

# Approved Fare Changes

# Fare Changes Timeline

- January 2014 – The Metro Board of Directors agreed to hold a public hearing in March 2014 to receive public comments on proposed fare increases. Incremental fare increases were proposed in 3 phases over 6 years.
- March 2014 – A public hearing was held where the Board of Directors heard feedback on the fare proposals from over 120 speakers. All board members were present at the hearing.
- May 2014 – The Board approved Phase 1 of the fare proposal. K-12 Student fares were frozen, and consideration of Phase 2 and Phase 3 was delayed pending further investigation by an APTA-coordinated peer review panel.
- September 15, 2014 – The approved fare increase will be implemented.

# Board Approved Fares Effective September 2014

	Current Pricing	Approved FY 15
<b>Regular</b>		
Base Fare <sup>1</sup>	\$1.50	\$1.75
Day Pass	\$5.00	\$7.00
Weekly (7 Day)	\$20.00	\$25.00
Monthly (30 Day)	\$75.00	\$100.00
EZ Pass	\$84.00	\$110.00
Muni Transfers	\$0.35	\$0.50
Monthly Zone Upcharge (EZ/Silver/Express)	\$22.00	\$22.00
<b>Student/College</b>		
Student Cash <sup>2</sup>	\$1.00	\$1.00
Student 30 Day <sup>2</sup>	\$24.00	\$24.00
College 30 Day	\$36.00	\$43.00
<b>Silver</b>		
Regular Silver <sup>1</sup>	\$2.45	\$2.50
Silver Upcharge <sup>3</sup>	\$0.25 - \$0.95	\$0.75
<b>Express</b>		
Express Fare <sup>1</sup>	\$2.20 - \$2.90	\$2.50
Express Zone Upcharge <sup>3</sup>	\$0.70 - \$1.40	\$0.75

<sup>1</sup> Under the approved fare structure, base fare payments on a TAP card include 2 hours of transfers.

<sup>2</sup> Student fares are frozen at current levels per an approved Board motion.

<sup>3</sup> The two Express zones have been consolidated into a single surcharge.

# Board Approved Fares Effective September 2014

	Current Pricing	Approved FY 15
<b>Senior/Disabled</b>		
Peak <sup>1</sup>	\$0.55	\$0.75
Off-Peak <sup>2</sup>	\$0.25	\$0.35
Day Pass	\$1.80	\$2.50
Monthly (30 Day)	\$14.00	\$20.00
EZ Pass	\$35.00	\$42.00
Muni Transfers	\$0.10	\$0.25
Monthly Zone Upcharge (EZ Pass)	\$9.50	\$9.50
<b>Silver</b>		
Senior/Disabled Silver	\$1.15	\$1.35
Senior/Disabled Off-peak Silver <sup>1</sup>	\$0.85	\$0.95
Senior/Disabled Silver Upcharge <sup>2</sup>	\$0.60	\$0.60
<b>Express</b>		
Senior/Disabled Express Fare	\$0.85 - \$1.15	\$1.35
Senior/Disabled Off-Peak Express <sup>1</sup>	\$0.55 - \$0.85	\$0.95
Senior/Disabled Express Upcharge <sup>2</sup>	\$0.30 - \$0.60	\$0.60

<sup>1</sup> Under the approved fare structure, senior/disabled base fare payments on a TAP card include 2 hours of transfers.

<sup>2</sup> Off-peak hours are weekdays 9 a.m. – 3 p.m. and 7 p.m. – 5 a.m. and all day on weekends and federal holidays. Peak hours are all other times.

<sup>3</sup> The two Express zones have been consolidated into a single surcharge.

# New Transfer Policy

- Payment of the base fare on a TAP card will include 2 hours of transfers (Regular and Senior/Disabled only)
  - Customers who want to take advantage of the free transfers must load stored value to TAP cards prior to boarding: at TVMs, TAP vendor locations, online, or via telephone
  - No loading of stored value to a TAP card on buses: this means neither tokens nor cash can be used to purchase 1 ride with transfers on bus
- To prevent round trips, transfers must be made to a different line – no consecutive boardings on the same line

# Revenue Impact of Approved Fare Changes

The Board approved fare changes included a provision to freeze student fares at current levels, resulting in a total projected fare revenue increase of \$28.6 million annually.

- The fare model used to develop the fare restructuring proposal was developed by TranSystems, a transportation consulting firm that has assisted Metro in developing past fare changes.
- This model is considered to be reliable: in the past, TranSystems has accurately estimated the associated fare revenue increase associated with prior fare changes.
- The fare model only considers current ridership and does not include additional riders which may enter the system due to the new transfer policy and/or Metro's future system expansion; therefore, actual increase in revenues could possibly be more than reflected in the fare model.

# Implementation of Approved Fare Changes

- The launch date for approved fare changes is 9/15/14
  - 2 hour transfers on a TAP card go into effect
  - Metro fare prices change (passes already on TAP cards will still be valid)
  - EZ Pass price change for sales (for passes valid beginning 10/1/14)
- Communications plan for informing the public of fare changes will be fully launched at least one month ahead of implementation (by 8/15/14)
  - Rail posters
  - Car cards on buses and Silver Line
  - Take-ones
  - Web banner
  - TVM decals
  - Farebox decals

# Rider Relief Transportation Program (R RTP)

## Mission Statement

To provide transportation assistance to the most economically vulnerable and transit dependent in Los Angeles County

- Eligible participants are pass holders whose household income is below the poverty level. Program eligibility levels as of July 1, 2014 are as follows:

	HUD Poverty Guidelines					
Persons in Household	1	2	3	4	5	6
Annual Income Threshold	\$28,500	\$32,600	\$36,700	\$40,750	\$44,050	\$47,300

- Coupons are distributed through a network of non-profit agencies
  - \$10 for a regular pass
  - \$6 for Senior/Disabled/Student passes



# Increased Outreach for RRTP

Metro's RRTP marketing and outreach plan has been updated to address Board Motion #55 (May 2014) and Board Motion #70 (June 2014) and will be implemented in August 2014, prior to the increase in fares.

The approved Board Motions require the following expanded outreach and enhanced marketing:

- Multilingual advertising on buses and trains, at transit stations, and all points of sale for TAP cards and Metro passes
- On TAP purchase kiosks
- Through partnerships with community based organizations, social service agencies, senior centers, schools, churches and job training centers
- Through public service announcements on local media

# APTA Peer Review

Metro is currently in the process of requesting an APTA peer review per an approved Board Motion that requires further investigation before the Board considers Phase 2 and Phase 3 increases.

The panel will look at:

- Providing guidance on fare restructuring strategies that optimize financial performance while minimizing burden on low-income riders
- Alternative revenue generation strategies
- Opportunities to expand ridership

Per the approved Board Motion, the results of the APTA-coordinated peer review panel will be reported to the Board of Directors by July 2015.