



INFORMATION REQUEST

INFORMATION REQUEST #: IR-010-24

REQUESTED BY: Mayor Acker

TOPIC: U-Pass Revenue

DATE OF REQUEST: November 5, 2024

DATE OF RESPONSE: November 6, 2024

QUESTION:

Do we receive U-Pass revenue (Bill: Yes, currently 0.50%); provide further additional information about the current value of U-Pass revenue received.

RESPONSE:

The City of Spruce Grove is in the final year of a four-year U-Pass agreement with post-secondary institutions. Students at University of Alberta, MacEwan University, NAIT, NorQuest, and Concordia are assessed a \$180 per term fee for the U-Pass. The funds are then allocated by the schools to participating municipalities based on our U-Pass Revenue Sharing Agreement.

Spruce Grove receives an allocation of 0.5% of total U-Pass revenue. The amount we receive is approximately \$140k per year. The other municipalities are: City of Edmonton (83.1%), Strathcona County (7.9%), City of St. Albert (7.9%), City of Fort Saskatchewan (0.25%), City of Leduc (0.25%), and City of Beaumont (0.1%).

A new three-year agreement has been negotiated with the post-secondary institutions for the 2025-2028 period. Fees will remain at \$180 for the first year, and will rise to \$182.50 in the second year and \$185 in the third year.

The agreement is subject to approval in student referendums at each school. The referendums are being held in early 2025. If approved, the new U-Pass programs will go into effect in September, 2025.

If the referendum does not pass at a particular institution, those students will have the option of registering for student concession fare caps with their Arc account. The student monthly cap on Spruce Grove Transit is \$100.

BACKGROUND:

The new U-Pass Revenue Sharing Agreement is currently being discussed among the participating municipalities to arrive at a consensus on an agreed to formula. The City of Spruce Grove is presenting a case that our allocation of U-Pass revenues should increase from 0.5% to 1.0% based on comparative post-secondary ridership numbers. At this point it is unknown what Spruce Grove's allocation will be in the new agreement.

FINANCIAL IMPLICATIONS/TAXATION IMPACT:

Future U-Pass revenues will be affected by:

- the results of the student referendums
- the results of the negotiations for the allocation of U-Pass revenue

Contact: Bill Sabey, Manager of Transit, Transit, Community and Protective Services, 780-962-2611 ext. 214