

**Operational Services Report to
Infrastructure and Planning Committee
2026 May 07**

**ISC: UNRESTRICTED
IP2026-0286**

Free Fare Zone Review

PURPOSE

The purpose of this report is to provide a review of the Free Fare Zone and Administration's recommendation, in response to Notice of Motion EC2026-0106.

PREVIOUS COUNCIL DIRECTION

On 2026 February 24, Council adopted Notice of Motion EC2026-0106 directing Administration to undertake a comprehensive review of the Free Fare Zone and report back to Council by Q2 2026 with findings, analysis and recommendations:

1. Prepare a detailed report and analysis
2. Engage with the public, City partners, and interested parties
3. Engage transit users
4. Measure the financial impacts
5. Present viable alternatives to the existing Free Fare Zone
6. Assess potential enhancements or value-added elements

Attachment 1 provides a comprehensive list of previous Council directions.

RECOMMENDATIONS:

That the Infrastructure and Planning Committee recommend that Council:

1. Direct Administration to remove the Free Fare Zone on 2026 August 01.
2. As part of the 2027-2030 budget deliberations, consider reinvesting the additional revenue from removing the Free Fare Zone to advance improvements in transit safety, support for events, and support for vulnerable populations.
3. Direct Administration to utilize the 2026 revenue from removing the Free Fare Zone to fund the associated signage and infrastructure changes and look for one-time investments to improve transit safety, support for events, and support for vulnerable populations.

Direct that Attachment 4 remain confidential pursuant to Section 23 (Disclosure harmful to law enforcement) of the Access to Information Act.

CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

This section will remain blank until reviewed by the General Manager or Chief Administrative Officer. Expected information in this section is that the Chief Administrative Officer/General Manager concurs with this report. May also include information on direct connections to other lines of work/initiatives..

HIGHLIGHTS

- There are benefits and trade-offs with keeping or removing the Free Fare Zone – Administration's recommendation is driven by the need to improve safety for customers.
- Customers tell us the Free Fare Zone makes it easier to get around downtown, especially for short trips and first-time transit users.

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- Calgarians also tell us that feeling safe impacts their decision on whether to take transit.
- When a fare applies, peace officers have clearer authority to step in and address disruptive or unsafe behaviour.
- People expect value for what they pay, so connecting fares to visible service improvements builds trust.

Fare revenue can be reinvested back into transit programs and services, helping improve safety and drive ridership long-term.

DISCUSSION

The Free Fare Zone is a legacy service that was introduced in 1981 as a pilot project to encourage early adoption of the new CTrain service. The Free Fare Zone allows riders to hop on and off at no cost, if their trip remains within the zone.

In 2025, Calgary Transit began reviewing the Free Fare Zone to assess its continued alignment with strategic objectives, in anticipation of an updated fare strategy. This work was bolstered by recent Council direction to conduct an in-depth review of the Free Fare Zone and bring back a recommendation (EC2026-0106).

Extensive research, engagement and analysis was undertaken to assess impacts in four areas:

- Safety & community
- Ridership & equity
- Operations
- Financial

Key benefits of removing the Free Fare Zone:

- Reduction in disorderly behaviour on downtown trains and platforms, and across the entire transit system, since downtown is a common entry point for disorder.
- Improved perceptions of safety over time.
- Frees up train capacity during peak travel times downtown.
- Improves fairness across the system and aligns with RouteAhead's direction toward fare discounts based on ability to pay.
- Increased fare revenue of up to \$5 million annually, which could be reinvested in other programs and services.

Key challenges with removing the Free Fare Zone:

- Strong support for the Free Fare Zone from downtown residents, business owners and non-profit organizations.
- Doesn't address root causes of disorder, which is likely to displace to nearby areas.
- Impact on downtown events and conference attendees.
- Impact on some low-income riders and Calgarians experiencing vulnerabilities.
- Requires thoughtful infrastructure changes to downtown platforms to clearly delineate the fare paid zone.

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In response to Council direction, Administration also considered a third option – remove the Free Fare Zone but charge a lower fare price (\$2.00) for trips in the zone. This option would achieve the same safety benefits associated with removing the Free Fare Zone and increase fare revenue up to \$2.5 million per year. However, it would still introduce a fare where none existed previously and would create a more confusing fare structure for customers. This option has not been as thoroughly investigated, given limited time for analysis, but is presented for Council's consideration.

A detailed impact assessment and analysis is included in the attachments.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|--|---|
| <input checked="" type="checkbox"/> Public engagement was undertaken | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required |

Free Fare Zone users: A customer intercept survey was conducted at all platforms in the Free Fare Zone from 2025 November 15 to 30. Overall, the most common use of the zone is for downtown residents to travel to work. If the zone were removed, 34% of riders would find an alternative rather than pay a fare, which suggests removal would result in behavioural changes.

Public engagement: An open survey was available from 2026 February 15 to March 8 to assess public sentiment toward the Free Fare Zone, which collected 10,800 responses. Results indicate strong overall support for keeping or expanding the Free Fare Zone, though respondents living near the zone and frequent transit users were significantly over-represented. Support for removing the Free Fare Zone was higher among non-users.

Downtown businesses: A survey was distributed via the Calgary Downtown Association to downtown business owners between 2026 March 26 and April 7, collecting 29 responses. 85% of respondents anticipated a negative outcome for their business if the Free Fare Zone were removed. A small number of respondents believe transitioning to a paid zone may benefit the downtown core by improving safety and encouraging transit use overall.

In addition to the above surveys, Administration met with many interested parties, including community organizations, post-secondary institutions, and business and tourism organizations. A complete engagement list and findings are included in Attachment 2.

IMPLICATIONS

Social

Transit customers have consistently raised concerns with safety at downtown CTrain stations, especially after dark and on weekends. Removing the Free Fare Zone would give transit peace officers lawful authority to remove disruptive riders earlier, address loitering and intervene before issues escalate. This should lead to improved perceptions of safety on trains and platforms over time. Transit safety outcomes would be further improved if a portion of the new fare revenue is reinvested to increase the number of transit peace officers on the system. It's

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important to note that social disorder is likely to move to areas outside CTrain stations, meaning overall downtown safety continues to require an integrated approach.

If the Free Fare Zone were removed, the most significant impact from an equity perspective would fall on individuals who cannot afford a ticket and face structural barriers to getting a low-income transit pass. The Free Fare Zone currently supports these individuals to make trips within the limited geography of the zone but does not address broader transportation barriers and access to services outside of the zone. If the Free Fare Zone is removed, Council could consider directing a portion of new fare revenue into programs that enhance transit supports for Calgarians experiencing vulnerabilities.

Environmental

The impact on environmental outcomes depends on behaviour changes and the alternative options people would use to reach their destination. If the Free Fare Zone is removed, 34% of users would look for another way to travel in the downtown core. Some may choose to walk, bike or scooter – while others may drive or hail a ride, which could increase car use and traffic congestion. In the long term, improving safety on transit should increase overall transit use, which would improve environmental outcomes and reduce congestion.

Economic

Removing the Free Fare Zone would impact attendees at downtown conferences and events. The benefits of the Free Fare Zone in supporting events and tourism are limited by the fact that it does not reach the BMO Centre or Stampede Park, where many events occur. Calgary Transit already has agreements with some events. If the Free Fare Zone is removed, Council could consider directing a portion of new fare revenue towards expanding partnerships with conferences, festivals and events.

Service and Financial Implications

Cost savings

The removal of the Free Fare Zone would increase fare revenue by up to \$5 million annually. This is based on the customer intercept survey finding that 23% of current Free Fare Zone riders would pay a fare if the zone were removed.

Administration recommends that Council consider reinvesting the additional revenue from removing the Free Fare Zone to advance improvements in transit safety, support for events, and support for vulnerable populations. These options would be brought forward as part of the 2027-2030 budget deliberations, for Council approval.

Removing the Free Fare Zone would require between \$730 thousand and \$1 million in one-time costs for new signage and infrastructure changes. Administration recommends using the 2026 revenue from removing the Free Fare Zone to fund these implementation costs, and look for one-time investments to improve safety, support for events, and support for vulnerable populations.

RISK

Both options of keeping or removing the Free Fare Zone carry implementation risks that can be mitigated with clear communication and ongoing monitoring of impacts.

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The biggest risk of keeping the Free Fare Zone is that transit safety issues will persist downtown and continue to impact transit use. Customer focus groups found transit ridership gains from service expansion, fare pricing or messaging are limited unless safety issues downtown are addressed first. If the Free Fare Zone remains, Administration will continue working to mitigate safety concerns through other measures, but success may be limited due to challenges with enforcement and lawful placement in the zone.

Removing the Free Fare Zone carries different risks, particularly related to community sentiment and implementation. Removal is likely to generate some public criticism, especially from downtown residents, businesses and non-profit organizations. Short-term disruptions and customer confusion are also possible during the transition. These risks can be mitigated through clear public communication and education about when, where and why the change is happening. This risk would also be mitigated by reinvesting the new fare revenue in programs and services that address concerns raised by interested parties.

Finally, the analysis in this report relies on predicting how customers will change behaviour and adjust their travel patterns. With either option, it will be important to continue monitoring trends and performance to ensure desired outcomes are being achieved.

ATTACHMENT(S)

1. Previous Council direction and background
2. Calgary Transit Free Fare Zone review
3. Presentation
4. Downtown safety review – CONFIDENTIAL

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Doug Morgan	Operational Services	Approve
Sharon Fleming	Calgary Transit	Approve
Katie Black	Community Services	Approve
Iain Bushell	Emergency Management & Community Safety	Approve
Thom Mahler	Downtown Strategy	Consult
Erendira Cervantes-Altamirano	Community Strategies	Consult
Kay Choi	Partnerships	Consult

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