
2022 DRAFT OPERATING AND CAPITAL BUDGET – TRANSIT COMMISSION

ACS2021-FSD-FIN-0025

CITY WIDE

Referred from the Transit Commission Meeting of November 3, 2021.

Report Recommendations

That the Transit Commission consider the relevant portions of the 2022 Operating and Capital Budgets and make recommendations to Council sitting in Committee of the Whole to be held December 8, 2021.

Renée Amilcar, General Manager, Transit Services Department (“TSD”), and Pat Scrimgeour, Director, Transit Customer Systems and Planning, presented an overview of the draft 2022 budget and answered questions. A copy of their slide presentation is filed with the Office of the City Clerk.

In addition to the above staff, the following persons were in attendance and answered questions:

- Finance Services Department: Wendy Stephanson, Chief Financial Officer
- TSD: Jim Greer, Director, Transit Operations

Commissioners received the following submissions with comments, and a copy of each is filed with the Office of the City Clerk:

- Carolyn Herbert email dated November 14
- Frances Arbour email dated November 14
- Jennifer Clark email dated November 14
- Carla Ramirez email dated November 15
- Ottawa Transit Riders letter received November 16
- Derek Ellis letter received November 16
- Norm Vinson email dated November 16

- Danielle Vinson email dated November 16
- Alexis McKenzie email dated November 16
- Nick Grover email dated November 16
- Accessibility Advisory Committee comments, dated November 17

The following speakers addressed the Commission and provided comments on the budget:

- Fatima Gimba
- Lucía Morales
- Laura Shantz
- John Reddins

Following discussions, and after receiving the update, the Commission considered the following motions:

Motion No. 2021 TTC 30-01

Moved by: Councillor C. McKenney

WHEREAS the Transit Commission at its meeting of November 18, 2020, established a working group of its members to work with staff to review and recommend possible modifications to the OC Transpo fare structure to reduce financial barriers which reduce the ability to travel for those who need it the most and can afford it the least; and

WHEREAS the working group has met, has directed staff to conduct research, and has taken into account the expressed views of social agencies providing emergency shelter services; and

**EXTRACT OF DRAFT TRANSIT
COMMISSION MINUTES 30
17 NOVEMBER 2021**

**EXTRAIT DE L'ÉBAUCHE DU
PROCÈS-VERBAL 30 DE LA
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COMMUN LE 17 NOVEMBRE 2021**

WHEREAS the working group members agree that increased access to transit services for emergency shelter clients provides a benefit not only to people experiencing homelessness but also to the City as a whole; and

WHEREAS the working group members agree that providing access to the transit system for emergency shelter clients, who do not currently purchase transit fares and who cannot in their circumstance afford to purchase transit fares, does not represent a loss of revenue to the City; and

WHEREAS implementing this program would have no financial impact on the 2022 operating budget and requires only amending the user fee table; and

THEREFORE BE IT RESOLVED THAT the Transit Commission recommend Council approve as follows:

- 1. That a program be established for the issuance of weekly and monthly transit passes for emergency shelter clients; and**
- 2. That these passes be provided at no charge to the social agencies providing emergency shelter services, so that they may distribute them to their clients; and**
- 3. That the agencies document the procedures under which they will distribute and control the passes through funding agreements with the City; and**
- 4. That staff produce up to 2000 of these passes per period, in a mixture of weekly and monthly forms, that matches the needs of the agencies; and**
- 5. That staff develop and implement appropriate procedures to monitor the use of these passes; and**
- 6. That Schedule "C" (Fares for Transit Services) of the *Transit By-law* (By-law No. 2007-268) be amended accordingly to create a new category, Emergency Shelter Clients; and**

BE IT FURTHER RESOLVED THAT staff monitor the distribution and use of these passes and provide further recommendations to the Transit Commission to expand or revise the program as appropriate.

CARRIED

Motion No. 2021 TTC 30-02

Moved by: Chair A. Hubley

WHEREAS Council has adopted a Transit Long Range Financial Plan, which is predicated on annual increases to transit fares to keep pace with transit cost inflation and maintain an appropriate balance between funding for transit from taxes and fares; and

WHEREAS Council on June 15, 2016, approved that the annual fare increase should be made on January 1 each year to be consistent with the City's budget year, subject to annual budget approval; and

WHEREAS the 2022 Draft Budget recommends an overall 2.5% base increase to OC Transpo fares, in accordance with the 2022 Budget Directions Report approved by Council in July 2021, to take effect on January 1, 2022; and

WHEREAS service on O-Train Line 1 was suspended following a first derailment on August 8, and was further suspended following a second derailment on September 19; and

WHEREAS OC Transpo customers have been significantly impacted by these service disruptions on O-Train Line 1; and

WHEREAS partial service resumed on Friday, November 12 with seven trains that offer less frequent service for customers; and

WHEREAS full service that meets customer demand (11 trains required for full service during the pandemic) is targeted for the beginning of December, in time to deliver no-charge transit service to thank transit riders for their patience and loyalty;

THEREFORE BE IT RESOLVED that the fare increase planned for January 1, 2022 only be implemented one full month after RTG/RTM have provided the City with the full complement of 15 trains required for full revenue service, to be used at the discretion of the GM of Transit Services in order to meet passenger demand; and

BE IT FURTHER RESOLVED that delegated authority be given to the General Manager of Transit Services to confirm the resumption of full service on O-Train Line 1 and the coming into effect date of the 2022 fare increase; and

BE IT FURTHER RESOLVED that the foregone revenue from the delayed fare increase, estimated at \$426,700 per month, be funded from the anticipated funds from the financial and performance provisions in the Project Agreement with the Rideau Transit Group.

CARRIED

Motion No. 2021 TTC 30-03

Moved by: Councillor R. Brockington

WHEREAS OC Transpo transit fare is free for children aged 0-5 years old,

WHEREAS OC Transpo transit fare (cash) for children aged 6-12 is \$1.85,

WHEREAS transit fare is free in the following Canadian jurisdictions, by specified children's age group:

- **Victoria, BC, transit fare is free for children aged 0-12,**

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- **Vancouver, BC, transit fare is free for children aged 0-12,**
 - **Edmonton, AB, transit fare is free for children aged 0-12, when accompanied by a fare-paying customer,**
 - **Winnipeg, MB, transit fare is free for children aged 0-11, when accompanied by a fare-paying customer,**
 - **Toronto, ON, transit fare is free for children aged 0-12,**
 - **Montreal, QC, transit fare is free for children aged 0-11, when accompanied by a fare paying customer,**
 - **Halifax, NS, transit fare is free for children aged 0-12,**
 - **St John's, NL, transit fare is free for children aged 0-11**

WHEREAS transit fares paid by passengers aged six year old are estimated, on an annual basis, to generate \$100,000 in fare revenue and \$106,000 by those aged seven year old,

WHEREAS increasing the coverage of free fares for children will benefit families, particularly racialized families and those led by single parent households,

THEREFORE BE IT RESOLVED THAT Transit fares in 2022 for children aged 0-7 shall become free of charge,

BE IT FURTHER RESOLVED THAT as part of the 2023 Transit Commission Budget, OC Transpo staff and the City Treasurer be directed to calculate the financial impacts, as well as the projected increase in ridership, if transit fares were to permanently become free for children aged 0-12.

Motion No. 2021 TTC 30-04

Moved by: Chair A. Hubley

That the motion [Motion No. 2021 TTC 30-03] be referred to Council.

REFERRAL
CARRIED

Motion No. 2021 TTC 30-05

Moved by: Councillor C. McKenney

WHEREAS the Transit Commission at its meeting of November 18, 2020, established a working group of its members to work with staff to review and recommend possible modifications to the OC Transpo fare structure to reduce financial barriers which reduce the ability to travel for those who need it the most and can afford it the least; and

WHEREAS the 2022 draft budget includes a fare freeze for transit customers who purchase the monthly Community Pass, the monthly Access Pass, or the monthly or single-ride EquiPass fares; and

WHEREAS the working group members agree that the fare freeze has been an appropriate way during the current term of Council to respect and address the financial challenges of people with disabilities and low-income residents; and

WHEREAS it is anticipated that the 2022-2026 Term of Council Governance Review would include high-level overview and recommendations regarding the anticipated budget process for the next Term of Council, and that the Chief Financial Officer / Treasurer would be bringing forward draft budget directions to Council early in the new Term prior to tabling of the 2023 Budget;

THEREFORE BE IT RESOLVED THAT the Transit Commission recommend Council direct the Chief Financial Officer / Treasurer, General Manager of Transit Services and General Manager of Community and Social Services to undertake a review of the Working Group's recommendation that the

next Council consider a fare freeze for the Community Pass, the Access Pass, and the EquiPass for the entire Term of Council; and

BE IT FURTHER RESOLVED that staff report back on the results of this review as part of the 2022-2026 Term of Council Governance Review so that Council may consider this recommendation as soon as possible in the new Term of Council.

CARRIED

Motion No. 2021 TTC 30-06

Moved by / Motion de: Councillor C. McKenney

WHEREAS the City of Ottawa's current transit funding model requires transit users to pay 55 percent of the cost of transit, with general property tax revenues paying the rest; and

WHEREAS the federal government's national and international commitments to combat climate change include support for public transit;

THEREFORE BE IT RESOLVED THAT Council direct the Mayor and Transit Commission Chair write to the federal government requesting operational funding through the federal gas tax or other channels to reduce the user share of the cost of public transit so that we can reduce or eliminate user fees and encourage more transit use.

CARRIED

Motion No. 2021 TTC 30-07

Moved by: Commissioner S. Wright Gilbert (on behalf of Councillor Fleury)

WHEREAS the City's Transit Commission defines one of its objectives as increasing the number of transit customers in order to provide the best possible public transportation service for all transit customers; and

WHEREAS the monthly adult transit pass is currently \$122.50 and the rate of \$125.50 is proposed for 2022; and

WHEREAS many multi-adult households currently choose to pay for parking at downtown (market rate = \$200/month) and surrounding areas (market rate = \$110 to \$150/month) rather than pay for multiple transit passes; and

WHEREAS this is an un-tapped customer base that would help to increase ridership;

THEREFORE BE IT RESOLVED THAT staff report back to the Transit Commission in writing by Q1 2022 on the opportunity to create a revised discount package for single household, multi-adult monthly pass purchases, to promote and increase adult transit use and fare revenues; and

THEREFORE BE IT RESOLVED THAT such direction include a review as a voluntary inclusion into the program and capture data for new adult passes sold.

Motion No. 2021 TTC 30-08

Moved by: Chair A. Hubley

That the direction [within Motion No. 2021 TTC 30-07] be referred to the Transit Fare Working Group to be considered at its meeting in Q1 2022.

**REFERRAL
CARRIED**

Motion No. 2021 TTC 30-09

Moved by / Motion de: Vice-Chair J. Cloutier

That the Transit Commission recommend that Council, sitting as Committee of the Whole, approve the Transit Commission 2022 Draft Operating and Capital Budget, as follows:

- 1. Transit Services as follows:**
 - a. User fees (pages 4-6), including the revised page 6 reflecting the correction of the rate for the Gold Pass park and ride monthly permit to \$63.25;**
 - b. Operating Resource Requirement (page 3);**
- 2. Transit Commission Capital Budget (pages 7-8, individual projects listed on pages 15-40).**

The motion CARRIED AS AMENDED, with Commissioner R. Brockington dissenting, and with Commissioners C. McKenney, T. Kavanagh, and S. Wright-Gilbert dissenting on recommendation 1(a).