



2024-2027

# Multi-Year Budget

City of London



## Business Case #P-51 - Transit Service Hours Growth

**Primary Strategic Area of Focus:** Mobility and Transportation

**Primary Outcome:** Londoners of all identities, abilities and means can move throughout the city safely and efficiently.

**Primary Strategy:** Support greater access to affordable, reliable public transit services through the implementation of the London Transit Commission’s 5 Year Service Plans, including growth hours.

**Business Case Type:** Additional Investment

**Description:** This business case is to request additional budget for Conventional and Specialized Transit growth in annual service hours.

**Service(s):** Conventional Transit and Specialized Transit.

**Lead:** Kelly Paleczny, General Manager

Business Case Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2024	2025	2026	2027	2024 to 2027 Total
Annual Tax Levy Impact	\$4,326	\$9,015	\$12,544	\$16,052	\$41,937
Annual Incremental Tax Levy Impact	\$4,326	\$4,689	\$3,529	\$3,508	\$16,052
Estimated Annual Tax Levy Impact %	0.59%	0.58%	0.38%	0.33%	0.47% Average
Estimated Annual Taxpayer Impact \$ <sup>1</sup> .	\$19.36	\$40.35	\$56.15	\$71.85	\$46.93 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$252 thousand for a residential property (excludes education tax portion and impacts of tax policy).

## What is Included in the Base Budget?

Base Budget Table (\$ Thousands)

Status Quo In Transit Service Hours	2023	2024 to 2027 Total
Total Tax Levy Funded – Operating	\$45,837	\$183,348
Full-Time Equivalents	631.0	636.0
Total Capital	\$3,252	\$10,569
MU1176 – Conventional Transit (Growth)	\$3,252	\$10,569

Subject to rounding.

## Base Budget Summary

The base budget for London Transit Commission (LTC) supports the delivery of both conventional and specialized transit. Annualized revenue service hours of 707,500 for conventional transit and 169,800 for specialized transit support the movement of nearly 19 million riders. The City of London funds approximately 51% of LTC’s total expenditures (44% conventional/95% specialized), with the remaining funding coming from transit riders (36%), Provincial gas tax (10%) and operating/reserve funding (3%).

## Business Case Summary

The growth budget request responds to a number of initiatives in the City of London Strategic Plan. A breakdown of the costs associated with each element is provided in the table below followed by a brief description of each initiative. Note, costs are for each year’s specific incremental growth and are not cumulative.

City of London Investment	2024	2025	2026	2027	2024 to 2027
Enhanced Shelter Cleaning	\$107,900	Not Applicable	Not Applicable	Not Applicable	\$107,900
Additional Complement for Zero- Emission Bus Implementation	Not Applicable	\$338,800	Not Applicable	Not Applicable	\$338,800
Incremental Service Hours - Conventional	\$2,535,600	\$2,563,200	\$2,605,200	\$2,677,400	\$10,381,400
Incremental Service Hours - Specialized	\$1,682,300	\$1,787,200	\$923,800	\$830,600	\$5,223,900
Total	\$4,325,800	\$4,689,200	\$3,529,000	\$3,508,000	\$16,052,000

City of London Strategic Plan 1.7 b. Wellbeing and Safety – Assess opportunities to enhance garbage collection in bus shelters:

This initiative will see the cleaning schedule for London Transit bus shelters moved from a bi-weekly schedule to a weekly schedule. The work would continue to be performed by the current contractor, but at a shorter interval. The annual cost of this enhancement is \$107,900.

City of London Strategic Plan 1.2 c. Mobility and Transportation – Continue to support the London Transit Commission’s Zero-Emission Bus Fleet Implementation Framework:

Consistent with transit sector experience and given the complexities involved with transitioning to a new vehicle technology, this initiative will see the addition of 3 full-time equivalent (FTE) positions in 2025 to lead the Zero-Emission Bus pilot project. The annualized cost of this initiative is \$338,000 beginning in 2025.

City of London Strategic Plan 1.3 a., 1.4 a., 1.4 b., 1.6 a. and 1.6 b. Mobility and Transportation - Support greater access to affordable, reliable public transit and paratransit through the implementation of the London Transit Commission’s 5 Year Service Plans, including growth hours; London Transit Ridership Growth Strategy and Alternative Delivery Implementation Strategy:

These initiatives will be addressed through the addition of growth service hours to the conventional and specialized budgets. The budget provides for the addition of 25,000 annualized service hours in each of the years 2024 through 2027 to the conventional service, which will result in increased service frequencies on routes experiencing crowding, increased service levels to industrial areas, expansion of the service day to being earlier and end later in effort to accommodate more shift workers, and increased service frequencies on routes feeding the East and South Rapid Transit corridors. Service improvements in each year will take direction from the Commission’s 5 Year Service Plan. The table below provides a summary of the impacts and outcomes of the growth investment.

Conventional Transit Service	2024	2025	2026	2027	Total
Growth Hours	25,000	25,000	25,000	25,000	100,000
% Increase in Service Hours	3.5%	3.4%	3.3%	3.2%	14.1%
Ridership Increase	375,000	375,000	375,000	375,000	1,500,000
Complement Adjustment (FTEs)	19.9	19.4	18.4	17.4	75.1

The budget also provides for the addition of service hours on the specialized service with 20,000 annualized hours in 2024 and 2025, 10,000 annualized hours in 2026 and 8,000 annualized hours in 2027. The increased service will result in a decrease in non-accommodated trips for the registrants of the specialized service. The table below provides a summary of the impacts and outcomes of the growth investment.

Specialized Transit Service	2024	2025	2026	2027	Total
Growth Hours	20,000	20,000	10,000	8,000	58,000
% Increase in Service Hours	11.8%	10.5%	4.8%	3.6%	34.2%
Ridership Increase	42,300	42,300	21,200	16,900	122,700
Complement Adjustment (FTEs)	3.0	3.0	1.0	1.0	8.0

## Financial and Staffing Impacts

Operating Budget Table (\$ Thousands)	2024	2025	2026	2027	2024 to 2027 Total
Expenditure					
Conventional:	\$3,044	\$6,363	\$9,402	\$12,534	\$31,343
Specialized:	\$1,774	\$3,662	\$4,667	\$5,594	\$15,697
Revenue: Grants	-\$0	-\$0	-\$0	-\$0	-\$0
Revenue: User Fees					
Conventional:	-\$400	-\$827	-\$1,296	-\$1,810	-\$4,333
Specialized:	-\$92	-\$183	-\$229	-\$266	-\$770
Revenue: Savings from Existing Budget	-\$0	-\$0	-\$0	-\$0	-\$0
Revenue: Other (Specify funding source)	-\$0	-\$0	-\$0	-\$0	-\$0
Net Tax Levy	\$4,326	\$9,015	\$12,544	\$16,052	\$41,937

Subject to rounding.

Staffing Summary - Changes	2024	2025	2026	2027
# of Full-Time Employees Impacted	22	22	19	18
# of Full-Time Equivalents Impacted	22.9	22.4	19.4	18.4
Cost of Full-Time Equivalents (\$ Thousands)	\$2,396	\$2,799	\$2,300	\$2,353

Subject to rounding.

## Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Relevance Profile for this Business Case:



### Environmental:

This business case increases or may lead to increased greenhouse gas emissions (either from direct use of fossil fuels or new electricity requirements) by either adding a new source of emissions or increasing emissions from existing sources.

This business case is expected to avoid, reduce, or help reduce greenhouse gas emissions in the community.

The growth in public transit service hours will encourage more active transportation including public transit in the community which will reduce personal vehicle usage.

This business case is expected to improve or increase community adaptation and resilience in the community by making transit service more reliable and competitive throughout the City.

### Socio-economic Equity:

Growth in public transit service hours will increase access to the community for all groups and will provide an affordable transportation option to all Londoners.

### Governance:

Return on investment in growing public transit services is measured and reported annually through the LTC Annual Report which is presented to Municipal Council. LTC will not be able to address the outstanding service improvement requested and meeting the strategic plan set by Council if the service hours growth is not approved.