to move towards the long-term direction of the organization.

This Plan assembles and reviews all steps required over the next five years and includes a financial plan to ensure the steps taken are achievable, effective and optimize available resources.

Vision and Strategic Direction

A Vision and Strategic Directions were developed for this 5 year plan. Based on its continued relevance, the existing Brampton Transit vision of "Connecting you to everyday" remains. This vision reflects the customer-focused responsiveness of Brampton Transit and its everyday importance for Brampton residents and transit staff. The following strategic directions for the next five years are aligned with this vision and provide more specific guidance for Brampton Transit.

- Meeting the Needs of the Evolving Community
- Smart and Sustainable Innovation
- Maximizing the Customer Experience
- Collaborations and Partnerships

Goals and objectives for the supporting plans/strategies in the five-year plan have also been developed and each of them are tied to a specific strategic direction.

Customer Experience Strategy

The 2018-2022 Business Plan focused on improving the customer experience through key priorities and actions. The 2023-2027 Business Plan seeks to build on these priorities and actions where applicable, but understands that customer priorities have changed over the last five years due to growth within the City of Brampton, changing travel patterns, and the COVID-19 pandemic.

To categorize the recommendations contained in the Customer Experience Strategy, a framework was developed that aligns with the Strategic Direction 'Maximizing the Customer Experience' component, which contains four key themes as follows:

- Responsiveness – Brampton Transit should continue to use customer/community feedback and data to maximize the customer experience
- Access to Information – Customer should have seamless access to information about transit and internal stakeholders should have easy access to pertinent information.
- Comfort & Reliability – Customers should continue to be able to rely on Brampton Transit and perceive it to be a reliable and comfortable service.
- Safety & Security – Brampton Transit should feel safe and secure at all times, for both customers and employees, and strive to pursue universal accessibility.

Accessibility Plan

Brampton Transit's commitment to provide a fully accessible conventional transit service is driven by its efforts to improve accessibility on multiple elements of the customer experience. Brampton Transit's goal is to provide a service that is accessible and barrier-free.

Brampton Transit has been successful and diligent at achieving and maintaining full AODA compliance. Brampton Transit has made strides in improving the accessibility of its services over the years. Key achievements include making the fleet 100% accessible, achieving AODA accessibility at 85% of transit stops, obtaining Rick Hansen Foundation Accessibility Certification for 2 existing transit facilities and implementing customer communication channels to communicate accessibility features.

Brampton Transit can further improve accessibility and provide a barrier-free transit experience by having a better understanding of the needs of its customers with disabilities, and to use that understanding to address system barriers. To achieve this, the following recommendations were made:

- Understand customer needs: Design and conduct public consultations and perform assessments to better understand the barriers faced by people with disabilities using transit.
- Continue to prioritize transit stops for improvement: Continue to update the transit stop database, with information on all accessibility features as well as ridership demand at the stops. This will accurately inform staff on which stop improvements to prioritize.
- Continue to improve customer communication: Launch a campaign and leverage social media to broadly communicate system accessibility features.

- Update transit stop infrastructure guidelines: Review and update the accessibility section of the Transit Infrastructure Design guidelines to ensure continued compliance and consistency with universal accessibility design principles and AODA / City of Brampton requirements and include additional accessibility features that address identified customer challenges.

Service Strategy

The 5-Year Service Plan is a key deliverable in the Business Plan as it directly feeds into many of the other components of the plan (e.g. asset management plan, financial plan). The central input into the development of the service plans are the increasing and changing demand for our services. Brampton's growth in the decade leading up to the pandemic was extraordinary, with the system growing by 160% between 2009 and 2019.

The pandemic had a significant impact on every transit system in the entire world, including Brampton Transit. In April of 2020, ridership on Brampton Transit services fell to approximately 25% of pre-pandemic levels. Since then however, the ridership recover on Brampton Transit has been strong. Brampton Transit ridership fully recovered to pre-pandemic levels in the spring of 2022 and ended the year 16% higher compared to 2019 levels. While weekday ridership has seen the highest net gain in demand, the highest percentage increase are on weekends, which is demonstrated in **Figure 1** below.

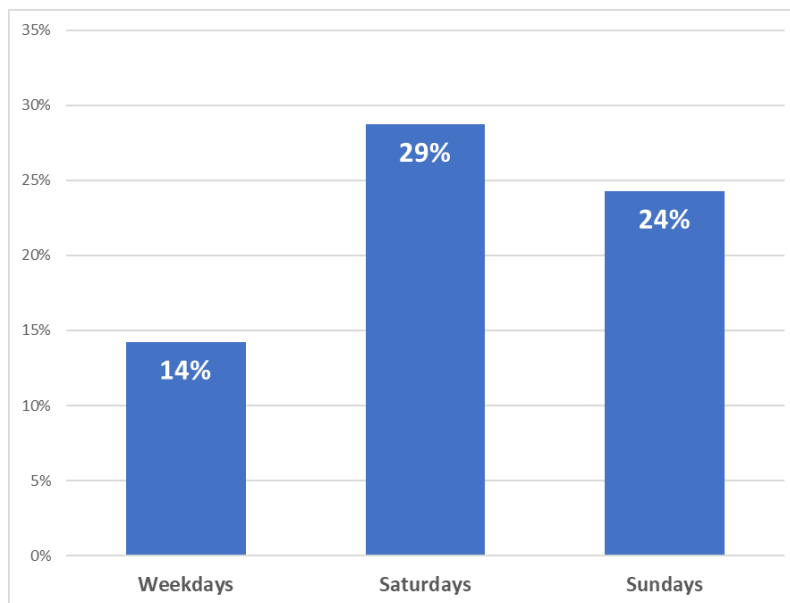


Figure 1 - Percentage Increase in Ridership by Day Type - November 2019 to 2022

Brampton Transit led the GTHA in ridership recovery and based on recent increases in demand, it is becoming evident that ridership growth is picking up where it had left off

before the pandemic. This validates the continuing need to grow transit service to meet the increasing demand from Brampton residents.

The change in demand also demonstrates that travel patterns are changing as society begins to reset itself in a post pandemic environment. The following service objectives were developed to direct service changes and improvements over the next five years:

- Continue Transportation Master Plan (TMP) guidance and collaboration for network restructure
- Match service to demand to grow ridership most effectively
- Understand and adapt to changing travel patterns
- Ensure equitable service provision
- Conduct more detailed travel market analysis
- Provide better connections between origins and destinations
- Establish transit early for new development
- Focus investment in off-peak periods and work towards 24/7 service.

A number of updates were also made to the Service Guidelines to support these objectives. Two of the more significant updates were to add Night Routes and On-Demand services to the guideline document. A copy of the Service Guidelines have been attached to this report.

Based on the current and projected growth in demand, the project team developed a comprehensive Service Plan for the next five years that are also derived from, and align with, both the Service Objectives and the Service Guidelines. The proposed changes over the next five years include:

- Increasing service on main corridors to meet demand and connect to two future LRT Lines – Hazell McCallion and Finch West LRT's
- Increasing service in off peak periods (particularly on weekends)
- Expanding and modifying the network in growth areas of the city
- Launching Chinguacousy and Bramalea Züm Services
- Launching and expanding overnight services
- Expanding On-demand Services

The recommended Service Plan will grow the number of service hours over the next five years by about 33% compared to 2019, while ridership is projected to grow slightly more by about 35%. The additional hours, change in ridership and change in Boarding/Vehicle Service Hour for the five years of the Business plan are outlined in **Figure 2** below.

Year	Projected Annual Ridership	Percent Increase from 2022	Proposed Annualized Service Hours	Percent Increase from 2019	Annual Service Hour Increase	Boardings/Revenue Vehicle Hour
2023	35,600,000	12%	1,427,400	9%	84,800	25
2024	37,478,000	17%	1,500,200	14%	72,800	25
2025	39,220,000	23%	1,575,800	20%	75,600	25
2026	41,151,000	29%	1,654,100	26%	78,800	25
2027	43,178,000	35%	1,745,200	33%	91,100	25

Figure 2 – Change in Ridership, Service Hours and Boardings/Revenue Vehicle Hour from 2023-2027

Management Plan

A Management Plan has been also been generated that supports the vision and strategic directions. The focus of the management plan is to ensure Brampton Transit has the right resources to support the evolution of our services and support the expansion of transit. Three key areas of focus have been identified through this plan, which are as follows:

- Resources and Organizational Readiness – tasks to support this area of focus will include reviewing and updating specific roles within the organization, creating specialized roles and increasing cross-departmental collaboration to prepare for initiatives like electrification.
- Technology – tasks to support this area of focus will include leveraging new technology (e.g. new CAD/AVL) system to improve processes and leveraging new tools and software to prepare for changing needs (e.g. on-demand services)
- Information and Data – tasks to support this area of focus will include using the data generated from various systems more effectively to make better and timelier decisions.

The development of the management plan highlighted the need to incorporate a modest increase in some specific support staff to help advance key goals and objectives (e.g. electrification). **Figure 3** below shows the percentage of total budget spend on administration compared to Brampton Transit’s peer group in 2019.

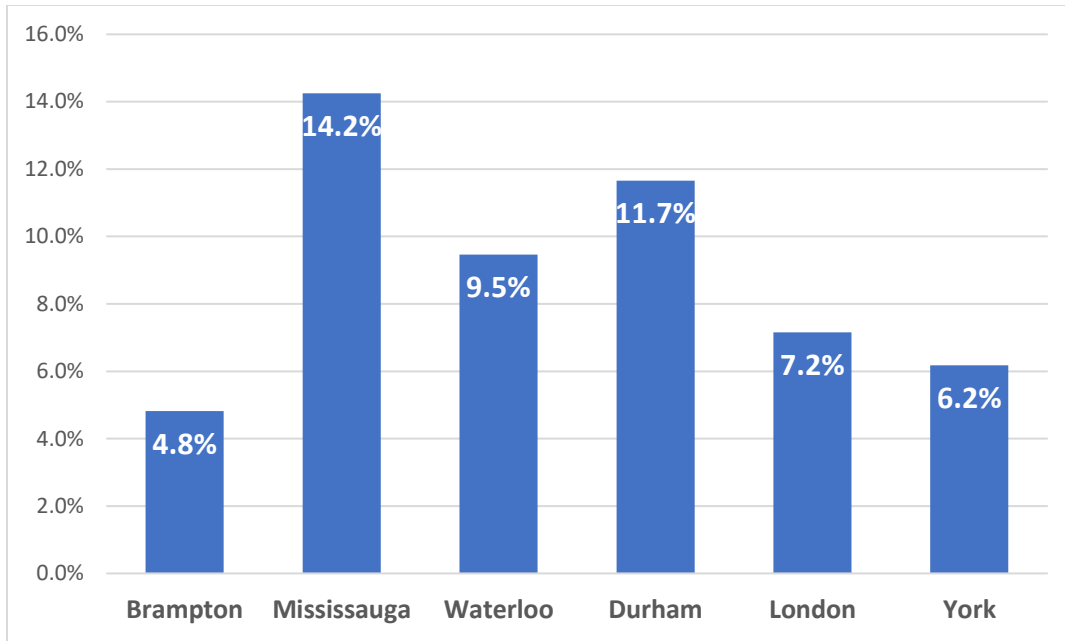


Figure 3 - Percentage of Total Budget Spent on General Administration Expenses
 (source – 2019 CUTA Canadian Transit Fact Book)

Based on this data, Brampton is the lowest, which further highlights the need to adjust resources in this area. To address this, over the next few years, Transit staff will be analyzing where the specific needs are for additional support and putting forward staff requests through the annual budget approval process.

Asset Management Plan

Brampton Transit maintains an extensive portfolio of assets to provide and maintain efficient transit services across the city. Brampton Transit's assets include transit buses (including diesel, hybrid and electric vehicles), transit support vehicles, two operations facilities, several transit terminals, over three thousand bus stops and on-street assets, and several critical technologies. The following points summarize the changes and enhancements to these assets over the next five years.

- **Vehicles** – Brampton Transit has a total fleet of 475 buses comprised of diesel, hybrid and electric vehicles. Over the next five years, Brampton Transit is anticipating growth and replacement of a portion of the fleet. This includes an additional 125 vehicles for new and expanded services as well as 106 vehicles to replace vehicles at the end of their lifecycle.
- **Vehicle Innovation** – Brampton Transit's first Battery Electric Buses (BEBs) went into service in May 2021, as part of Brampton Transit's zero-tailpipe emissions BEB Trial. This trial is a first step into Brampton Transit's broader vision to transition to a zero-tailpipe emission fleet. Today, Brampton Transit operates eight BEBs and anticipates purchasing an additional ten for in-service 2024. In 2022, Brampton secured the largest municipal transit financing arrangement with Canada Infrastructure Bank (to date), that

will be used to finance the higher cost of battery electric buses (up to \$400M for up to 450 BEBs by the end of 2027).

- Facilities – Brampton Transit currently operates from two locations, the Clark Transit Facility located at 185 Clark Boulevard and the Sandalwood Transit Facility located at 130 Sandalwood Parkway West. Brampton Transit is planning for three significant advancements to their operational facilities over the next five years, which includes the construction of a new third maintenance and storage facility, as well as retrofitting the existing Sandalwood Facility and Clark Facility to support the transition to a zero-tailpipe emission fleet.
- On Street Infrastructure – Over the next five-year plan, Brampton Transit plans to install an additional 125 shelters at bus stops throughout the city, to support the ultimate goal of ensuring that 90% of boardings happen at stops with a shelter. There are also plans to invest over \$4 million dollars in the addition, replacement or refurbishment of conventional and Züm shelters and to construct more accessible landing pads.

Financial Plan

The Financial Plan details the fare strategy, projected operating budget and capital plan for the 2023-2027 Business Plan. The revenues and costs presented in the Financial Plan detail the funding, resources and assets required to support Brampton Transit to meet its changing and growing demands while maintaining fiscal responsibility to the taxpayers of Brampton.

Fares are a very important revenue source that supports the operation of Brampton Transit. **Figure 4** below shows the various funding streams that supported Brampton Transit's operations in 2019 (pre-pandemic).

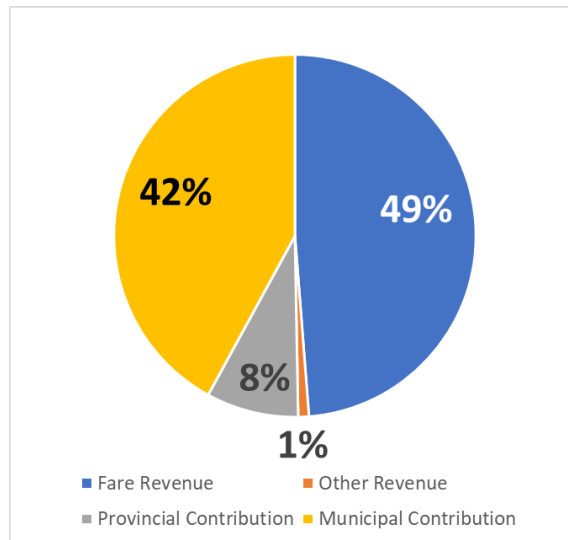


Figure 4 – 2019 Brampton Transit Funding Sources

Fare revenue accounted for 49% (about \$80M) of the cost to operate Brampton Transit, with another 1% of revenue coming from other sources (mainly advertising). The remaining funding sources came from the Province through gas tax funding (8%) and from the City of Brampton (42%).

The two sources of revenue generate a revenue-cost or R/C ratio, which is a measure that is often used in the transit industry and is an important indicator of how policies, fares, service and finances impact the affordability of a transit system. In 2019, Brampton's R/C ratio was 50% and compared favourable to Brampton Transit's peers as is shown in **Figure 5** below.

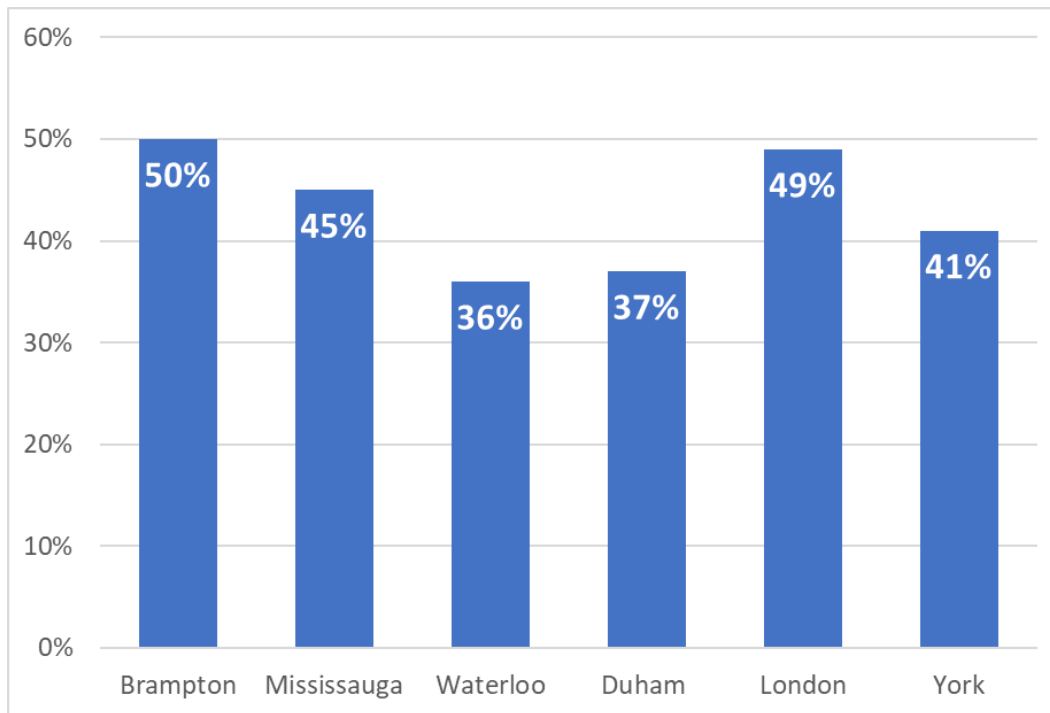


Figure 5 – 2019 Revenue/Cost Ratios

A fare strategy was also developed as part of the 2023-2027 Business Plan that explored different ways to support the Brampton 2040 Vision of free transit (or free fares). This is a key goal of the 2040 vision and would further promote equity and better establish transit as a preferred transportation option within the community.

Achieving free fares as outlined in the 2040 Vision will require the City of Brampton to find alternative funding sources that are equivalent to the portion of revenue generated by fares today. This revenue shortfall is significant and will require support from other levels of government and potentially new funding tools to help compensate for this shortfall. As such, until a sustainable source of additional funding is identified, it is recommended that Brampton Transit continue with its current fare structure, wherein fares are adjusted to align with inflation. Ensuring that fare increases do not exceed inflation will help keep fares affordable to customers while maintaining a stable revenue

source that will help fund transit expansion in the city. While this approach will sustain ridership growth, it will not help advance the organization toward the fare-free goal established by the city.

Revenues and costs have been projected for each of the next five years and are noted in Figure 6 below.

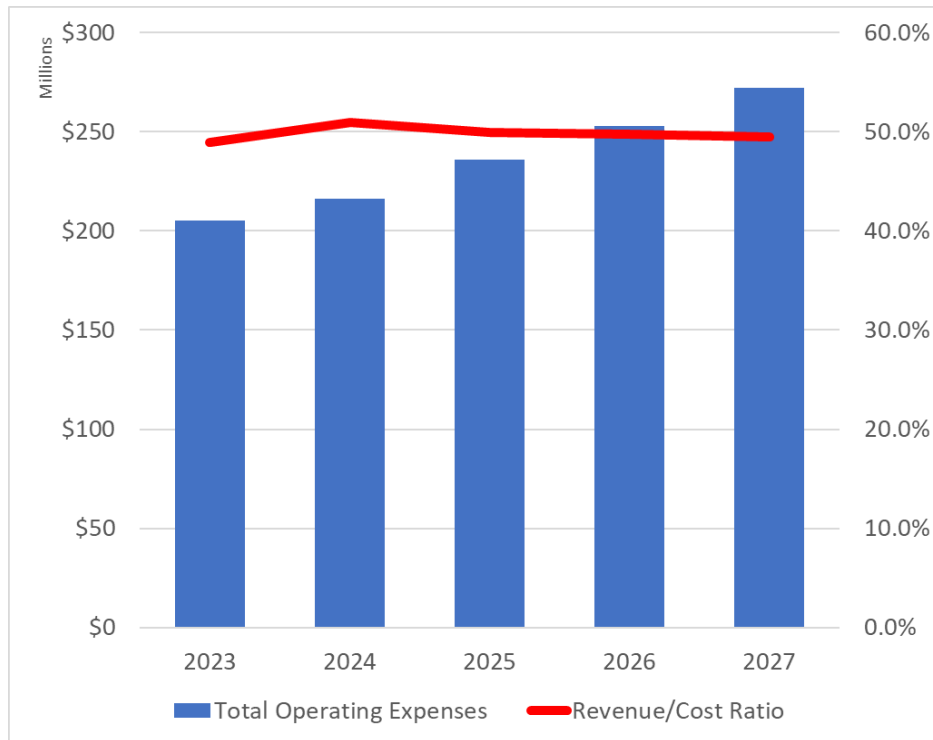


Figure 6 - Projected Total Operating Expenses and Revenue/Cost Ratios

Operating expenses are projected to increase to support the increase in service levels to help meet higher demand for Brampton Transit. While the operational costs increase, the revenue-cost ratio is maintained through the course of the five years helping to ensure that the plan is also fiscally responsible.

Corporate Implications:

Financial Implications:

n/a

Term of Council Priorities:

The Brampton Transit 2023-2027 Business Plan is in alignment with the 2023-2026 Term of Council Priority – Brampton is a Green City – Equalize all forms of

transportation. The 2023-2027 Brampton Transit Business Plan will help ensure that Brampton residents have a safe, convenient, efficient and well run public transit system that connects Brampton to the rest of the GTHA.

Conclusion:

The endorsement of this plan will help guide the improvement and expansion of the Züm/ Brampton Transit network and services, through the next five years (2023 to 2027). Components of the plan will be updated annually based on performance monitoring and are subject to the annual budget approval process.

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