

Supplementary Material - Item 10
Transit Fare Equity: Fair Pass Program



Ulli S. Watkiss
City Clerk

City Clerk's Office

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**In reply please quote:
Ref.: 16-EX20.10**

December 19, 2016

Mr. Andy Byford
Chief Executive Officer
Toronto Transit Commission
1900 Yonge Street
Toronto, Ontario
M4S 1Z2

Dear Mr. Byford:

**Subject: Executive Committee Item 20.10
TO Prosperity - Toronto Poverty Reduction Strategy - 2016 Progress Report
and 2017 Work Plan (Ward All)**

City Council on December 13, 14 and 15, 2016, considered this Item, and a copy is attached for your information or appropriate action.

Yours truly,

A handwritten signature in black ink, appearing to read "M. Toft", written over the typed name "for City Clerk".

for City Clerk

M. Toft/sb

Attachment

c. City Manager

Executive Committee

EX20.10		Amended		Ward:All
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TO Prosperity - Toronto Poverty Reduction Strategy - 2016 Progress Report and 2017 Work Plan

City Council Decision

City Council on December 13, 14 and 15, 2016, adopted the following:

1. City Council adopt the TO Prosperity 2017 Annual Work Plan for implementation as outlined in Attachment B to the report (November 17, 2016) from the Executive Director, Social Development, Finance and Administration and forward the initiatives with financial impacts to the City Manager for consideration as part of the 2017 Budget Process.
2. City Council establish a Fair Pass Program, subject to approval of funding as part of the 2018 Budget, approval by the Toronto Transit Commission Board of the addition of a low-income concession, and the full roll out of PRESTO, that includes a discount on the PRESTO adult single fare and PRESTO adult monthly pass, and direct:
 - a. that the discount level for the Fair Pass Program be 33 percent for the adult single fare and 21 percent for the adult monthly pass;
 - b. that the eligibility for the Fair Pass Program discounts be to all Toronto residents living with an income below the Low Income Measure + 15 percent, except for Ontario Disability Support Program and Ontario Works clients in receipt of transportation supports; and
 - c. a multiphase implementation of the Fair Pass Program as follows:
 - Phase 1 – starting in March 2018 – includes only Ontario Disability Support Program and Ontario Works clients not in receipt of transportation supports;
 - Phase 2 – starting in March 2019 – extends eligibility to residents receiving housing supports or child care fee subsidy whose household income fall under the Low-Income Measure +15 percent eligibility threshold; and
 - Phase 3 – starting in March 2020 – extends eligibility to all other Toronto residents living with an income below the Low Income Measure +15 percent threshold.
3. City Council direct that funding for Phase 1 of the Fair Pass Program be included for consideration by City Council in the 2018 Operating Budget.

4. City Council direct the Executive Director, Social Development Finance and Administration, in partnership with the General Manager, Toronto Employment and Social Services, the Chief Executive Officer, Toronto Transit Commission, the Medical Officer of Health, and the Executive Director, Financial Planning to:
 - a. report to the Executive Committee in Winter 2019 on the evaluation of Phase 1 and present an implementation plan, including a detailed cost analysis and funding strategies, for Phase 2; and
 - b. report to the Executive Committee in Winter 2020 on the evaluation of Phase 2 and present an implementation plan, including a detailed cost analysis and funding strategies, for Phase 3.
5. City Council consider funding for Phase 2 and Phase 3 of the Fair Pass Program as part of the 2019 Operating Budget process and 2020 Operating Budget process respectively.
6. City Council request Metrolinx (Presto section) to advance the back office work related to discounted fares to allow for an earlier implementation of the program and City Council request the Executive Director, Social Development, Finance and Administration to report back to Council if and as earlier implementation occurs to work on budget implications.
7. City Council request the General Manager, Toronto Employment and Social Services to report to the Community Development and Recreation Committee in the first quarter of 2017 on the City's position for submission to the Provincial Social Assistance Reform consultation and Basic Income proposal.
8. City Council direct the Executive Director, Social Development, Finance and Administration to add to workplans starting in 2018, targets and timetables for reducing waitlists for daycare and affordable housing.
9. City Council forward this Item to the Premier of Ontario, relevant Provincial and Federal Cabinet Ministers, and the Chair of the Board of Directors, Metrolinx.

Committee Recommendations

The Executive Committee recommends that:

1. City Council adopt the TO Prosperity 2017 Annual Work Plan for implementation as outlined in Attachment B to the report (November 17, 2016) from the Executive Director, Social Development, Finance and Administration and forward the initiatives with financial impacts to the City Manager for consideration as part of the 2017 budget process.
2. City Council establish a Fair Pass Program, subject to approval of funding as part of the 2018 Budget, approval by the Toronto Transit Commission Board of the addition of a low-income concession, and the full roll out of PRESTO, that includes a discount on the PRESTO adult single fare and PRESTO adult monthly pass, and direct:
 - a. that the discount level for the Fair Pass Program be 33 percent for the adult single fare and 21 percent for the adult monthly pass;

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c. a multiphase implementation of the Fair Pass Program as follows:

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- Phase 3 – starting in March 2020 – extends eligibility to all other Toronto residents living with an income below the Low Income Measure +15 percent threshold.

3. City Council direct that funding for Phase 1 of the Fair Pass Program be included for consideration by City Council in the 2018 Operating Budget.

4. City Council direct the Executive Director, Social Development Finance and Administration, in partnership with the General Manager, Toronto Employment and Social Services, the Chief Executive Officer, Toronto Transit Commission, the Medical Officer of Health, and the Executive Director, Financial Planning to:

- a. report to the Executive Committee in Winter 2019 on the evaluation of phase 1 and present an implementation plan, including a detailed cost analysis and funding strategies, for phase 2; and

- b. report to the Executive Committee in Winter 2020 on the evaluation of phase 2 and present an implementation plan, including a detailed cost analysis and funding strategies, for phase 3.

5. City Council consider funding for Phase 2 and Phase 3 of the Fair Pass Program as part of the 2019 Operating Budget process and 2020 Operating Budget process respectively.

6. City Council forward this report to the Premier of Ontario, relevant Provincial and Federal Cabinet Ministers, and the Chair of the Board of Directors, Metrolinx.

Origin

(November 16, 2016) Report from the Executive Director, Social Development, Finance and Administration

Summary

In 2015, City Council unanimously approved TO Prosperity: Toronto Poverty Reduction Strategy. TO Prosperity is a 20-year plan focused on six key areas: Housing Stability, Service Access, Transit Equity, Food Access, Quality Jobs and Liveable Incomes, and Systemic Change.

Year 1 of TO Prosperity saw the development of key policies, the expansion of essential services and programs, and the formation of promising partnerships. Year 1 also coincided with developments at the federal and provincial levels that may have positive impacts on poverty reduction. While these are reasons for optimism, recent data on food bank use, child care, and housing show that a large portion of Torontonians continue to be deprived of basic necessities. Much more needs to be done.

After a brief description of recent data on poverty in Toronto, and a short discussion of developments at the federal and provincial levels, this report summarizes the 2016 Toronto Poverty Reduction Strategy Progress Report and introduces the 2017 Toronto Poverty Reduction Strategy Work Plan. The 2016 Progress Report is included as Attachment A. The 2017 Toronto Poverty Reduction Strategy Work Plan is included as Attachment B. The Toronto Poverty Reduction Strategy Year 1 "Report to the Community" is included as Attachment C.

Background Information (Committee)

(November 16, 2016) Report from the Executive Director, Social Development, Finance and Administration on TO Prosperity - Toronto Poverty Reduction Strategy - 2016 Progress Report and 2017 Work Plan

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98515.pdf>

Attachment A - TO Prosperity 2016 Progress Report

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98559.pdf>

Attachment B - TO Prosperity 2017 Work Plan

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98561.pdf>

Attachment C - Toronto Poverty Reduction Strategy Year 1 Report to the Community

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98562.pdf>

Communications (Committee)

(November 30, 2016) Letter from Yvette Roberts, Young Parents No Fixed Address, c/o Skylark Children, Youth and Families (EX.Supp.EX20.10.1)

<http://www.toronto.ca/legdocs/mmis/2016/ex/comm/communicationfile-64368.pdf>

(November 30, 2016) E-mail from Rachel Gray (EX.Supp.EX20.10.2)

(November 30, 2016) E-mail from Emily Paradis (EX.Supp.EX20.10.3)

(November 30, 2016) Letter from Elis Ziegler, Manager, Toronto Drop-In Network (EX.Supp.EX20.10.4)

<http://www.toronto.ca/legdocs/mmis/2016/ex/comm/communicationfile-64380.pdf>

(December 1, 2016) E-mail from Helen Armstrong forwarding a letter from Russell Thirgood, Derek George, Jamiel Moore and Richard Raybourne (EX.New.EX20.10.5)

(November 30, 2016) E-mail from Janet Schlee (EX.New.EX20.10.6)

(November 30, 2016) E-mail from Heather McPherson (EX.New.EX20.10.7)

(November 30, 2016) E-mail from Halina Jackowski (EX.New.EX20.10.8)

(November 30, 2016) E-mail from Kathryn Salisbury (EX.New.EX20.10.9)

(November 30, 2016) E-mail from Patricia Reid (EX.New.EX20.10.10)

(December 1, 2016) E-mail from Joshua Harrower (EX.New.EX20.10.11)

(December 1, 2016) Letter from Kimberley Lansdowne, Community Engagement and Program, Metro Toronto Movement for Literacy (EX.New.EX20.10.12)

<http://www.toronto.ca/legdocs/mmis/2016/ex/comm/communicationfile-64447.pdf>

(November 29, 2016) E-mail from Jannie Mills (EX.New.EX20.10.13)

(December 1, 2016) E-mail from Reza Hajivandi (EX.New.EX20.10.14)

(December 1, 2016) Submission from Susan Gapka (EX.New.EX20.10.15)

(December 1, 2016) Submission from Susan Gapka (EX.New.EX20.10.16)

(December 1, 2016) E-mail from F. Ness Babli (EX.New.EX20.10.17)

(December 1, 2016) Submission from Brigitte Martin (EX.New.EX20.10.18)
 (December 1, 2016) E-mail from Anna Zhang (EX.New.EX20.10.19)
 (December 1, 2016) E-mail from Paul R. Codd (EX.New.EX20.10.20)

Communications (City Council)

(November 30, 2016) E-mail from Shahina Sayani (CC.Supp.EX20.10.21)

Speakers

Elis Ziegler, Manager, Toronto Drop In Network
 Leona Lowes, Friends Helping People End Poverty
 Michael Rosenberg
 Jessica Bell
 Daniela Mergarten
 Tim Rourke
 Sean Meagher, Executive Director, Social Planning Toronto
 Michael Polanyi, Children's Aid Society of Toronto
 Yvette Roberts, Young Parents No Fixed Address (Skylark Children, Youth & Families)
 Josephine Beckford
 Edward Humphrey
 Karin Meinzer, Instructor, PTP Adult Learning and Employment Programs
 Tom Gleason, Executive Director, Toronto Youth Cabinet
 Margot Rodriguez
 Brenda Thompson
 Bee Lee Soh
 Susan Gapka, Toronto Trans Coalition
 Dr. Steven Farber, Professor, University of Toronto
 Ezra De Leon, Jane Finch Action Against Poverty
 Councillor Gord Perks
 Councillor Pam McConnell

10a Fair Pass - Transit Fare Equity Program for Low-Income Torontonians

Origin

(November 17, 2016) Report from the City Manager

Summary

The Toronto Poverty Reduction Strategy puts forward two recommendations to increase transit equity: "improve transit services in the inner suburbs" and "make transit more affordable for low-income residents." The City is advancing major plans to expand transit services, but the social, economic, and health benefits of expanded services will not be realized if a large portion of city residents cannot afford Toronto Transit Commission fares.

Between 2009 and 2016, the Toronto Transit Commission monthly metropass increased by 30 percent (from \$109 to \$141.50), while the minimum wage increased by 20 percent (from \$9.50 to \$11.40). A transit-dependent family of four, with two working parents earning the minimum wage spends between 20 percent and 35 percent of their after-tax and after-rent income on Toronto Transit Commission fares. The Toronto Transit Commission monthly pass is the second least affordable in Canada.

Low-income adults aged 20 to 64, as a group, pay the highest Toronto Transit Commission fares. There are no discounts for this age group, and data shows that low-income riders use cash fares and tokens more often than medium- and high-income riders, who are likely to buy monthly metropasses, which are cheaper on a per-ride basis. Unable to pay the upfront cost of the monthly metropass pass, most of working-age, low-income residents pay per ride and end-up spending more on transit than everyone else.

Numerous Canadian municipalities have low-income transit pass programs, including Burlington, Calgary, Guelph, Hamilton, Kingston, Milton, Mississauga, Oakville, Saskatoon, Windsor, Halton Region, Niagara Region, York Region, and the Region of Waterloo. International examples include Paris, London, Seattle, and San Francisco.

Leveraging the new PRESTO technology and existing City administrative processes, the Fair Pass Program recommended in this report puts forward an evidence-based, cost-effective, and user-friendly response to several Council directions to increase transit access for low-income residents.

Background Information (Committee)

(November 17, 2016) Report from the City Manager on Fair Pass: Transit Fare Equity Program for Low-Income Torontonians

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98467.pdf>

Appendix A - Canadian and International Jurisdictional Reviews - Summary Table

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98468.pdf>

Appendix B - Toronto Transit Fare Equity Cost Benefit Analysis

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98469.pdf>

Appendix C - Transit Fare Equity Community Engagement Report

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98470.pdf>

Appendix D - Fair Pass Evaluation Framework

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-98471.pdf>