

DIRECT DOWNTOWN TO AIRPORT BUS ROUTE

Recommendation

That the February 6, 2024, City Operations report CO01632, be received for information.

Requested Action	Information only		
ConnectEdmonton's Guiding Principle	ConnectEdmonton Strategic Goals		
CONNECTED This unifies our work to achieve our strategic goals.	Regional Prosperity		
City Plan Values	ACCESS		
City Plan Big City Move(s)	Catalyze and converge	Relationship to Council's Strategic Priorities	Economic Growth
Corporate Business Plan	Transforming for the future		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> • C539a - Transit Service Policy • Mass Transit Planning 		
Related Council Discussions	<ul style="list-style-type: none"> • September 7, 2022 Executive Committee: CO01179 Edmonton Metropolitan Transit Services Commission - Phase One Service Plan Implications • September 12, 2017 City Council: CR_5072 ETS Service to Edmonton International Airport - Options and Costs 		

Previous Council/Committee Action

At the November 30, 2022, City Council Budget meeting, the following motion was passed:

That Administration work with stakeholders, including downtown businesses, Explore Edmonton and the Edmonton International Airport to explore a cost sharing approach to a direct downtown to airport bus route and return with an update to Council.

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Executive Summary

- A direct downtown to Edmonton International Airport (YEG) bus route would enhance competitiveness of the Edmonton Metropolitan region and align with The City Plan Big City Move of Catalyze and Converge.
- Conceptual levels of direct bus service connecting downtown to YEG range in operating cost from \$2.5 million per year to \$3.5 million per year and require approximately \$10.3 million to \$14.2 million in capital budget to fund between 13 and 18 dedicated buses.
- Potential funding partners were explored, however, funding commitments are not secured.

REPORT

Background

Transit service connecting the Edmonton International Airport (YEG) to Edmonton started in 2012 to support regional collaboration, economic development and global competitiveness. The service was initially funded with an annual subsidy agreement of \$500,000 from YEG.

On June 30, 2017, the City of Edmonton, Leduc County, the City of Leduc and Edmonton Regional Airports Authority signed the Inter-Jurisdiction Cooperation Accord, also known as the Airport Accord. By endorsing the Airport Accord, the signing partners declared their joint commitment to the economic development of YEG and the surrounding area to further contribute to the prosperity and sustainability of the region. In early 2019, integrated sub-regional airport service with the Accord Partners was implemented based on a cost-sharing model, which included fare revenue sharing and a focus on service to the airport and those portions of partner communities that directly serve airport developments and operations.

Edmonton Transit does not provide direct service from downtown Edmonton to the airport. The current regional service to the airport requires downtown riders to use the Capital Line LRT service and connect with Route 747 at Century Park LRT Station. This report outlines options for dedicated transit service from downtown Edmonton to the airport, including resources required to operate the service and commentary on cost-sharing opportunities.

Attachment 1 provides a comparison of Canadian peer cities' airport transit service. Of note, YEG is located further from downtown than its Canadian peers, such as Calgary, Ottawa and Winnipeg. A direct downtown to YEG bus route would also likely have further benefits, such as emission reductions, and provide more affordable and convenient transportation to downtown attractions; however, a direct route could impact existing vehicle for hire service. Administration could conduct further analysis on these impacts should Council choose to pursue this potential service further.

Cost Sharing Opportunities

Administration received feedback from YEG representatives and the Downtown Business Association affirming the need for a downtown to YEG express bus service, though without formal commitments for cost sharing at this time. The Downtown Business Association indicated interest in continuing to explore options with Edmonton Transit Service (ETS) and other service providers and potentially partnering with the broader hospitality industry.

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Downtown to Edmonton International Airport Service Options

A conceptual route from downtown to YEG is shown in Attachment 2. The route is intended to serve key destinations downtown such as hotels, and operate on Calgary Trail/Gateway Boulevard, with stops at Whyte Avenue. This route would support downtown businesses, assist passengers, and assist YEG staff by improving access to YEG with a direct route. The route would supplement the current regional route that riders can connect with at Century Park transit centre. Route 747 would be refined through further engagement and analysis.

Two service levels are analyzed, ranging in annual net operating cost from \$2.5 million to \$3.5 million per year. The analysis assumes a similar fare structure to Route 747 and 40 per cent cost recovery through fare revenues. Some current riders of Route 747 travelling to and from downtown or north Edmonton may switch to the new route; however, most of the ridership is expected to be new riders travelling to and from downtown. Cost estimates are conceptual and would be refined with further analysis of the route and fare structure.

A capital investment is required to purchase the bus fleet for the service, as this service is not in scope within the recent budget decisions from Council to fund 120,000 annual bus network service hours. By fully using the satellite garage, there is currently capacity to add an additional 20 buses to the bus fleet until the completion of the Southeast Transit Garage.

Option 1

Option 1 operates seven days-a-week with service every 30 minutes during peak travel periods and 60 minutes in the off-peak. This is similar to the frequency and hours of service on the current Route 747. This option costs approximately \$4.1 million per year upon initial launch, which is expected to decline to \$2.5 million per year, assuming 40 per cent cost recovery. Option 1 requires 13 new buses dedicated to the service. Buses operating on this route require modifications to install luggage racks and would not be used in the local bus network.

Option 2

Option 2 operates seven days-a-week, but with 30 minute frequency all day, which is more consistent with peer cities. This option costs \$5.9 million per year upon initial launch, which is expected to decline to \$3.5 million per year, assuming 40 per cent cost recovery. Option 2 requires 18 dedicated buses, which would also require modifications to accommodate luggage. These buses would not be used in the local bus network.

Budget/Financial Implications

Depending on the level of service (Option 1 or Option 2), the net operating cost is projected to be between \$2.5 million and \$3.5 million annually for fuel, operators and fleet maintenance which is the equivalent of approximately 0.1 per cent in tax levy. An additional 13 to 18 new buses are required for this service. Capital costs for these buses range between \$10 million and \$29 million depending on the type and number of buses. All current funding within the 2023-2026 capital budget has been allocated, and there is no unrestricted tax-supported debt room available.

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Community Insight

The addition of a new express transit service connecting downtown to YEG provides several noted benefits, primarily improving the economic potential of YEG and downtown. Edmonton may be better positioned to attract major conferences and events as a result of increased simplicity and reduced cost to visitors accessing downtown from YEG. YEG representatives note the primary destination of taxis from YEG is downtown.

Discussions with the Downtown Business Association and YEG indicate both are supportive of additional transit service but are unable to commit financially at this time. Representatives of the Edmonton Transit Service Advisory Board (ETSAB) indicate support for the idea because it could reduce greenhouse gas emissions, support equity, the economy and civic pride by enhancing connection to YEG.

There are transit service needs in many areas of the city, including to YEG, as outlined in the August 29, 2023, Council Report CO01337 Edmonton Transit Service in Newer Developing/Developed Communities.

GBA+

The majority of the ridership on Route 747 consists of regular riders using a 747 Bus Pass (34 per cent), or frequent riders using the Arc card, UPass, or Leduc Pass (33 per cent). Regular riders are likely employees of YEG or nearby businesses, including the Premium Outlet Collection. The remaining riders use cash or tickets (33 per cent) and may include both residents and visitors.

Ridership has increased by 24 per cent in the last year and midday trips on Route 747 are experiencing high loads during 60-minute service. This indicates there are many riders who rely on Route 747 to access YEG and surrounding areas for employment or other purposes.

The primary benefit of an express service from downtown to YEG is the economic development potential related to attracting new visitors. With limited resources, there are tradeoffs to be considered for allocating funding and resources to this service. For example, allocation of transit service hours toward an enhanced YEG express route would mean that fewer transit service hours are available to close gaps in Edmonton's local transit network, as discussed in the August 29, 2023, City Operations report CO01337 Edmonton Transit Services in Newer Developing/Developed Communities.

Attachments

1. Peer Cities Airport Service Comparison
2. Conceptual Downtown to Airport Route