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re
Los Angeles County
Metropolitan
Transportation
Authority

TO: BOARD OF DIRECTORS
FROM: JOSEPH E. DREW, CHIEF EXECUTIVE OFFICER
SUBJECT: REDUCTION IN BICYCLE PARKING AND PERMIT FEES

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RECOMMENDATION

- a) Approve a reduction in the fee structure for bicycle locker rentals to: \$9 for three months, \$15 for six months, and \$25 for 12 months.
- b) Approve elimination of the bicycle boarding permit fee.

ORGANIZATIONAL IMPACT

Potential revenue impacts will be insignificant. Similarly, if the proposed changes are successful, then the Cycle Express program will only slightly increase administrative costs. The processing of applications, and the preparation and mail-out of bicycle permits will be vendored out to accommodate the larger number of applicants.

BUDGET IMPACT

The proposed fee revisions will result in a \$5,000 loss in annual revenue. Approximately \$17,000 in staff and vendor time will be associated with processing between 1,500 and 2,000 permit and locker applications a year. If a no-fee permit is adopted, staff will consider issuing it for multiple years which would reduce the processing costs.

ALTERNATIVES CONSIDERED

Elimination of the locker rental fees was considered and not recommended for reasons detailed in the Background/Discussion section.

BACKGROUND/DISCUSSION

Bicycle Boarding Permit Fee. The MTA's Cycle Express program issues almost 800 rail boarding permits a year. Permits are issued to bicyclists who sign both a statement that they have read and understood safety related rules and a waiver of liability. A \$6 permit fee was adopted in 1992. The price was consistent with that of other agencies in the United States; it was a lower effective price than the European practice of charging an additional fare for each boarding bicycle.

The \$6 permit fee has been a source of complaint by bicyclists, especially those who are very infrequent rail users. Complaints increased after Metro Link adopted free permits.

Staff investigated eliminating the permit fee and found no operating problems associated with this course of action. Staff estimates between 500 and 1200 new permits will be issued as a result of fee elimination.

Locker Rental Fee. The MTA's bicycle parking program began on May 22, 1994 on the Blue Line. It was extended to the Red and Green Lines this year. There are now 361 bicycle parking spaces in 25 stations, with the number growing as each rail line or line segment is added to the system. The parking program is a copy of WMATA's, the transit agency with the oldest and largest bicycle program. Bicyclists have a choice of two kinds of parking: they can either use racks on a first-come basis, or they can reserve their own parking spaces by leasing lockers for a fee. The current fee structure is also a copy of WMATA's: \$25 for 3 months, \$45 for 6, and \$70 for a year. Of the 361 spaces offered to the bicycling public, 150 are in lockers.

The bicycle rack component of the parking program has been successful. Over 100 bicycles are parked in racks at any given time. Considering turnover, this probably represents more than 100 users daily. The bicycle locker program has not attracted a similarly large clientele. Only 6 lockers are currently leased. Given the popularity of the free parking it is reasonable to assume that the major impediment to locker usage is the price of the lease.

Staff considered eliminating the locker fee entirely but staff from the largest no-fee locker program (Caltrans District 11) recommended retaining at least a nominal, periodically renewable, fee. Caltrans District 11 provides bicycle parking facilities at San Diego Light Rail stations. At some of these there are up to 3-year waiting lists for lockers; yet, inspection of these lockers indicate a 13% occupancy. A fee for a specified time period would eliminate the retention of keys by people who very rarely use the lockers or who have ceased using them.

Rack users were polled to determine the price that would entice them to lease lockers. Among those who would consider using a locker at all, the average monthly price volunteered was \$5.16, and over 90% specified a price of \$3.00 or more a month (see Appendix 1 for details).

In order to maximize locker usage, staff is recommending \$3.00 as the base monthly price. In order to reduce administrative costs, lockers must be leased a minimum of 3 months (for \$9) and rentals of 6 and 12 months will be discounted to \$15 and \$25, respectively. The refundable \$25 key deposit would be retained.

ATTACHMENT

Attachment 1: Results of Bicycle Parking Survey.

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Appendix 1: Results of Bicycle Parking Survey

The MTA provides lockers and racks to bicycle commuters. The racks are provided free of charge and are well used. Each locker has an out-of-pocket cost of \$8.33 a month to the bicyclist if the lockers are leased for only 3 months. The lockers are underutilized. A consumer survey of rack users and MTA bicycle boarding permit holders was undertaken to determine a price that might be more appealing to this market segment.

September 5, 1996: Survey mailout to all Cycle Express permit holders or locker lessees. (535 mailed.)

September 5 – 6, 1996: Surveys were attached to bicycle racks at 25 Metro Rail stations. (211 rack parking spaces.)

Results

Seventy-three respondents returned surveys, 67% of whom have used MTA bicycle parking facilities in the last month. Of the recent parking facility users, 94% were rack users. Twenty-five percent parked 9 times or less, 50% parked at least 18 times, and 25% parked 22 times or more.

58% of the respondents said that they are likely to lease lockers for a fee (71% of those already using MTA bicycle parking facilities and 30% of those who do not). Of the likely users, most said that they would pay \$5.00 a month to do so, 90% said that they would pay \$3.00 or more a month.

The survey asked a hypothetical question: for a given sum of money, which of 3 three increasingly expensive kinds of rack should the MTA purchase: a medium security rack, a high security rack, or a high security rack with a small storage compartment: 17% preferred the medium security rack, 63% preferred the high security rack, 20% preferred the high security rack with a storage compartment.