



# INFORMATION REPORT

<b>TO:</b>	Chair and Members Public Works Committee
<b>COMMITTEE DATE:</b>	August 11, 2016
<b>SUBJECT/REPORT NO:</b>	Hamilton Street Railway (HSR) Fare Integration (PW16066) (City Wide) (Outstanding Business List)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Nancy Purser Manager, Transit Support Services (905) 546-2424, Extension 1876
<b>SUBMITTED BY:</b>	Gerry Davis, CPA, CMA Strategic Advisor City Manager's Office
<b>SIGNATURE:</b>	

## Council Direction:

At its meeting on April 22, 2016 Council directed that Transit staff report back on the status of the Metrolinx Fare Integration Strategy.

## Information:

The Metrolinx Fare Integration Initiative is a research project created to determine the feasibility of regionally integrated fare. The foundation for the regional fare integration strategy is a framework including a common vision, goals and objectives for fare initiatives in the Greater Toronto Hamilton Area (GTHA). These were developed with extensive input from the region's transit agencies, and reflects the perspectives of the customer/rider, transit service provider and the region as a whole (i.e., with respect to GTHA mobility). They provide a basis for evaluation and business case analysis of fare strategy initiatives.

The vision for the strategy is to:

*"... increase customer mobility and transit ridership while maintaining the financial sustainability of GTHA's transit services. The strategy will remove barriers and enable transit in the GTHA to be perceived and experienced as one network composed of multiple systems/service providers."*

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*OUR Vision: To be the best place to raise a child and age successfully.*

*OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.*

*OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.*

*OUR Priorities: Community Engagement & Participation; Economic Prosperity and Growth; Healthy and Safe Communities; Clean and Green; Built Environment and Infrastructure; Culture and Diversity and Our People and Performance.*

The goals to achieve this vision are:

- **Simplicity:** The fare strategy will simplify customer/rider experience and agency fare management/operations, attracting travelers to transit services throughout the GTHA.
- **Value:** The fare strategy will reflect the value of the trip taken, and maintain the financial sustainability of transit services.
- **Consistency:** The fare strategy will create a common fare structure with consistent definitions and rules across the GTHA.

There is already some fare integration throughout the region:

- Customers can travel between local transit systems in the 905 area with one fare
- Customers can transfer between local transit in the 905 area and GO Transit with a significant discount on the local fare
- BUT customers are required to pay two fares in key areas:
  - When travelling between local transit in the 905 area and the TTC
  - When transferring between the TTC and GO Transit

Through this work, 3 fare structure concepts (representing significantly different approaches to a regional fare structure) were developed in order to evaluate their performance in meeting both existing and future needs of the GTHA transit network.

These concepts include:

1. **Modify the existing system** – in this concept, we would retain the existing system, but reduce barriers for customers transferring between the TTC and other systems.
2. **Create a new zone-based system** – In this concept, we would create a new regional system where customers would pay a fare based on how many zones they cross on a trip.
3. **Create a new system comprised of both flat fares and fare-by-distance** – In this concept, we would create a new regional system where customers using local buses would pay a flat fare, while customers using subways, LRTs and GO Transit customers would pay based on distance travelled.

Early findings of these fare structure evaluations show:

1. All three concepts result in customers using transit more seamlessly
2. Building a more integrated fare system generates substantial social, economic and environmental benefits

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3. It is not possible to achieve both ridership and revenue growth simultaneously in the short (1-2 year) term

More work will be done on the three concepts to further refine and assess, with consideration given to the feasibility of implementation, through the summer and fall. An update to the Metrolinx Board will be provided in Fall 2016.

See Appendix A for additional detail on these fare structure concepts.

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