



STAFF REPORT ACTION REQUIRED

Proposed Service Improvements for the 2016 Operating Budget

Date:	November 9, 2015
To:	TTC Budget Committee
From:	Chief Executive Officer

Summary

Building on the City's significant investment in public transit in 2015, this report presents five new service initiatives for 2016 that would continue to make immediate improvements to public transit for Torontonians:

- **Improved Service Reliability** on bus, streetcar, and subway services
- **Three-Minute-or-Better Subway Service on LINE 1** until 10:00 p.m. every day
- **Earlier Sunday Transit Service** on rapid transit lines and connecting bus and streetcar routes
- **New and Enhanced Express Bus Service** in off-peak periods on four new routes
- **New Streetcar Service on Cherry Street**

The 2016 service initiatives:

- are low-cost service enhancements -- relative to the major transit investments currently under study -- that would require only an increase in operating funding that would start at approximately \$14.5 million per year in 2016 and increase to \$35.9 million annually thereafter;
- would benefit hundreds of millions of customer-trips per year; and
- are easily implemented – service could start within six months of City Council's approval

Overall, the 2016 service initiatives would improve the quality, reliability, comfort, and convenience of transit service in Toronto and support the TTC's mission to "provide a reliable, efficient and integrated bus, streetcar and subway network". These initiatives would also support the City's Transportation Strategy to reduce gridlock, and its Poverty Reduction Strategy to provide better access to employment, educational, and cultural opportunities.

Recommendations

It is recommended that the TTC Budget Committee:

1. Endorse the 2016 service initiatives included in the attached presentation:
 - a) Improved Service Reliability
 - b) Three-Minute-or-Better Subway Service on Line 1 until 10:00 pm
 - c) Earlier Sunday Service
 - d) New and Enhanced Express Bus Service
 - e) New Streetcar Service on Cherry Street

2. Request TTC staff to present this report to the TTC Board that:
 - a) describes the 2016 service initiatives, including the service concepts, benefits, and resource requirements for each initiative; and
 - b) recommends TTC Board endorsement, in principle, and authorization to include the service initiatives in the TTC's proposed 2016 Operating Budget.

Financial Summary

This report has no immediate financial effect.

Implementation of the 2016 service initiatives described in this report would result in an increase in operating costs only. Additional operating costs would start at \$14.5 million per year in 2016, and increase to \$35.9 million annually thereafter.

No additional capital costs are required because sufficient vehicles (buses, streetcars, and trains) will be available in 2016. Additional peak buses already have funding approval through the 2015-2024 Capital Budget. Additional peak streetcars will become available in late 2016 as the TTC acquires more new low-floor streetcars, thereby freeing-up older streetcars for these proposed service initiatives. Also, additional peak subway trains for LINE 1 and LINE 2 are presently available for service.

The Chief Financial and Administrative officer has reviewed this report and agrees with the financial impact information.

Accessibility/Equity Matters

The TTC has made significant progress in moving towards providing barrier-free, accessible transit services to all customers. Presently, all TTC bus services are operated using accessible, low-floor buses. Between 2015 and 2019, streetcar services will start using the new low-floor accessible streetcars and, by 2025, subject to funding, all subway stations will become accessible.

Service improvements to the bus, streetcar, and subway network encourage and support more-spontaneous trip-making, which is an important part of making the conventional system attractive to potential new customers, such as Wheel-Trans registrants, and to all travellers in Toronto. This supports the Accessibility for Ontarians with Disabilities Act (AODA) objectives of more-spontaneous travel options for customers with disabilities, and the City's Poverty Reduction Strategy of making transit more accessible and attractive to everyone.

Decision History

On July 30, 2015, the TTC Budget Committee approved a motion requesting staff to report back with a list of additional service enhancements to be considered by the Board for the 2016 Operating Budget.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Committee_meetings/Budget/2015/September_15/Minutes/index.jsp

This report presents five new service initiatives proposed for implementation in 2016.

Comments

The 2015 Service Initiatives

On August 19, 2014, the TTC Board endorsed the 2015 service initiatives outlined in the "Opportunities to Improve Transit Service in Toronto" report and directed TTC staff to include the initiatives in the 2015 Operating Budget and 2015-2024 Capital Budget.

On March 11, 2015, Toronto Council approved \$95 million in transit service investments to be implemented immediately to improve transit service in Toronto. Less than a year after City Council approval, all of the funded 2015 service initiatives will be implemented:

- **Ten-Minute-or-Better Network**: A city-wide network of 52 routes that operate every ten minutes or better all day, every day, from approximately 6:00 a.m. (9:00 a.m. on Sundays) to 1:00 a.m., to ensure that frequent transit service is available throughout Toronto.
- **All-Day, Every-Day Network**: New and restored periods of off-peak service in 122 operating periods on 43 bus routes, so that almost all TTC routes operate all day, every day, making transit an available, predictable, and consistent travel option for everyone.
- **Overnight Network**: Expansion of overnight bus and streetcar service to a total of 31 routes (7 new and 11 enhanced) that operate between approximately 2:00 and 5:00 a.m., after the regular daytime and evening bus, streetcar, and subway services have ended.

- Additional Peak Period Subway Service: Additional morning and afternoon peak period trains on LINE 1 and LINE 2 to respond to growing ridership demand, and improve service resiliency.
- Reduced Crowding and Wait Times in Off-Peak: Off-peak service improvements on 33 of the TTC's most-frequent and busiest services. Customers will have shorter waiting times, less crowding, and a better chance of getting a seat.
- Reduced Crowding and Wait Times in Peak: Peak service improvements on approximately 20 of the TTC's most-crowded bus services, resulting in shorter waiting times and less crowding on these routes. This initiative will be implemented starting in 2016 as the required additional buses and streetcars become available.
- Express Bus Services: New and enhanced express bus services in the peak periods on four corridors across the City including Finch Avenue, Kennedy Road, Kipling Avenue, and Wilson Avenue, making travel by bus faster and more attractive to customers. This initiative will be implemented starting in 2016 as the required additional buses become available.

The 2015 service initiatives are a significant investment in improving public transit service in Toronto. This investment came after many years of service reductions and constraints, and has boldly "kicked-off" the City's new Transportation Strategy to reduce gridlock. It also supports the City's Poverty Reduction Strategy by providing better access to employment opportunities.

Proposed 2016 Service Initiatives

Building on the success of the 2015 service initiatives, TTC staff are recommending five new initiatives for 2016 that would further advance the TTC's mission to "provide a reliable, efficient and integrated bus, streetcar and subway network" and the City's Transportation and Poverty Reduction objectives.

The 2016 service initiatives are -- like the 2015 initiatives -- low-cost service enhancements that would benefit hundreds of millions of customer-trips per year by improving service reliability on bus, streetcar, and subway services, reducing crowding and wait times, and decreasing travel times, all of which improve mobility for City of Toronto residents.

The 2016 service initiatives require operating resources only. No additional capital costs are required because the required vehicles (buses, streetcars, and trains) will be available in 2016 as a result of already-approved vehicle purchases. This means that, with TTC Board endorsement and Council approval in February 2016, the 2016 service initiatives could start being implemented starting in the Fall of 2016.

Improved Service Reliability

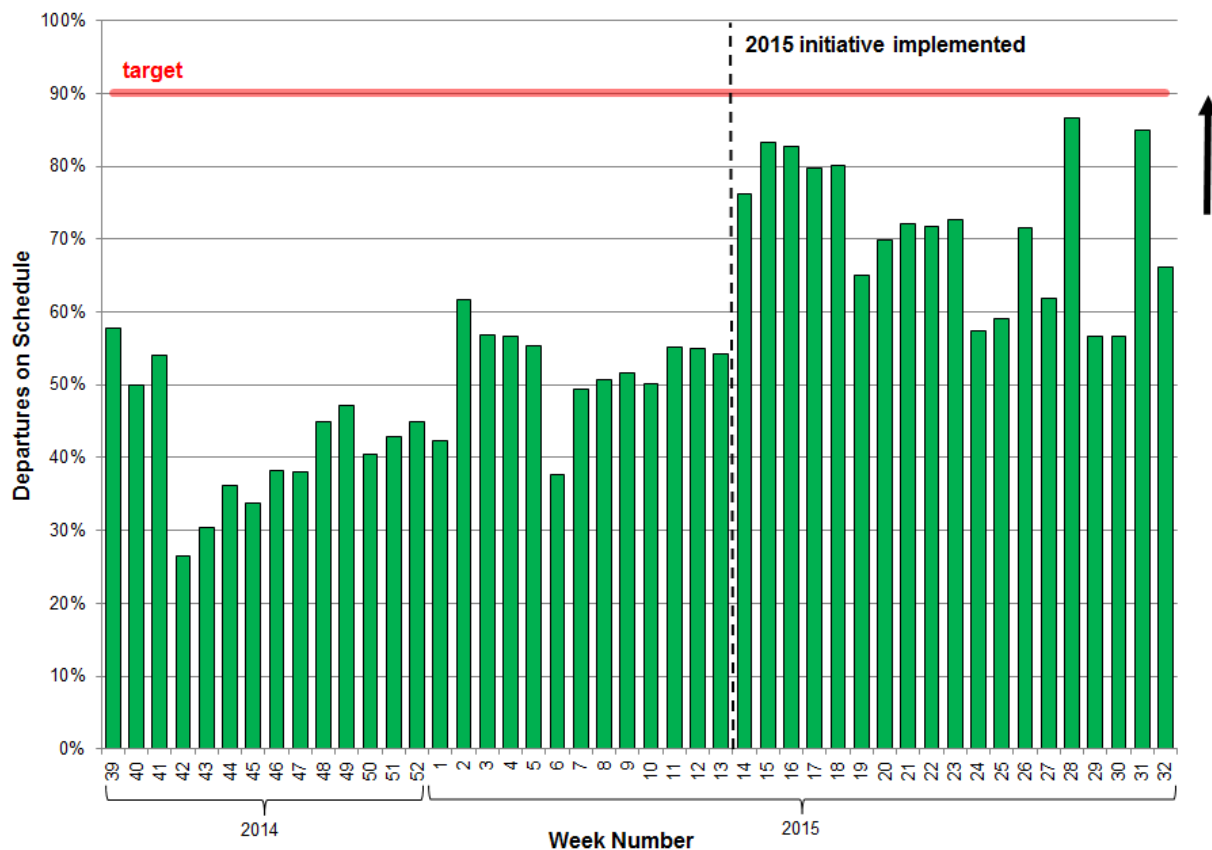
Additional operating resources for service reliability would improve the TTC's ability to consistently deliver a punctual and dependable transit service to customers.

The TTC is focussed on continuously improving the punctuality and reliability of transit services to provide customers with a predictable and consistent travel experience. Additional resources are required to make operational improvements on bus, streetcar, and subway services to improve service quality.

Bus Service Reliability

The bus service reliability initiative is a continuation of the bus service quality initiative piloted on the 29 DUFFERIN, 111 EAST MALL, and 123 SHORNCLIFFE routes in 2015. The objective of the initiative is to improve the quality of bus service by reducing the number of short turns, increasing on-time departures / arrivals, and reducing the number of missed trips. In order to continue expansion of this initiative to more routes, additional operating resources are required. Exhibit 1 shows that the 2015 bus service quality initiative has had a positive effect on service reliability. For example, the initiative has increased on-time departures on the 29 DUFFERIN from approximately 45% before the service improvements were implemented, to 70% afterwards, which equates to more than a 50% improvement in performance.

Exhibit 1: 29 DUFFERIN -- Improved On-time Departures (September 2014 to August 2015)



In 2016, the bus service reliability initiative would consist of peak and off-peak service quality improvements on the TTC’s busiest and most operationally-challenging bus routes. Currently identified in this initiative are the 85 SHEPPARD EAST, 96 WILSON, 102 MARKHAM ROAD, and 195 JANE ROCKET routes. This initiative also includes additional peak-period buses to minimize the effects of daily unplanned service irregularities and disruptions (e.g. delays resulting from traffic congestion, collisions, road closures, etc.).

The bus service reliability initiative would benefit approximately 27 million customer-trips each year that are now made on these services, and would increase ridership by approximately 700,000 customer-trips each year. The initiative requires operating resources only. No additional capital costs are required because the necessary peak buses already have funding approval and will be available in 2016. This service initiative could be implemented in 2016.

Resource Requirements

Additional Buses	Additional Capital Cost	Additional Annual Operating Cost	Additional Annual Fare Revenue
0	\$0	\$6.6 million	\$1.4 million

Streetcar Service Reliability

The 2016 streetcar service reliability initiative is a continuation of the streetcar service quality initiative piloted on the 512 ST CLAIR and 504 KING routes in 2015. The objective of the initiative is to improve service quality, reduce short turns, improve on-time departures / arrivals, and reduce missed trips. In order to continue expansion of this initiative to more routes, additional operating resources are required. Exhibit 2 shows that the 2015 streetcar service quality initiative has had a positive effect on service reliability. For example, short turns on the 504 KING have decreased from approximately 310 per week to 40 per week once the initiative was implemented, which represents nearly a 90% reduction in short turns.

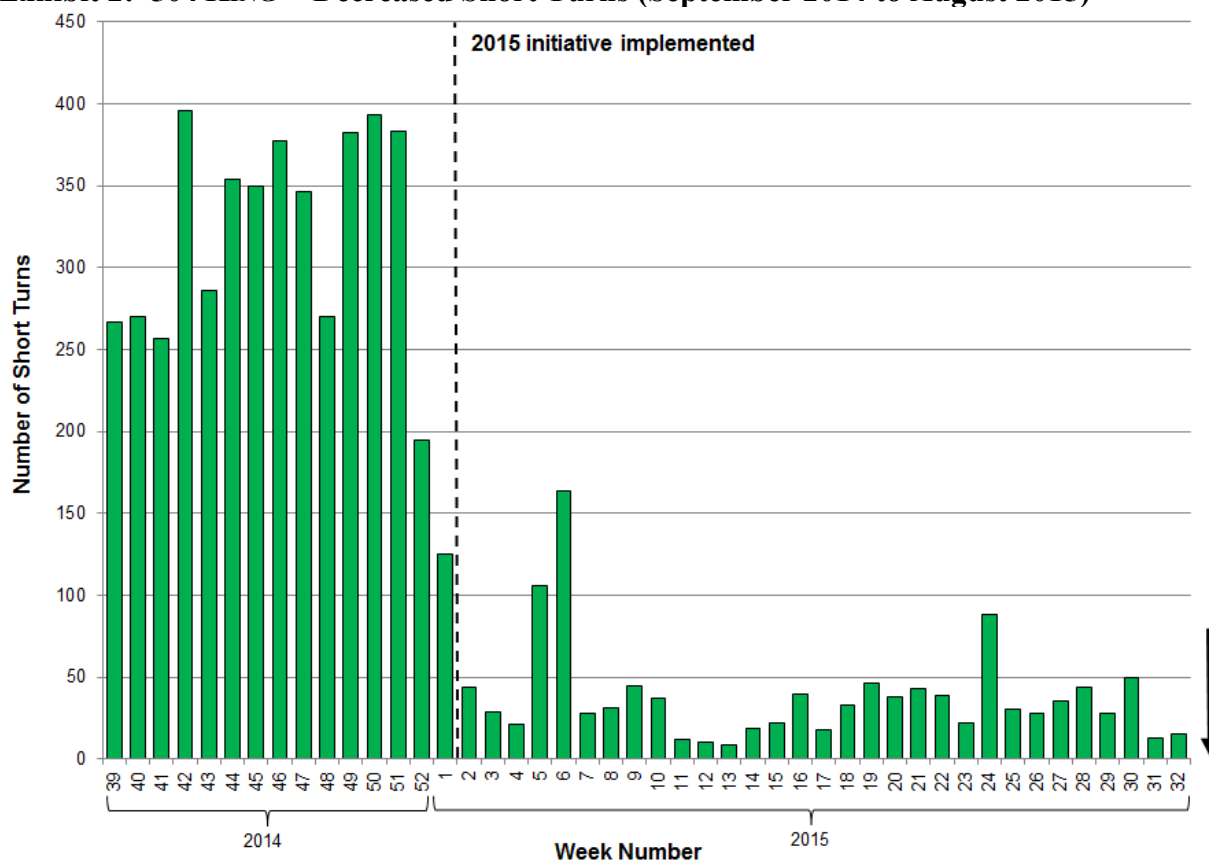
In 2016, the streetcar service reliability program would consist of peak and off-peak service improvements on the busiest streetcar routes, where performance suffers due to traffic congestion and other operating challenges.

This streetcar service reliability initiative would benefit approximately 36 million existing customer-trips each year and attract approximately 900,000 new customer-trips each year. The initiative would require operating resources only. No additional capital costs are required because existing streetcars will be freed-up for service in 2016 when the TTC acquires new low-floor streetcars. This initiative could be implemented in 2016.

Resource Requirements

Additional Buses	Additional Capital Cost	Additional Annual Operating Cost	Additional Annual Fare Revenue
0	\$0	\$4.5 million	\$1.9 million

Exhibit 2: 504 KING -- Decreased Short Turns (September 2014 to August 2015)



Subway Service Reliability

The subway service reliability initiative is a continuation of the subway service resilience initiative that was implemented on LINE 1 and LINE 2 in 2014 and 2015. The objective of the initiative is to improve subway service reliability, improve service regularity, and increase actual capacity. These, in turn, reduce wait times and crowding for customers. Exhibit 3 shows that, on LINE 1, for example, the 2014 and 2015 subway service resilience initiative has resulted in an improvement in service regularity that now meets or exceeds target.

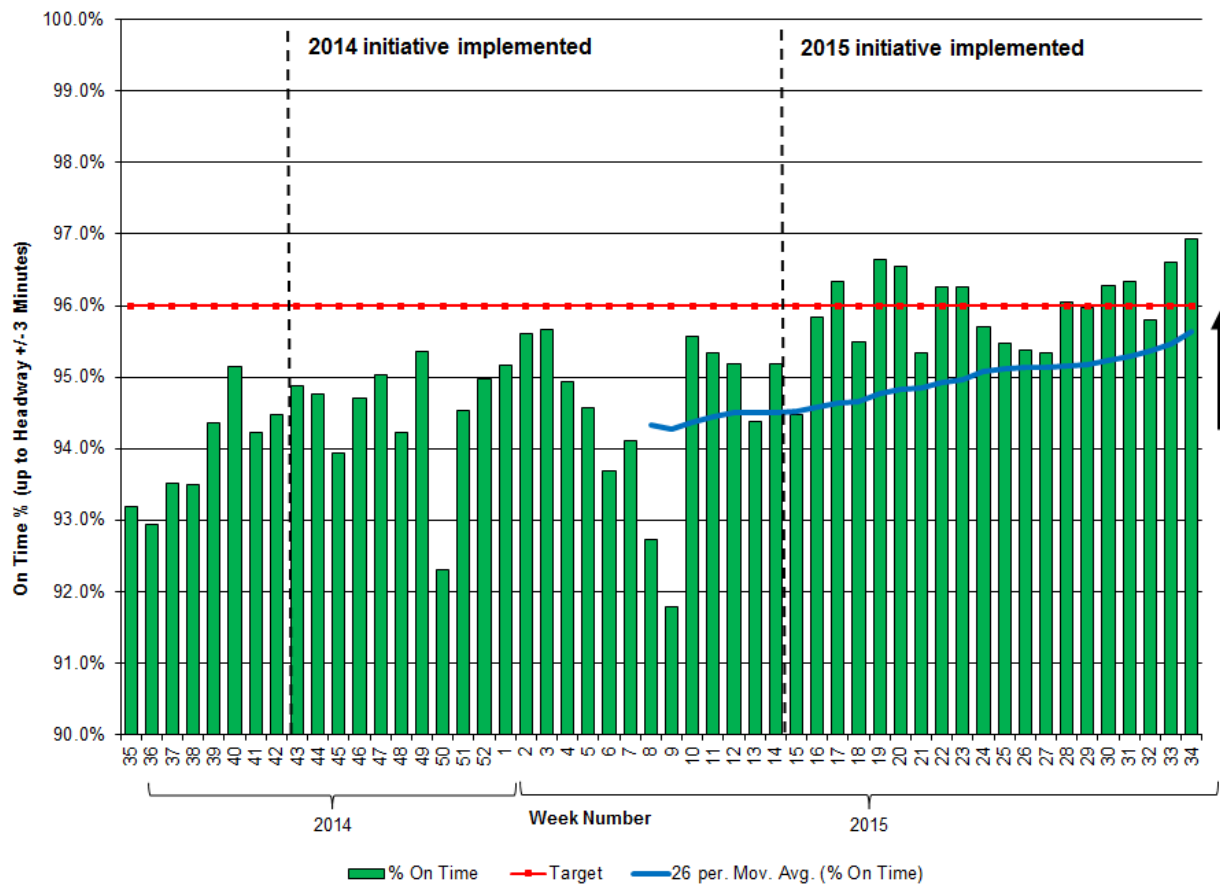
The 2016 subway service reliability initiative would consist of further operational enhancements, schedule improvements, and running time adjustments on both LINE 1 and LINE 2, in most periods of operation, seven days a week.

The subway service reliability initiative would benefit approximately 375 million customer-trips annually that are made now on LINE 1 and LINE 2, and increase ridership by approximately 600,000 new customer-trips each year. The initiative requires operating resources only and could be implemented in 2016.

Resource Requirements

Additional Buses	Additional Capital Cost	Additional Annual Operating Cost	Additional Annual Fare Revenue
0	\$0	\$2.1 million	\$1.2 million

Exhibit 3: LINE 1 -- Improved Service Regularity (August 2014 to August 2015)



LINE 1: Three-Minute-or-Better Service Until 10:00 p.m.

More frequent off-peak subway service on LINE 1 would reduce wait times, and reduce crowding.

LINE 1 subway off-peak service would operate every three minutes or better until 10:00 p.m. every day. This service initiative would reduce wait times and reduce crowding on Toronto’s busiest subway line.

The three-minute-or-better service on LINE 1 initiative would benefit approximately 116 million customer-trips each year and increase ridership by approximately 2.7 million customer-trips each year. The initiative requires operating resources only because the service improvements would occur in off-peak periods when subway trains are available. This service initiative could be implemented in 2016.

Exhibit 4 shows busy Dundas Station during the midday on a regular weekday. This is illustrative of the volume of people who would benefit from this initiative.

Exhibit 4: Line 1 -- Dundas Station Subway Platform -- Off-Peak



Resource Requirements

Additional Buses	Additional Capital Cost	Additional Annual Operating Cost	Additional Annual Fare Revenue
0	\$0	\$12.7 million	\$5.6 million

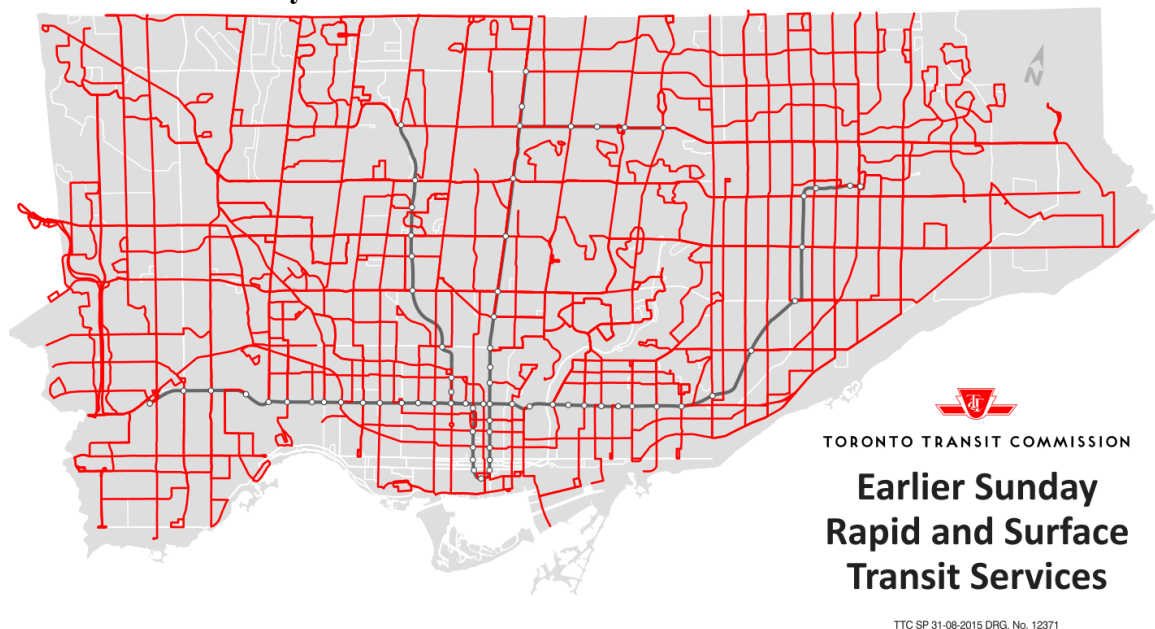
Earlier Sunday Transit Service

Earlier Sunday rapid transit and surface transit service would decrease travel times, improve service quality and reliability, and enhance urban mobility for customers across the City.

Currently on Sundays, rapid transit service on LINE 1 YONGE-UNIVERSITY, LINE 2 BLOOR-DANFORTH, LINE 3 SCARBOROUGH, and LINE 4 SHEPPARD begins operating at approximately 9:00 a.m. This provides the TTC with an extended overnight maintenance window on Saturday nights to allow for more intensive signal, track, communications, and general maintenance work. This is in contrast with Mondays-Saturdays, when rapid transit service begins at 6:00 a.m.

On Sunday mornings, organizational practices could be adjusted to allow all rapid transit services to begin one hour earlier at approximately 8:00 a.m.. This service initiative would be complemented by a matching earlier service start-up on approximately 123 bus and streetcar routes. This service initiative would decrease travel times, improve service reliability, and enhance urban mobility for customers across the City by providing earlier and better access to employment, educational, and cultural opportunities. This service initiative would benefit approximately 6 million customer-trips each year, and would increase ridership by approximately 800,000 customer-trips each year. The earlier Sunday transit service initiative requires operating resources only, and could be implemented in 2016. Exhibit 5 shows that the majority of routes would benefit earlier Sunday service.

Exhibit 5: Earlier Sunday Transit Service



Resource Requirements

Additional Buses	Additional Capital Cost	Additional Annual Operating Cost	Additional Annual Fare Revenue
0	\$0	\$3.0 million	\$1.6 million

New and Enhanced Express Bus Services

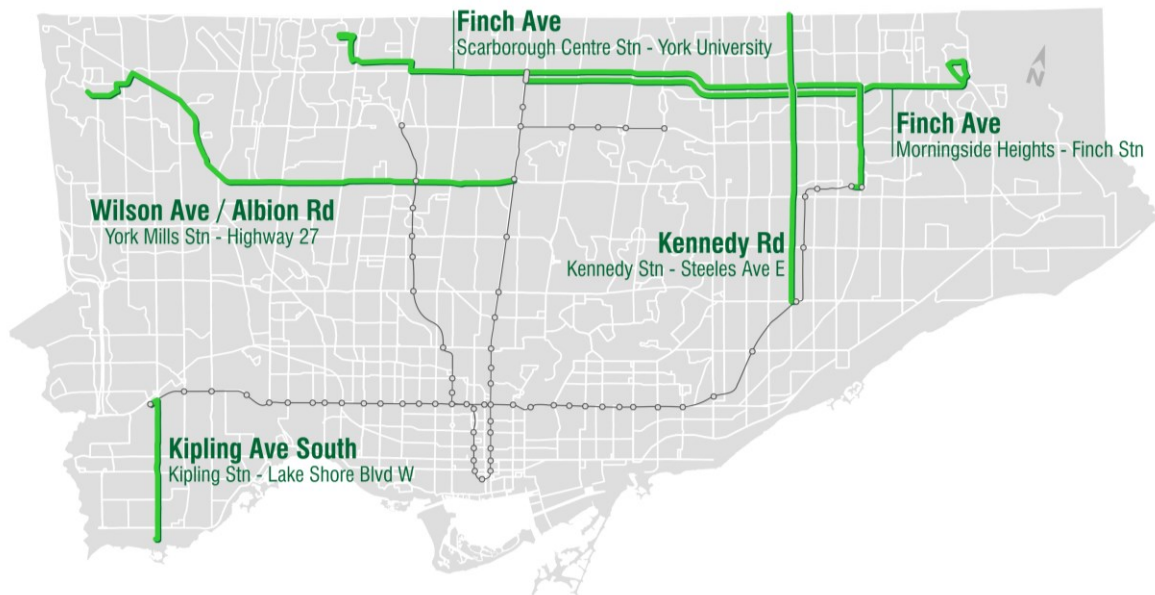
Additional off-peak service on the TTC's four new and enhanced express bus services would make travel by bus faster and more attractive to customers.

In early 2016, the TTC will implement new and enhanced express bus services in the peak periods on four corridors across the City, those being Finch Avenue, Kennedy Road, Kipling Avenue, and Wilson Avenue. These improved express bus services are possible as a result of the 50 new buses and associated operating funding provided by Council's \$95 million investment in transit in 2015.

On the four new and enhanced express bus corridors, new off-peak periods of operation would be added during weekdays and on weekends, to make travel by bus faster and more-widely available to customers. These off-peak enhancements would benefit approximately 10 million customer-trips each year and increase ridership by approximately 200,000 customer-trips each year. This service initiative requires operating resources only, and could be implemented in 2016.

Exhibit 6 shows the four new and enhanced express bus routes which would have off-peak service added.

Exhibit 6: New & Enhanced Express Bus Services Proposed for Off-Peak Service Additions



Resource Requirements

Additional Buses	Additional Capital Cost	Additional Annual Operating Cost	Additional Annual Fare Revenue
0	\$0	\$4.9 million	\$0.4 million

New Streetcar Service on Cherry Street

Dedicated operating resources to facilitate the implementation of new streetcar service on Cherry Street to improve service for customers.

In 2016, new streetcar service on Cherry Street is planned to begin serving the West Don Lands and Distillery District along Sumach Street / Cherry Street, between King Street and Mill Street. Currently, there is no operating funding available to implement this new streetcar service on Cherry Street. Implementation of the new service would require re-allocation of resources away from other already-busy streetcar routes. Dedicated operating resources would avoid such negative effects.

This service initiative would benefit approximately 11 million customer-trips each year, requires operating resources only, and could be implemented in 2016.

Exhibit 7 shows the planned new streetcar service on Cherry Street.

Exhibit 7: New Streetcar Service on Cherry Street



Resource Requirements

Additional Buses	Additional Capital Cost	Additional Annual Operating Cost	Additional Annual Fare Revenue
0	\$0	\$2.1 million	\$0 million

Summary of Service Initiatives

Exhibit 8 presents a summary list of the proposed 2016 service initiatives.

Exhibit 8: Proposed 2016 Service Initiatives

Initiative	Implementation Could Start in:
Bus Service Reliability	2016
Streetcar Service Reliability	2016
Subway Service Reliability	2016
LINE 1: Three-Minute-or-Better Service	2016
Earlier Sunday Transit Service	2016
New and Enhanced Express Bus Service	2016
New Streetcar Service on Cherry Street	2016

Exhibits 9 through 11 present a financial summary for each service initiative, including the projected increase in operating costs and fare revenue, and the resulting net operating costs.

Exhibit 9: Additional Operating Costs (in 2016 dollars)

Initiative	Operating Cost (in \$millions)	
	2016	Annual
Bus Service Reliability	\$2.6	\$6.6
Streetcar Service Reliability	\$2.1	\$4.5
Subway Service Reliability	\$1.0	\$2.1
LINE 1: Three-Minute-or-Better Service	\$4.6	\$12.7
Earlier Sunday Transit Service	\$1.7	\$3.0
New and Enhanced Express Bus Service	\$1.7	\$4.9
New Streetcar Service on Cherry Street	\$0.8	\$2.1
Total	\$14.5	\$35.9

Exhibit 10: Additional Fare Revenue (in 2016 dollars)

Initiative	Fare Revenue (in \$millions)	
	2016	Annual
Bus Service Reliability	\$0.6	\$1.4
Streetcar Service Reliability	\$0.9	\$1.9
Subway Service Reliability	\$0.4	\$1.2
LINE 1: Three-Minute-or-Better Service	\$1.8	\$5.6
Earlier Sunday Transit Service	\$1.1	\$1.6
New and Enhanced Express Bus Service	\$0.1	\$0.4
New Streetcar Service on Cherry Street *	\$0.0	\$0.0
Total	\$4.9	\$12.1

* In the initial start-up years, the number of new riders will be negligible.

Exhibit 11: Additional Net Operating Costs (in 2016 dollars)

Initiative	Net Operating Cost (in \$millions)	
	2016	Annual
Bus Service Reliability	\$2.0	\$5.2
Streetcar Service Reliability	\$1.2	\$2.6
Subway Service Reliability	\$0.6	\$0.9
LINE 1: Three-Minute-or-Better Service	\$2.8	\$7.1
Earlier Sunday Transit Service	\$0.6	\$1.4
New and Enhanced Express Bus Service	\$1.6	\$4.5
New Streetcar Service on Cherry Street	\$0.8	\$2.1
Total	\$9.6	\$23.8

No additional capital costs are required for these initiatives because the required vehicles already have approved funding and will become available in 2016.

Conclusion

This report presents five new relatively low-cost service enhancements that could be implemented within six months after Council approval and would benefit hundreds of millions of customer-trips per year, and expand on the improvements to public transit started in 2015.

These five service initiatives are not included in the TTC's proposed 2016 "base" Operating Budget being developed for submission to the City. To implement these initiatives, direction is required from the TTC Board of Directors and City Council.

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