

**Proposal to Undertake an
AISH Subsidized Transit Pass Pilot Project
A Joint Initiative of the Alberta Government and the City of Edmonton**

Background: On April 25, 2003, representatives of the Advisory Board on Services for Persons with Disabilities (Deborah Cummings, Guy Coulombe and Diane Bergeron) with Councillors Mandel and Phair met with MLA Ian McClelland, Chair of the Edmonton Caucus. The purpose of the meeting was to discuss a partnership between the City and the Province to provide subsidized regular transit passes to AISH recipients in Edmonton. MLA McClelland indicated that approximately \$200,000 might be available from the Province to support a pilot project of this nature.

Rationale and Benefits of the Pilot Project: Providing an opportunity to meet the basic mobility needs of AISH recipients is valuable to ensure they can participate in all parts of community life. A subsidized transit pass would assist individuals seek employment (paid and volunteer assignments), establish stable housing, visit family and friends, participate in recreation and community affairs, access community support and health facilities and generally get around the city of Edmonton with ease. The proposed project is restricted to the conventional transit system. AISH recipients currently accessing the Disabled Adult Transit System (DATS) may be encouraged through a financial incentive of a discounted pass to increase their use of the accessible low floor buses and LRT system. This shift in transportation choice will help ensure this specialized transit service is available for those with the greatest transportation disabilities.

Purpose of the pilot project:

- 1) to assess the feasibility of offering a subsidized transit pass to AISH recipients through a partnership between the Province of Alberta and the City of Edmonton;
- 2) to evaluate if AISH recipients who access the subsidized transit pass participate in more programs, employment assignments or structured activities as compared to those who don't and as compared to their participation in the previous year;
- 3) to evaluate a shift in transportation choice among AISH recipients who currently use DATS toward the accessible buses and LRT system; and
- 4) to quantify the financial implications to the Province and the City of undertaking a subsidized pass program in the longer term.

Description of how this pilot project might work: Alberta Human Resources and Employment (AHRE), the Provincial Department that administers the AISH program, currently mails a benefit's stub and medical services card to each AISH recipient on a monthly basis. In a subsidized pass program, ETS could sell regular monthly adult transit passes to AHRE at a discounted rate mutually agreeable to the Province and City Council. AHRE could enrol eligible AISH recipients in a program to receive the subsidized pass. Once enrolled, AHRE could deduct

the AISH recipient's portion of the monthly transit pass cost from their monthly benefits, and send out the pass with the regular monthly mailing to those individuals.

Distributing transit passes through the Provincial Department that administers the AISH program is essential for the efficiency and integrity of the pilot project. AHRE determines eligibility for AISH benefits and maintains regular contact with recipients. Through Provincial administration, appropriate controls could be implemented to minimize inappropriate distribution and use of the significantly discounted passes.

Length of the pilot project: 12 months duration to assess the feasibility and effectiveness of offering a subsidized transit pass to AISH recipients.

Eligibility

- Residents of the city of Edmonton receiving the Provincial income support program, Assured Income for the Severely Handicapped (AISH) would be eligible to purchase a subsidized transit pass;
- The transit pass would allow the individual to access ETS's regular transit services. DATS is specifically excluded from this pilot project because of the specialized nature of the service.

Program Funding

- Revenue loss associated with this initiative from AISH recipients currently purchasing rides on ETS will be made up through contributions from the Province of Alberta and City Council as follows: will be
 - The Province would contribute \$200,000 to subsidize the cost of a monthly transit pass by \$14.50;
 - Subject to City Council approval, the City of Edmonton would contribute \$200,000 to subsidize the cost of a monthly pass by \$14.50;
- The individual AISH recipient would pay \$29.00 per month to purchase each a transit pass.

Key Dates for Implementation

Aug 2003	Province agrees to fund this pilot project
Sept 2003	City Council approves expenditure to fund this pilot project
Oct – Dec 2003	Province and City negotiate details and prepare program implementation plan including evaluation criteria.
Jan – Dec 2004	<ul style="list-style-type: none">• Implement the 12-month pilot project;• A joint team of City and Provincial evaluation staff will be established to monitor and evaluate the effectiveness of the project.
Dec 2004	Evaluation report prepared and presented to the Province and City to make a decision on the future of the initiative.

TABLE - Summary of Change in Expected ETS Fare Revenue Estimates

Estimated # of AISH recipients in Edmonton (AHRE 2001-02 est) 10,700
 Estimated % using transit as primary mode (Market Demand Survey by AHRE/COE in May 2001) 61%
 Total estimated AISH transit users in Edmonton **6,500**

Subsidized Pass at \$29

AISH Transit Users:	Percent	AISH transit users	Avg. # of trips/mth	Est. Exp./mth. based on current fares	Est. Annual Revenue from AISH	Est. Annual Revenue at \$29	Est. Annual Revenue from Non-Shift	Total Est. Annual Revenue	Change in Revenue
Who pay by Cash	39%	2,535	12	\$24.00	\$730,080	\$573,417	\$255,528		\$98,865
Who pay by Ticket	25%	1,625	18	\$27.00	\$526,500	\$424,125	\$131,625		\$29,250
Who pay by Adult Pass	22%	1,430	38	\$58.00	\$995,280	\$497,640			(\$497,640)
Who pay by DATS Pass	11%	715	37	\$57.00	\$489,060	\$24,882	\$440,154		(\$24,024)
Other	3%	195	unknown	unknown	unknown				
Total		6,500			\$2,740,920	\$1,520,064	\$827,307	\$2,347,371	(\$393,549)

Assumptions:

Cost to maintain revenue estimates **\$393,549**

- (1) 65% of Cash users shifting to Adult Subsidized Pass
- (2) 75% of Ticket users shifting to Adult Subsidized Pass
- (3) 100% of Adult Pass users shifting to Adult Subsidized Pass
- (4) 10% of DATS Pass users shifting to Adult Subsidized Pass

Note: The transit pass would allow the individual to access ETS's regular transit services. DATS may be encouraged to shift to ETS low floor buses and LRT.
 30-Jul-03