

## ETS Seniors Fares - Sliding Scale Model

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### Recommendation

That the March 9, 2020, City Operations report CR\_8102, be received for information.

### Previous Council/Committee Action

At the February 21, 2020, City Council meeting, the following motion was passed:

That Administration bring forward a plan for introducing a sliding scale model for 2020 annual seniors passes that includes a \$136.50 annual pass to support for seniors between 11-25% above low-income cut-off, at the next City Council meeting on March 9, 2020.

### Executive Summary

If directed by Council, Administration can implement a sliding scale option for the low income annual seniors pass for seniors who are between 11 and 25 percent above the low income cut off. The sliding scale option would include a price point of \$136.50 for the 2020 year and can be implemented by the end of March 2020. Adding the sliding scale aligns with the fare policy and the approach used for other low income programs offered by the City.

### Report

At the November 26, 2019 City Council meeting, Administration presented a transit ridership growth plan that identified levers required for growing ridership. Fare policy and removing financial barriers for those in need were outlined as important levers that impact ridership. At that time, Council also approved the revised Transit Fare Policy. The policy identifies principles to guide fare-related decisions and a revised discount structure for fare categories.

Based on research and analysis and feedback collected through public engagement, the policy specifies that low income seniors qualify for a free annual seniors pass. The distribution process for the free pass started January 14, 2020 and the annual pass takes effect on April 1, 2020.

Administration has completed research and analysis into adding a sliding scale option for the seniors low income annual pass. Adding a second tier for eligibility aligns with

the Transit Fare Policy, the approach used for the low income transit pass program, Ride Transit, and the Leisure Access Program (LAP).

The second tier of eligibility focuses on seniors who have an annual income between 11 and 25 percent above the national low income cut off (LICO) established by the Government of Canada. Using 2019 figures, that means that seniors who have an income of \$32,401 or less would qualify. Updated LICO figures for 2020 are expected in the spring. Eligible seniors would need to apply for consideration as they do for the pre-existing low income seniors pass program. The application can be submitted in-person or by mail.

### Next Steps

Implementation of the sliding scale option could be achieved by the end of March 2020. Should Council direct the implementation of the sliding scale option, changes will be communicated to seniors and service delivery partners. Refunds can be issued to those who have already purchased their pass and are retroactively deemed eligible for tier two.

Administration can report on the results of adding a second tier as part of reporting revenue performance in the quarterly financial reports to Council.

### Budget/Financial Implications

The financial impact of adding a sliding scale option reflects the anticipated revenue loss from other seniors' fare categories. With the price point for tier two proposed to be \$136.50, which is the 2019 rate for the annual seniors pass, and assuming that an estimated 489 seniors will participate, the sliding scale option is projected to lose \$133,000 in revenue.

The revised pricing will not apply to seniors who purchased the Seniors Annual Pass in 2019 and are receiving the 2019 pass price in 2020, per the separate motion approved at the February 21, 2020 City Council meeting.

### Corporate Outcomes and Performance Management

<b>Corporate Outcome(s): Edmontonians use public transit and active modes of transportation.</b>			
<b>Outcome(s)</b>	<b>Measure(s)</b>	<b>Result(s)</b>	<b>Target(s)</b>
Edmontonians can access transit infrastructure and services regardless of socio-economic barriers.	Number of participants in annual low income seniors fare category	6,880 as of February 24 2020	10,750 by December 2020

**Others Reviewing this Report**

- M. Persson, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- C. Owen, Deputy City Manager, Communications and Engagement
- R. Smyth, Deputy City Manager, Citizen Services
- B. Andriachuk, City Solicitor