

Permanent Ride Transit Program - Transition

Recommendation

1. That the Ride Transit program eligibility be expanded to include a sliding scale model and support for individuals who experience income changes during the year.
2. That the unfunded service package set out in Attachment 4 of the November 28, 2018, City Operations report CR_5804, to extend the pilot Ride Transit program for 2019, be considered by Council as part of the 2019-2022 Operating Budget deliberations.

Previous Council/Committee Action

At the March 14, 2018, Community and Public Services Committee the following motions were passed:

That Administration bring a report and service package to the fall 2019-2022 operating budget process, in support of the Integration of a Low Income Transit Pass Program in the Tier Three Sliding Scale Model, as outlined in CR_4704, Sliding Scale Model - Integration of Low Income Transit Pass Program.

That Administration provide a report that includes the overall Ride Transit Program costs, if the City and Government of Alberta were to continue with the program.

Executive Summary

The Ride Transit Program pilot provides an affordable transportation option for low-income individuals and their families. The pilot, jointly funded by the City of Edmonton and Government of Alberta, is intended to improve the mobility of Edmontonians. The program is a *Game Changer Action* of the EndPoverty Edmonton Roadmap.

A recent evaluation of the Ride Transit Program pilot demonstrates the program's outcomes are being achieved. It also identified improvements in the program's design and implementation process. The service package presented as part of this report will fund the program through December 31, 2019, with expanded program eligibility and implementation of additional program changes to improve the program's accessibility and public awareness.

Report

Background

The Ride Transit Program provides a discounted monthly transit fare to approved program participants and is intended to make it easier for families to travel around the city to access jobs, education, healthcare, recreation, community resources and government services. Individuals are assessed for eligibility by providing income verification through one of the following items:

- Notice of Assessment from the Canada Revenue Agency,
- Identification from the Government of Alberta related to either the Assured Income for Severely Handicapped (AISH) or Income Support program, or
- Letter of support from the sponsor agreement holder for privately-sponsored refugees.

The Ride Transit Program benefits more than 13,000 residents each month and is projected to grow throughout 2019. The program has been partially funded by the Government of Alberta, although this agreement expires in December 2018. Refer to Attachment 1 for a participation summary.

Program Evaluation Study

Administration recently concluded a program evaluation of the pilot. The study, led by an external consultant, engaged program staff, key stakeholders, partners and program participants. Refer to Attachment 2 for detailed evaluation results and an overview of related public engagement.

The study showed the program is achieving intended outcomes and making transportation more accessible for eligible low-income Edmontonians. Overall, results demonstrate an increase in independence, greater access to employment, education, healthcare and community events, as well as less social isolation and reduced stress. The results from a survey of 740 participants are noted below:

- 80 percent felt they were better able to access necessary services
- 72 percent felt it was easier to get to appointments
- 60 percent go to more events and social activities
- 65 percent use the pass to access work opportunities
- 80 percent felt it was easy to apply for the pass
- 77 percent felt staff were helpful when applying
- 90 percent felt staff were helpful when purchasing a pass

The study also identified pilot challenges, including:

- Literacy and language barriers
 - Application materials are written in English only. This negatively affects the application process and user experience for some applicants.
- Program barriers

- There were barriers for participants in the Assured Income for Severely Handicapped (AISH) program, related to removing the auto-debit and mailout process for their low-income transit passes.
- Administration resolved issues in May 2018 as outlined in CR_5837 Steps to Enable Online/Mailout Distribution & Options for Annual Pass.
- Program awareness
 - There may be a population segment who could benefit from the program, but are unaware due to minimal promotions, including ads targeted to newcomers.
- Income verification challenges
 - Outside of the recently added Income Support eligibility, applicants have been approved based on their prior year's income. There were no processes to deal with more immediate financial changes.
 - For some, their employment status may change during the calendar year; however, their income tax documents would not reflect their income change.
 - There are vulnerable residents (those without a stable home address or ability to verify their income) who may need support to access transit.

Administration will start selling passes at two additional recreation facilities in December 2018, Saint Francis Xavier and Grand Trunk. In 2019, participants will have eleven locations where passes can be purchased. Additionally, the Edmonton Public Library (EPL) will transition out of Ride Transit Program delivery.

Continuation of the Program

There are several initiatives which could enhance the program. A detailed outline of the benefits and challenges for each option are outlined in Attachment 3.

Program Design Options:

The Ride Transit Program evaluation reviewed current eligibility and made a number of recommendations to improve program awareness, accessibility and effectiveness. The evaluation noted that the current eligibility criteria is not serving certain segments of the population. The included service package, Attachment 4, would allow Administration to:

1. Expand the program eligibility to residents who experience an income change during the year. This may include accepting other income verifications, such as Employment Insurance or other income replacement documents.
2. Implement a sliding scale model to align with the Leisure Access Program. Information about the sliding scale model was provided in CR_4704, Sliding Scale Model - Implementation of a Low Income Transit Pass Program.

3. Continue to work with community stakeholders to better support vulnerable populations by expanding existing programs such as Providing Accessible Transit Here (PATH).

Program Funding Options:

The projected overall program cost and revenue impacts, assuming recommended design changes are made and using an updated financial model to project revenue, is \$10.1 million. This would support 26,500 pass sales per month by end of year. In 2018, the program budget was \$8.9 million. There are several funding options to be considered:

1. Pursue a pilot extension for 2019 with support from the Government of Alberta, and make the program permanent in 2020, subject to continued funding support from the provincial government.
 - The pilot is cost-shared with the Government of Alberta and aligned with their support of the City of Calgary's low-income transit pass pilot.
 - Calgary's pilot is scheduled to end in December 2019. The Government of Alberta has indicated they will consider extending the City of Edmonton pilot by a year. They have also indicated a funding cap of \$4.725 million for 2019.
 - Extending the pilot by another year also allows Administration to address the process issues identified in the program evaluation study.
2. Seek continued joint funding from the Government of Alberta for a permanent program for 2019 and beyond.
 - There are advantages for the provincial government to continue supporting the program. With Income Support recipients now able to access the program, provincial Administration has indicated it will likely lower the transportation-related benefit provided to these recipients. The related cost savings for the provincial government is estimated to be over \$20 million.
 - Public transit also supports economic development and labour mobility in the region, better access to training and education, as well as greater social development and community inclusion.
3. Fund the program entirely as a City program, without Government of Alberta funding.
4. Discontinue the program, reverting back to an Assured Income for Severely Handicapped participants-only program.

Based on the assessment of the options above, the unfunded service package (Attachment 4) would provide funding for the Ride Transit Program pilot to be extended by one year. Efforts would continue to secure permanent funding with the Government of Alberta and Administration will bring forward permanent funding options to Council in Q3, 2019.

Corporate Outcomes and Performance Management

Corporate Outcome(s): Edmontonians use public transit and active modes of transportation			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Edmontonians can access transit infrastructure and services regardless of socio-economic barriers.	Number of Ride Transit Program pilot users.	13,000	20,000
	Participants' perceived value of the program.	93% - Highly Valuable (Q3, 2017)	85% - Highly Valuable

Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations
Financial	Partner is unwilling to financially support recommended change.	4 - Likely	3 - Major	12 - Medium	Program scope remains the same.	Council could direct to adjust program independently, and City would be responsible for all financial impacts.
Financial	No confirmed funding from GoA to extend the program beyond 2018. Any extension would require 100% funding from the City.	3 - Possible	4 - Severe	12 - Medium	A service package would need to be submitted to Council to request funding to support continuance of the program.	
Financial	Confidence in demand estimates; recommendation may be under budgeted for potential requirement.	3 - Possible	3 - Major	9 - Medium	Administration will track program results and report back to Council should demand exceed estimates.	Would provide information to assess permanent program requirements.

Attachments

- Ride Transit Pilot Program Participation Summary
- Ride Transit Program Evaluation 2018
- Analysis of Ride Transit Program Design Options
- Operating Budget Service Package

Others Reviewing this Report

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- R. Smyth, Deputy City Manager, Citizen Services
- C. Owen, Deputy City Manager, Communications and Engagement