

Date: May 27, 2015

To: Board of Directors

From: Neil McFarlane *Neil McFarlane*

Subject: **ORDINANCE NO. 338 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) ADOPTING HONORED CITIZEN FARE INCREASES, AND AMENDING TRIMET CODE CHAPTER 19 (SECOND READING)**

1. Purpose of Item

Ordinance No. 338 amends TriMet Code Chapter 19 to adopt increases to Honored Citizen fares. The fare changes would become operative on September 1, 2015, and are further described in Section 5, Background.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other: Ordinance

3. Reason for Board Action

The TriMet Code may be amended only by adoption of an ordinance. Adoption of Ordinance No. 338 requires two readings.

4. Type of Action:

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other

5. Background

TriMet regularly reviews fares to ensure fare levels are appropriate and keep pace with the cost of operating the transit system. Fare adjustments attempt to balance affordable fares with the need to generate revenues and serve a growing number of riders. Honored Citizen fares, available for seniors age 65 or older, people with disabilities, and Medicare card holders, last increased in 2010. Ordinance No. 338 proposes to increase Honored Citizen fares by 25 cents for a single ticket and \$2 for a monthly pass, with other Honored Citizen fares increasing by a commensurate amount, effective September 1, 2015. The details of the proposal are provided below in Section 6. Financial/Budget Impact.

TriMet has not raised Honored Citizen fares since 2010, even while other fares have increased in order to meet budget requirements. During this period, some Adult single ticket fares have

increased 22%, with Adult monthly passes increasing by as much as 29%. TriMet agreed to implement the recommendation from the Committee on Accessible Transportation (CAT) to hold Honored Citizen fares flat while increases to LIFT paratransit fares were phased in over a three-year period, which was accomplished in 2014.

The proposed fare increase would: 1) maintain consistency with Federal Transit Administration (FTA) guidelines and restore Honored Citizen fares to the historical level of one-half the adult fare, 2) simplify the fare structure by aligning Honored Citizen and Youth fares, and 3) help TriMet maintain and expand service to meet the transit needs of a growing elderly population.

The State of Oregon estimates that by the year 2025, the percent of the population age 65+ in the tri-county area will grow to 16 percent, up from 10 percent in 2010. As part of TriMet's Service Enhancement Planning process, the agency is looking at where to deploy service increases that support mobility for seniors and people with disabilities, particularly as the availability of affordable housing shifts away from the central city.

A. Committee on Accessible Transportation (CAT)

The TriMet full CAT, and the CAT Executive Committee met to discuss the details of the proposal several times. At the TriMet Board of Directors (Board) meeting on March 25, 2015, the CAT submitted a letter in support of the proposal to increase Honored Citizen fares and recommended the following strategies to help offset the impact of the fare increase: 1) increase funding for Access Transit programs that provide fare assistance to community organizations that serve low-income seniors and people with disabilities; 2) collaborate with partners to improve access to these programs to ensure organizations that serve senior citizens and/or people with disabilities are aware of the fare assistance programs; and 3) prioritize improving transit service in the outer areas of the TriMet district, including complementary LIFT paratransit service, where more and more low-income individuals are now living due to the availability of affordable housing.

B. Title VI Fare Equity Analysis

In accordance with Federal Transit Administration (FTA) Title VI Circular 4702.1B implementing Title VI of the Civil Rights Act, TriMet must assess proposed fare changes to identify potential disproportionate impacts on low-income and minority populations.

A Title VI fare change equity analysis ("Report"), was conducted which evaluated potential *adverse effects* and analyzed whether there are *disparate impacts* that fall on minority populations more than on others, and whether there are *disproportionate burdens* on low-income riders. Preliminary findings were presented to the Board for their consideration at their March 25, 2015 meeting. The Board was provided the final Report dated April 17, 2015 prior to the April 22, 2015 meeting. The final Report was clarified, as noted below, and resubmitted to the Board prior to the May 27, 2015 Board meeting.

In summary, the Honored Citizen fare change equity analysis set forth in the final Report provided to the Board for adoption of Ordinance No. 338 finds no *disparate impact* on minority Honored Citizens. Moreover, the analysis finds no *disproportionate burden* on low-income riders due to the structure of the fare increase.¹ However, the analysis does find a potential *disproportionate burden* on low-income riders due to increasing Honored

¹ This specific finding was clarified in the final Report dated May 20, 2015.

Citizen fares in general, as Honored Citizens are more likely to be low-income than other riders.

To mitigate this disproportionate burden TriMet could engage in any of the following possible strategies:

- Increase Access Transit Program funds. These funds would be earmarked specifically for organizations who serve low-income older adults and people with disabilities.
- Increase the Fare Assistance discount for Honored Citizen fares.
- Conduct targeted outreach to community organizations to boost awareness of the Access Transit Programs, especially those that focus on serving senior citizens and/or people with disabilities. This could increase the network of participating organizations that are able to provide assistance to individuals.
- Continue to improve transit service for seniors and/or people with disabilities, many of whom live in the outlying areas of the district due to the availability of affordable housing.
- Once electronic eFare is in place allow Honored Citizen riders a monthly pass discount that allows them to buy a monthly pass one day at a time.

C. Honored Citizen Fare Change Public Comment and Outreach

Public comment on the Honored Citizen fare changes are accepted by phone, email and standard mail. A summary of comments received via these venues was provided to the Board prior to the April 22, 2015 Board meeting, and an update was provided prior to the May 27, 2015 meeting. Verbal and written comments may be provided during Public Forum at the May 27, 2015 Board meeting.

TriMet staff has also conducted extensive outreach at community meetings to obtain feedback on the Honored Citizen fare proposal. The comments from these public meetings were also summarized in the report of public comments provided to the Board prior to their April 22, 2015 meeting, and updated prior to the May 27, 2015 meeting.

6. Financial/Budget Impact

Ordinance No. 338 proposes Honored Citizen fare increases as described below. The increases are estimated to increase fare revenue by approximately \$650,000 annually.

- Honored Citizen Single Ticket/Cash Fares: Increased \$.25, from \$1.00 to \$1.25;
- Honored Citizen 1-Day Passes: Increased \$.50, from \$2.00 to \$2.50;
- Honored Citizen Tickets / Book of 10: Increased \$2.50, from \$10.00 to \$12.50;
- Honored Citizen 7-Day Passes: Increased \$.50, from \$7.00 to \$7.50;
- Honored Citizen 14-Day Passes: Increased \$1, from \$13.50 to \$14.50;
- Honored Citizen Monthly / 30-Day Passes: Increased \$2, from \$26.00 to \$28.00; and
- Honored Citizen Annual Passes: Increased \$22, from \$286.00 to \$308.00.

7. Impact if Not Approved

Should the Board not proceed with a second reading and adopt Ordinance No. 338, the existing Honored Citizen fare pricing structure of the TriMet Code would remain in place.

ORDINANCE NO. 338

**AN ORDINANCE OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) ADOPTING
HONORED CITIZEN FARE INCREASES, AND AMENDING TRIMET CODE
CHAPTER 19**

THE BOARD OF DIRECTORS OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET), pursuant to the authority of Oregon Revised Statutes Chapter 267, having considered the transit equity fare change analysis Report, does hereby ordain and decree the following Ordinance:

Section 1 – Adoption of Honored Citizen Fare Increases; Amendment of TriMet Code Chapter 19

TriMet Code (TMC) Chapter 19 shall be amended as set forth on the attached Exhibit A, which is incorporated into and made part of this Ordinance No. 338.

Section 2 – Effective/Operative Dates

This Ordinance shall take effect thirty days after the date of its adoption. Amendments to TMC Section 19.15 Fares shall become operative on September 1, 2015.

Date Adopted: _____

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department

ORDINANCE NO. 338
EXHIBIT A

TriMet Code (TMC) Chapter 19, Section 19.15 Fares, is amended as set forth below. Deletions are shown in brackets with a line through the text, and additions are shown in underlined, bold text. All amendments shall become operative September 1, 2015.

19.15 Fares.

A. Regular Transit Services:

The fares payable for use on the TriMet transit system shall vary according to the status of the rider and method of payment and shall be as follows:

(1) Monthly Passes and 30-Day Passes

(a) <u>Status</u>	<u>Fare</u>
YOUTH	\$28.00
HONORED CITIZEN	\$ [26.00] <u>28.00</u>
ADULT	\$100.00

- (b) A 30-Day Pass shall be valid for travel on any regularly scheduled TriMet route in accordance with the status of the rider for the period of thirty (30) consecutive days from the date of purchase.

(2) Pre-Paid Tickets

(a) <u>Status</u>	<u>Fare</u>
YOUTH	10/\$12.50
HONORED CITIZEN	10/\$ [10.00] <u>12.50</u>
ADULT	10/\$25.00

- (b) Pre-paid unvalidated tickets may be used in the amount of their cash value for payment of additional fare, i.e., two Adult tickets may be used for an Adult 1-Day Pass. Refunds for overpayment will not be given.

* * *

(3) Cash Fares

<u>Status</u>	<u>Fare</u>
YOUTH	\$1.25
HONORED CITIZEN	\$ [1.00] <u>1.25</u>
ADULT	\$2.50

(4) Annual Passes

<u>(a) Status</u>	<u>Fare</u>
YOUTH	\$308.00
HONORED CITIZEN	[\$286.00] <u>308.00</u>
ADULT	\$1,100.00

* * *

(6) 1-Day Pass

A 1-Day Pass shall be valid for travel on any regularly scheduled TriMet route, in accordance with the status of the rider, for the remainder of the service day in which the 1-Day Pass is valid.

<u>Status</u>	<u>Fare</u>
YOUTH	\$2.50
HONORED CITIZEN	[\$2.00] <u>2.50</u>
ADULT	\$5.00

(7) 7-Day Pass

The 7-Day Pass shall be valid for travel on any regularly scheduled TriMet route in accordance with the status of the rider for the period of seven (7) consecutive days.

<u>Status</u>	<u>Fare</u>
YOUTH	\$7.50
HONORED CITIZEN	[\$7.00] <u>7.50</u>
ADULT	\$26.00

(8) 14-Day Pass

A 14-Day Pass shall be valid for travel on any regularly scheduled TriMet route in accordance with the status of the rider for the period of fourteen (14) consecutive days as follows:

<u>Status</u>	<u>Fare</u>
YOUTH	\$14.50
HONORED CITIZEN	[\$13.50] <u>14.50</u>
ADULT	\$51.00
