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October 9, 2012

Councillor Michael Thompson
Economic Development Chair
City Hall
100 Queen Street West, Suite B24
Toronto, Ontario
M5H 2N2

Dear Councillor Thompson:

This is in response to Councillor Paula Fletcher's letter dated March 26, 2012 regarding organization and operation of festivals across Toronto and support to the Festival of South Asia organized by the Gerrard India Bazaar.

With respect to event driven costs and service disruption, the TTC's intent has historically been focused on the recovery of additional operating costs associated with events where road closures for an event, required the diversion of transit vehicles. For affected bus routes, the fees charged by the TTC primarily covered signage costs advising customers of the routing changes for the event dates. Where applicable, when it became necessary to provide street supervision for a transit route as a direct result of the event and its impact on a specific route, supervisory costs were added.

Streetcar routes, however, are more complex. Depending on the event location, a diversion can range from being minor in nature, such as the case for the "Taste of Little Italy Festival", or in the case of the "South Asia Festival", significant. The primary difference in the two has to deal with the local design of the streetcar network. The Taste Festival occupies College St. between the Bathurst St. and Shaw St. intersections, requiring 506 Carlton streetcars to divert in both directions via College Street, Ossington Avenue, Dundas Street West, Bathurst Street, College Street to route. This may seem like a significant diversion routing, probably requiring the scheduling of replacement buses; however, most if not all of the side streets are unsuitable for bus operation given the narrowness of the roadway, plus the road closure limits basically encompass all roadways within the primary diversion routing. In addition, the diversionary routing is not distant.

Regarding the South Asia Festival, the event area is confined to Gerrard Street East between the Coxwell Avenue and Greenwood Avenue intersections, a small area. Although small in distance, the streetcar track network requires streetcars to be diverted a significant distance west of the closure area, in fact, eastbound 506 Carlton streetcars must divert southbound at Broadview Avenue where they then proceed east on Queen Street East to north on Coxwell Avenue to continue their trip to Main Street Station. On the return westbound trip, limits again with the streetcar track network require westbound 506 Carlton streetcars to operate south on Coxwell Avenue, west on Queen Street East, north on Parliament Street, west on Carlton Street to route. When you review the area, you will readily see the need to provide a bus transit service along Gerrard Street East between Parliament Street and Coxwell Avenue, with a minor diversion implemented around the event location utilizing the following combination of streets: Greenwood Avenue, Dundas Street East and Coxwell Avenue. Failure to schedule a bus replacement service would result in no transit service on Gerrard Street East in the eastbound direction between Broadview Avenue and Coxwell Avenue, and in the westbound direction between Coxwell Avenue and Parliament Street. The walking distance from Gerrard to Queen is much more significant than the other example, College to Dundas.

The TTC began billing Event Hosts for service disruption in February 1996. The first event billed was a Much music street closure involving the 'Spice Girls'. At the time, the only billing method was Charter Rates for Bus Replacement service. Use of Charter Rates continued until organizers of the South Asia Festival approached the city for relief from rising Charter rate costing. This group petitioned TTC Commission meetings to either have costs reduced or totally cancelled. The Commission decided that being a locally "BIA" sponsored event, the BIA would be liable for one half of the charter costs, with the TTC absorbing the other half.

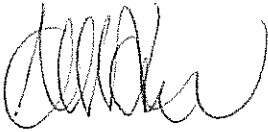
Subsequently, as charter rates continued to increase, Event Managers felt costs were too high for the event to absorb, even at the agreed to 50-50 split. As a result, in late 2010, former CGM Gary Webster decided all events requiring alteration of local transit operations, would be required to pay for the first \$10,000 and any amount above this would be split evenly between the event and the TTC. The cost savings were minor in nature for the South Asia community since it still required their event to compensate the TTC in excess of \$20,000 for the scheduling of replacement buses.

As a result, in late 2011/early 2012, staff at the TTC's Finance Department established a more appropriate cost recovery process. TTC labour and vehicle costs would be charged at actual rates instead of charter rates for all events where it was necessary to provide additional resources. Whether the resources provided were staff, or additional vehicles for a route, the recovery charges were to cover employee wages at the premium (overtime) rate, and a fuel surcharge for buses. For 2012, the current operator costs are \$59.70 per hour, with a fuel surcharge of \$2.00 per kilometre operated for additional buses. When factoring in the current charter rates, a three hour charter averages out to approximately \$345.00 per hour, while with the new rate, (assuming a twenty kilometre operating distance for an hour of bus operation) the equivalent cost would be \$99.70 per hour.



In 1996, the intent was to recover the additional operating costs incurred by the TTC where events impacted transit operations. Since no "formula" was available at that time, the TTC's charter rates were used to recover additional operating costs. With the new formula, costs more accurately reflect actual additional operating costs incurred during events requiring transit diversions or replacement service.

Sincerely,



Andy Byford
Chief Executive Officer

6-127-32

Copy: Councillor Paula Fletcher
Ward 30 Toronto-Danforth

