

The Regional Municipality of York

Committee of the Whole Transportation Services November 9, 2023 FOR DECISION

Report of the Commissioner of Public Works

Provincial Fare Integration Program

1. Recommendations

- 1. Council authorize the Region to participate in the Provincial Fare Integration Program.
- 2. The Commissioner of Public Works be authorized to negotiate and execute agreements on behalf of the Region to implement the Provincial Fare Integration program.

2. Purpose

This report seeks Council approval to participate in the Provincial Fare Integration Program, and authority for the Commissioner of Public Works to negotiate and execute associated agreements on behalf of the Region. The Provincial Fare Integration Program is expected to start early in 2024 (implementation date to be finalized) and includes eliminating customers having to pay a double fare between York Region Transit (YRT) and the Toronto Transit Commission (TTC).

Key Points:

- Council has been provided updates on fare integration initiatives and has supported staff in their advocacy
- York Region Transit currently has fare integration with all neighbouring 905 transit agencies and GO transit but not with TTC
- The province has committed to implement and fully fund fare integration between YRT and TTC. The program is expected to commence early in 2024
- Staff are working with the province, Metrolinx, partner transit agencies, and internal stakeholders to finalize implementation details for Fare Integration

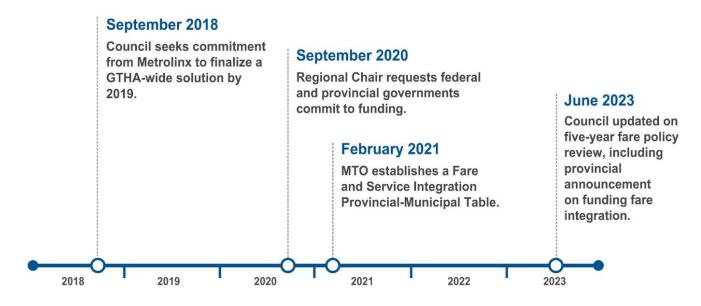
 Delegating authority to negotiate and execute associated agreements will allow for quick and efficient implementation, and customer benefits

3. Background

Council and staff have been advancing and advocating for fare integration

Transit agencies, including YRT, have been advocating for fare integration and updates have been provided to Council on plans and progress on fare integration (Figure 1).

Figure 1
Council Communications on Fare Integration



York Region Transit has fare integration with 905 transit agencies and GO Transit but not Toronto Transit Commission

YRT customers continue to benefit from cost savings and integrated travel options of fare and service integration with 905 transit partners including neighbouring transit agencies, Durham Region Transit and Brampton Transit. On March 14, 2022, trips on YRT buses became free for riders connecting to and from GO Transit. Council was provided with a program update in March 2022. The free ride is subsidized 100% by Metrolinx.

Customers currently pay two separate fares on YRT and the TTC when travelling across the Steeles Avenue boundary on TTC buses.

4. Analysis

The province has been working on a plan to implement fare integration with Toronto Transit Commission and their bordering transit agencies

The province has introduced a series of new working groups led by the Ministry of Transportation (MTO) and Metrolinx staff to implement the Provincial Fare Integration Program. Staff have been collaborating with MTO, Metrolinx and partner transit agencies in these working groups including a Fare and Service Integration Collaborative Table, Technical Working Group and Legal Working Group in support of this program. Work includes technical design, financial reconciliation, marketing and communications, and associated agreements.

The Provincial Fare Integration Program is expected to start in early 2024 and includes eliminating customers having to pay a double fare between YRT and TTC. Conventional and paratransit customers, using PRESTO cards or mobile wallets (virtual PRESTO card on mobile device), will only be required to pay one fare for the duration of their trip within a two-hour transfer window. The province plans to reimburse participating transit agencies for the extra fare a customer would have paid by reconciling PRESTO transfer data between participating transit agencies.

The program term aligns with the existing provincial budget cycle ending March 31, 2026. The draft agreement includes language to renew, subject to confirmation of funding from the MTO, in future budget cycles. Transit agencies will continue working closely with the province to advocate for longer term funding in support of this program.

Staff are working with internal stakeholders preparing for the Provincial Fare Integration Program

An internal working group consisting of technical, business planning, marketing, communication, and legal staff has been preparing legal agreements, communication materials, and supporting development of financial and technological processes for successful implementation of the Provincial Fare Integration Program.

Ongoing review of service integration plans is also being completed including fare collection solutions and provisions included in Bill 131.

Delegating authority to negotiate and execute associated agreements allows for efficient implementation

To ensure efficient implementation and allow residents to benefit from affordable and integrated cross boundary travel as soon as possible, delegated authority is requested for the Commissioner of Public Works to negotiate and execute associated fare agreements on key terms such as data sharing, governance, and program delivery. This will allow staff to effectively respond to the province's implementation timelines and provide savings to customers.

As part of Region's Vision, fare integration supports a sustainable environment

The Provincial Fare Integration Program will support York Region's vision for a Sustainable Environment by encouraging travellers to use transit for cross-boundary trips and continue to make York Region a place where everyone can thrive by improving the affordability and attractiveness of cross-boundary travel on YRT.

5. Financial Considerations

The Provincial Fare Integration Program will reimburse the Region for lost revenue (estimated at \$8 million to \$9 million) resulting from removal of the double fare customers pay by using PRESTO cards or mobile wallet. Estimates were developed through an extensive journey mapping and ridership modeling process completed by participating transit agencies, Metrolinx and MTO. The Program leverages the existing PRESTO system for an automatic and timely settlement of subsidy for participating transit agencies. There are no anticipated financial impacts at this time for the Provincial Fare Integration Program. Any future financial impacts would be reported through multi-year operating budgets. Enhanced customer experience, choice, and affordability are expected to lead to long-term growth in ridership.

6. Local Impact

Residents traveling to and from Toronto will benefit from free transfers between YRT and TTC, improving the affordability and competitiveness of transit in cross-boundary travel.

Local municipal staff have been kept up to date on developments in fare integration, most recently as part of 2024 Transit Initiatives consultations held in spring 2023, where local municipal staff continued to support the Provincial Fare Integration Program.

7. Conclusion

This report seeks Council approval to participate in the Provincial Fare Integration Program and delegated authority for the Commissioner of Public Works to negotiate and execute associated agreements on behalf of the Region. The Provincial Fare Integration Program will eliminate the double fare customers currently pay between York Region Transit and Toronto Transit Commission and reimburse the participating transit agencies.

Staff have been working with Metrolinx, partner transit agencies, and internal stakeholders in preparation for the 2024 launch of the Provincial Fare Integration Program.

For more information on this report, please contact Kyle Catney, Director, Transit at 1-877-464-9675 ext.75637. Accessible formats or communication supports are available upon request.

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