

Transmittal of Toronto Transit Commission Update on Cross-Boundary Service Integration

Date: March 30, 2022

To: City Council

From: City Manager

Wards: All

SUMMARY

At its meeting of February 10, 2022, the Toronto Transit Commission (TTC) Board considered an update on cross-boundary service integration. The TTC staff report (included as Attachment 1) provides an overview of the proposed Cross-Boundary Service Integration Plan, which calls for a partnership between the TTC and 905 transit agencies (e.g. York Region Transit and Mississauga transit) that would allow 905 transit agencies to serve customers within the boundaries of Toronto. Currently, the City of Toronto Act, 2006 (COTA) restricts the TTC from entering into an agreement with another entity to provide transit service in the City of Toronto unless that entity provided the service prior to January 1, 1954. This effectively prevents the TTC from entering into cross-boundary service agreements.

In its decision, the TTC Board:

- approved the Agency's Cross-Boundary Service Integration Plan in principle;
- advised of legislative barriers in COTA that currently prevent the TTC from operationalizing the Plan;
- directed the CEO to report back to the TTC Board on details of interagency revenue sharing, a plan for the reinvestment of savings, and a plan for ensuring consistent customer service and support; and,
- forwarded the report to the City Manager and the Ontario Ministry of Transportation.

The report of the TTC Board also noted that there is a limitation in TTC's collective agreement with Local 113 of the Amalgamated Transit Union (ATU) on entering into arrangements pertaining to contracting out or sale of business. As at date of submission of this report, the TTC is continuing discussions with the ATU regarding this issue.

The purpose of this City Manager report is to convey the TTC Board's report to City Council, with a recommendation that City Council request the Ontario Government amend COTA to remove the legislative barriers currently preventing the TTC from entering into agreements with other public passenger transportation organizations for better co-ordination of services across municipal boundaries. The legislative

amendments requested are one step on the path towards implementing TTC's proposed Cross-Boundary Service Integration Plan. TTC continues to work with partners on implementation details, including service planning, required technology solutions, and cost-sharing between the parties.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council consider the report of the Toronto Transit Commission attached to this report as Attachment 1: Status Update – Cross-Boundary Service Integration (TTC Board report adopted February 10, 2022).
2. City Council request the Ontario Government amend Section 395 of the City of Toronto Act, 2006 to enable cross boundary transit service integration and specifically:
 - A. allow the Toronto Transit Commission to enter into an agreement with a municipality or local board authorizing the municipality or board to operate and maintain transit services within the City of Toronto on the conditions specified in the agreement; and,
 - B. provide that such an agreement is not a sale, transfer or deemed sale or transfer of the operation or part of the operation of the Toronto Transit Commission under the Labour Relations Act, nor is it a contract for services for the Toronto Transit Commission to enter into an agreement for such transit services within the City of Toronto.
3. City Council direct the Board of the Toronto Transit Commission to report to City Council on an implementation plan for the Cross-Boundary Transit Service Integration Pilot Project, including details of TTC service reallocation, transit service improvements, financial implications and cost-benefit analysis.

FINANCIAL IMPACT

There are no financial implications arising from the adoption of the recommendations in this report.

Financial impacts of implementing cross-boundary service are not known at this time. Any future cost savings or revenues resulting from adjustments to TTC service levels would be determined by an assessment of the TTC's planned pilot projects.

The Chief Financial Officer and Treasurer has reviewed and approved the financial impact statement.

DECISION HISTORY

On February 17, 2022, as part of its decision on the 2022 Capital and Operating Budgets, City Council adopted the 2022 Operating Budget for Toronto Transit Commission, which includes piloting cross-boundary service integration in partnership with neighbouring municipalities as a key strategic initiative for 2022:

<https://www.toronto.ca/legdocs/mmis/2022/ex/bgrd/backgroundfile-199570.pdf>

On February 10, 2022, the TTC Board adopted the following report entitled "Status Update – Cross-Boundary Service Integration" that adopted the Agency's Cross-Boundary Integration Plan in principle, including a phased implementation starting with a pilot on the Burnhamthorpe and Dufferin North corridors to evaluate customer experience before proceeding to full rollout:

https://ttc-cdn.azureedge.net/-/media/Project/TTC/DevProto/Documents/Home/Public-Meetings/Board/2022/February-10/Decisions/2062_12_Status_Update_-_Cross-Boundary_Service_Integration.pdf?rev=cf4b536d4f2b4e78901f6f13ba7a46ca&hash=A D3536B3CF12963E6A40F6EA0B48A188

On February 10, 2022, the TTC Board adopted the TTC's 2022 Annual Service Plan, which includes piloting cross-boundary service integration in partnership with neighbouring municipalities as a key strategic initiative for 2022:

https://ttc-cdn.azureedge.net/-/media/Project/TTC/DevProto/Documents/Home/Public-Meetings/Board/2022/February-10/Reports/9_2022_Annual_Service_Plan.pdf?rev=33257ffa4b1b454d802db427f27e847e&hash=52EE32F5FECE9414A7C548209A75ABD6

COMMENTS

TTC's Cross-Boundary Transit Service Integration Plan

According to the TTC, there are 24 cross-boundary bus corridors where TTC and 905 transit agencies operate across the borders of Toronto and neighbouring municipalities. Approximately 4.3% of TTC ridership (22.6 million customer trips per year pre-pandemic) either start or end trips outside of Toronto, and use 905 and TTC service.

In 2021, the TTC collaborated with Brampton Transit, Durham Region Transit, Mississauga Transit (MiWay), and York Region Transit (YRT) to develop a cross-boundary service integration plan to better integrate local public transit services across municipal boundaries. The plan would allow customers within Toronto to access 905 transit agency buses. Implementation of the plan would result in more frequent service within Toronto and financial efficiencies that the TTC has indicated it will reallocate to meet other system needs. In February 2022, the TTC Board approved the Cross-Boundary Service Integration Plan in principle, but identified a legislative barrier to implementation in the City of Toronto Act.

City of Toronto Act, 2006 Provisions

The City of Toronto Act currently provides that the TTC can enter into an agreement with another entity to provide service in the City of Toronto only if that entity provided the service prior to January 1, 1954¹. This requirement limits the TTC's ability to provide cross-boundary service with the 905 transit agencies. In order to allow for cross-boundary transit service, changes to the City of Toronto Act would be required to remove the limitation and allow other public passenger transportation organizations to enter into agreements with the TTC to better co-ordinate services across municipal boundaries.

TTC's Collective Agreement

The TTC Board's report also noted that there is a limitation in the TTC's collective agreement with Local 113 of the Amalgamated Transit Union (ATU) on entering into arrangements pertaining to contracting out or sale of business ([Appendix E-27](#)). This matter was brought to interest arbitration during the TTC's most recent round of collective bargaining, for which an [award](#) was issued on January 4, 2022. While Appendix E-27 was renewed until March 30, 2024, the matter of cross-boundary service was remitted back to the parties to resolve within 90 days, failing which the interest arbitrator will make a determination. The TTC report noted that such a process is difficult to predict from a timing perspective. In order to support certainty in outcome, as well as to protect other agencies from counter claims, legislative amendments must also ensure that any co-ordination of services agreement will not be considered the sale of any TTC service, operation or business, nor a contract for service. TTC has advised they continue to have discussions with the ATU.

The Ontario legislature is scheduled to rise on May 4, 2022 to accommodate the campaign period ahead of the next provincial election scheduled for June 2, 2022. As such, there is a limited window of time for the legislature as currently constituted to consider the requested amendments to the City of Toronto Act.

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¹ See [Section 395, "Exclusive Authority of TTC", City of Toronto Act, 2006](#)

SIGNATURE

Chris Murray
City Manager

ATTACHMENTS

- **Attachment 1:** Status Update – Cross-Boundary Service Integration (TTC Board report adopted February 10, 2022)