



Office of the City Clerk
Woodstock City Hall
P.O. Box 1539
500 Dundas Street
Woodstock, ON
N4S 0A7
Telephone (519) 539-1291

April 12, 2023

County of Oxford
ATTN: Chloe Senior - Clerk

Via e-mail – csenior@oxfordcounty.ca

Re: Subsidized Transit Fares

At the Woodstock City Council meeting held on Thursday, April 6th, 2023, the following resolution was passed:

"That Woodstock City Council direct Staff to bring back a report to modify Council Policy PR017 – Fee Assistance In Recreation to add a transit fare subsidy of 50% for the cost of a monthly pass to the policy;

And Whereas the County of Oxford currently funds single use transit fares for low income households, that City Council request County Council to consider expanding this to monthly passes and that a copy of this report be provided as information;

And further that any budget up to \$30,000 annually for this program not covered by the County of Oxford be financed through the Slot Machine Reserve Fund."

A copy of the referenced staff report is enclosed with this correspondence.

Yours Truly,

Amy Humphries, City Clerk

To: David Creery, Chief Administrative Officer
From: Harold de Haan, City Engineer
Re: Subsidized Transit Fare

AIM

To inform City Council regarding possible City of Woodstock transit fare subsidy program for low-income riders.

BACKGROUND

At the February 2, 2023 City Council meeting, City Council passed the following motion:

“That Woodstock City Council refer the request for consideration of reduced bus fare for low-income transit riders to Staff for a report,

And further that the report includes an analysis of best practices on tiered bus fares across Canada and an outline of the challenges and opportunities for implementation.”

This motion was passed in response to correspondence submitted by the Reducing Poverty Together Committee.

The current fare structure for City of Woodstock Transit is \$2.75 for cash fares. There are a number of passes offered which include an adult pass (unlimited usage for 30 days) for \$66.00, students and seniors can purchase similar passes for \$53.00, students can also purchase a STRIDE pass which provides unlimited rides for July and August for \$27.50, Hand-D-Ride passes are for 12 rides and cost \$27.50 and Group Day Passes, good for 2 to 5 people which cost \$8.25. Free passes are available to Veterans and support persons with photo ID. Children under 5 are able to ride free.

COMMENTS

Social service programs are generally the responsibility of the upper tier in a two-tier system. The Association of Municipalities Ontario summarizes the differences between upper and lower tier as: “A county government is a federation of the local municipalities within its boundaries. Counties are referred to as "upper tier" municipalities. Counties exist only in southern Ontario. Local municipalities (cities, towns, villages, townships) within counties provide the majority of municipal services to their residents. The services provided by county governments are usually limited to arterial roads, health and social services and county land use planning.” As such, social services is the responsibility of Oxford County.

The County has a department specifically set up for this purpose with access to a number of different programs and access to provincial and federal funding programs and personnel trained and equipped to manage different needs. The social assistance section of the County's website states that:

"If you need financial assistance, there are programs you can access through Oxford County's Human Services department and other local agencies.

Financial help may cover the cost of food, shelter, **transportation** and other special needs. Visit our resource room or contact your Caseworker for more information."

Oxford County is already providing Woodstock transit tickets to some of their patrons. In 2022, the County of Oxford purchased 1,500 transit tickets from the City.

Reviewing the information provided in the letter submitted to Council, each of the examples cited as having reduced bus fares is a single tier municipality and as such social services is their responsibility. Further investigation by Staff into other transit systems throughout Ontario showed that transit systems that did have subsidized fares, the programs were run and funded by the upper tier (Burlington, Milton, Oakville, Brampton, Mississauga, Durham, GRT) or were single tier (Guelph, London, Stratford, Chatham, Windsor, Brantford, Hamilton). Of those municipalities that offered subsidized transit fares, over half of them offered a 50% subsidy while some offered 33% subsidy and the rest had a sliding scale. Staff could find no examples of any lower tier municipality that operates and funds its own transit subsidy program for low-income individuals.

Woodstock transit fares are subsidized. Transit fares currently are \$2.75/trip with monthly passes available for a cost of \$66.00/month. Assuming 2 trips per day for five days a week for four weeks per month this works out to \$1.65/trip (down to \$1.38 per trip if use transit every day available). Senior and student discounted passes cost \$53.00 per month (\$1.32/trip or \$1.10/trip if use transit 5 or 6 days per week, respectively). Using 2022 Revenue Budget expense costs of \$3,545,090 and 2019 (pre COVID) ridership numbers it costs the City \$7.76 per ride to provide public transportation. This cost per rider number is for conventional transit only and does not include the costs associated with Paratransit.

Woodstock transit fares are economical. In a review of Ontario transit system, only two systems, Tillsonburg and Chatham, have lower cash fares than Woodstock and one, St. Thomas, has the same fare as Woodstock. The rest are higher.

A breakdown of transit and fares is shown below:

Transit Provider	Cash Fare
Hamilton (HSR)	\$3.25
Burlington Transit	\$3.50
Oakville Transit	\$3.25
St Thomas Transit	\$2.75
Brantford Transit	\$3.00
Woodstock Transit	\$2.75
Tillsonburg (T-Go)	\$2.50
London Transit	\$3.00
Chatham Transit	\$2.50
Windsor Transit	\$3.15
Stratford Transit	\$3.00
Grand River Transit (GRT)	\$3.50
Mississauga (Mi-Way)	\$4.00
Brampton Transit	\$4.00
Toronto (TTC)	\$3.25
Guelph Transit	\$3.00
Sudbury Transit	\$3.50

Although social services are the responsibility of Oxford County and they are set up to, and already do, provide transit passes to qualifying individuals, Staff recognizes that the City does have an existing program which also serves a social service function.

The Parks and Recreation department runs the Fee Assistance in Recreation (FAIR) program. This program provides a set amount of funds depending on single, family, number of children and adults (for a family, \$50/year for each adult over 18, and \$200/year for each individual 17 and under) that qualifying persons can put towards the purchase of recreation activities that have a fee attached to them. This program was initially set up since social services at the County did not provide any assistance for recreational programs similar to what they do for food, shelter, transportation and other special needs. Although including transit in the FAIR program will involve additional staff time and resources, since this program is already set up, the additional cost will be less than if a completely new and independent system were to be implemented.

If added to the FAIR system, Staff proposes that a separate pool of funds would be created for eligible applicants to use to subsidize the purchase of monthly passes. The amount of subsidy would need to be determined by City Council however Staff recommends 50% subsidy. This is in line with the subsidy amount being provided by other municipal transit systems where this is being done. If so, each adult that qualifies would be eligible for up to \$396 per year (half of 12 monthly passes) and seniors and students would be eligible for up to \$318 per year. Applications for the FAIR program can be made online or at Cowan Park Sportsplex. Once approved, eligible users would then be able to purchase passes using the FAIR program funds either at Southside Pool or at the Reeves Community Complex.

Since there is no data on how many FAIR users would use the program to purchase transit passes, it is difficult to estimate how much this would cost. If Council decides to proceed with the subsidy, Staff estimate that \$30,000 (assuming a 50% subsidy) be put towards transit fares purchased through this program. Considering that this is a new program, this amount may need to be adjusted depending on usage of the program. The City would need to fund this program unless the County agreed to reimburse the funds. Considering the unknown cost and participation with this program, City Council, if they wish to proceed with this, may wish to consider introduction on a trial basis for a year and request Staff to report back at the end of that time with program usage and cost.

If Council wishes transit fares to be subsidized through the FAIR program a suggested motion might be:

“Council direct Staff to bring back a report to modify Council Policy PR017 – Fee Assistance In Recreation to add transit fare subsidy of ____% (Council to determine percentage) for of the cost of a monthly pass to the policy,

And Whereas the County currently funds single use transit fares for low income households that City Council request County Council to consider expanding this to monthly passes and that a copy of this report be provided as information,

And further that any budget up to \$30,000 annually for this program not covered by the County of Oxford be financed through the Slot Machine Reserve Fund,”

RECOMMENDATION

For Council direction.

Authored by: Harold de Haan, P. Eng.

Approved by: David Creery, P.Eng., MBA,