

**We Make Lives Better
Through Connections.**

Systemwide Fare Study and Equity Analysis

Customer and Community Meeting #2

June 23, 2022

Agenda

- What is the study?
- What have we heard so far?
- How are fare alternatives being evaluated?
 - Questions and Answers
- What is being considered?
 - Questions and Answers
- Next Steps and Staying Engaged

Presenters



Chris Quinn
Project Manager



Carl Green Jr.
Deputy Project Manager

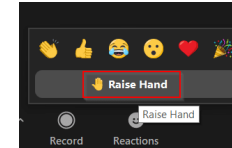


Laura Wolfgram
Consultant Project Manager

Question and Answer

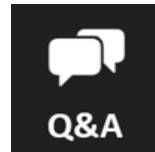
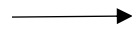
- We look forward to answering your questions this evening! There are two breaks during this presentation dedicated to Q+A. If you are joining us on a desktop, laptop, or smart phone device, there are several ways for you to stay engaged.

- During the meeting, all participants will be muted and will remain off-camera. During the Q+A moments, you can raise your hand by clicking on the *reactions* icon if you would like to ask the project team a question out loud.



- We will be **polling** the group at the beginning of the presentation to help us understand which counties are represented among meeting participants. When we poll, a pop-up question will appear on your screen like this. Each question will allow for just one answer. After you've selected your answer, click on the "*Submit*" button.

- At the bottom of your screen find this icon.



- **Enter your questions and comments** into this box at any point throughout the presentation. Check the "*Send anonymously*" box if you do not want your name associated with your question or comment. The project team will be monitoring questions and may answer your question with a typed answer or a live (out loud) answer.

- If you are joining by the phone call-in option and you want to share questions or comments, you can call 303-299-6000 to get connected to a member of the customer care team following the meeting during regular customer care hours.

Close	Ice Cream Flavor
1. What's your favorite ice cream flavor?	
Chocolate	
Vanilla	
Strawberry	
Butter Pecan	
Chocolate Chip	
(other)	
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What is the study?

Study Overview and Goals

RTD Systemwide Fare Study and Equity Analysis

Study Overview

Why is RTD conducting another fare study?

- To explore simplifying fares to:
 - Make RTD services more equitable and easier to understand
 - Align fares with service value provided
- To consider lowering fare revenues to accomplish broader affordability and ridership goals

What is the study timeline?

Spring 2022	Summer 2022	Fall 2022	Early 2023	Spring 2023	TBD
Gather feedback on current fare structure	Share/gather feedback on conceptual fare structure options	Share/identify trade-offs between alternatives	Formal public comment and hearing on recommended fare structure	New fare structure decision by Board	New fare structure implementation begins



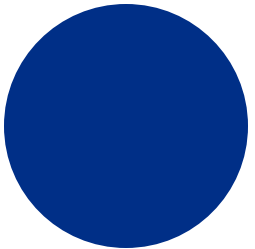
Current Stage

Systemwide Fare Study Goals



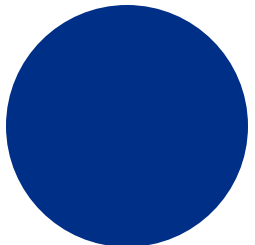
Equity

- Support transit reliant/financially burdened customers
- Provide equitable and fair access to fares, products, and discounts
 - Regardless of race, color, national origin, income status, and for other marginalized communities



Affordability

- Align fares with the value of the service received



Simplicity

- Make fares easy to understand,
 - With standardized discounts and streamlined fare payment options

Fares

What is a fare?

It is a fee paid by a passenger for use of a public transit system

What are fares used for?

Fares contribute to operating the transit system

Do fares cover the cost of the service?

Fare revenue does not cover the cost for RTD to provide a ride

What have we heard so far?

Engagement Milestone #1

Engagement Milestone #1



Website, Study Materials, and Social Media

- 2,000+ unique views of website and 36,000+ social media impressions
- Spanish webpage
- Fact sheets in four languages



Customer and Community Meetings

- Virtual Zoom meetings
- 100 attendees
- Conducted in English and Spanish



Community Partner Focus Groups

- Led by six community partners
- 100 participants
- Conducted in English and Spanish



Feedback Panels

- Three virtual Feedback Panels: Equity, Pass Programs, and Jurisdiction



Online Survey

- In-person surveys conducted by community partners
- 2,400+ respondents
- Survey in four languages



RTD Staff Interviews and Focus Groups

- RTD staff interviews
- Front-line staff focus groups

Engagement Milestone #1 – Themes

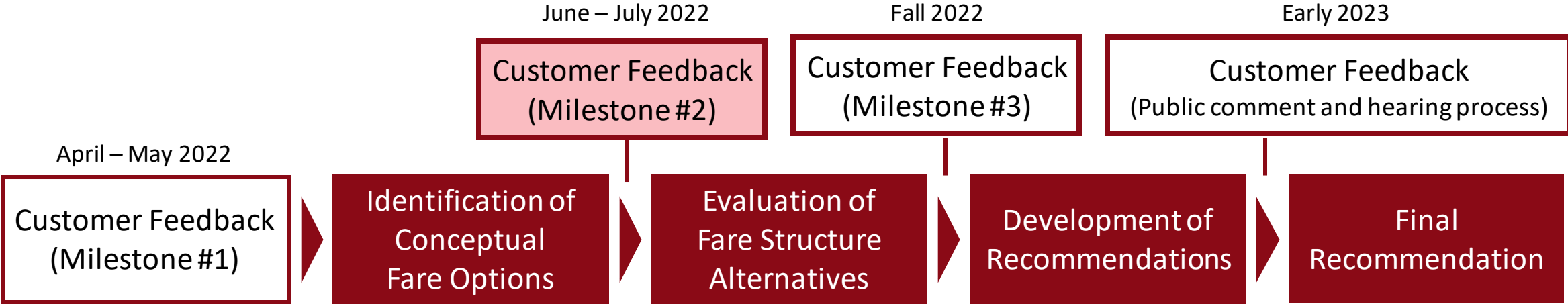
- Financially burdened customers should pay less than higher income customers
- Fares too expensive
- Too many fare products, discount levels
- Confusion surrounding fare levels (Local/Regional/Airport)
- Inconvenient to purchase passes
- Inability to purchase monthly passes aboard bus
- Service more important than affordable fares
- Potential fare study impacts on paratransit fares
- Support for higher fares for longer distance trips; others support same fare for ALL bus/rail
- Limited interest in higher fares during busier times and lower fares during midday and weekends
- Diminishing “value” associated with RTD services (less frequent/reliable service, concerns about safety/cleanliness)

Engagement Milestone #1 – Suggestions

- Reduce/eliminate fares, without reducing service
- Offer single flat fare
- Decrease shorter trip fares
- Consolidate to single discount fare
- Promote technology to simplify fare payment while recognizing some lack technology access
- Reward frequent travelers with discount
- Implement fare capping
- Provide lower fares for financially burdened customers
- Provide youth/financially burdened customers free fares
- Reduce barriers to LiVE and discount fares
- Provide college student discount
- Lower airport fare, specifically for airport employees
- Offer family fare
- Identify new revenue sources (outside of fares) to offset costs related to reducing/eliminating fares

**How are fare
alternatives being
evaluated?**

Development of Fare Alternatives



Five Elements of the Evaluation of Alternatives

- Customer and community feedback on fare alternatives
- Evaluation against the three fare structure goals established for the study
- Fare modeling to determine pricing and project total ridership and revenue
- Preliminary fare equity analyses to identify potential adverse effects and benefits on minority and low-income customers per FTA requirements
- Consideration of operational, technology and capital impacts

Questions and Answers

Questions and Answers

- Please provide comments and questions in the Q&A (see the  icon on the bottom of your screen)

Questions for Participants:

- Are there elements of the evaluation that you don't understand?
- Other questions?

**What is being
considered?**

What is being considered?

- Lowering fares
- Simplifying the fare structure (e.g., flat fare)
- Rewarding frequent customers by reducing Monthly Pass pricing, offering weekly fare cap instead of monthly fare cap, and/or reintroducing Annual Pass
- Streamlining and improving access to discount fares
- Leveraging technology to simplify fare payment
- Addressing challenges of unique subsets of customers (e.g., families, college students, airport employees)

Implementation underway:

- Introducing fare capping with new fare collection system
 - Introducing real-time access to MyRide stored value
-
- Exploring pass program simplification and expansion while maintaining utilization-based pricing
 - Promoting bulk pass purchases through new fare collection system
 - Simplifying Nonprofit Program
 - Implications of fare level changes on Access-A-Ride fares

What is not being considered?

Outside of the Scope of the Study

- Eliminating all fares
- Identifying new revenue sources (outside of fares)
- Reducing fare revenue such that it results in service reductions
- Broadening discount eligible categories (e.g., pollution-impacted communities, increasing youth age to 26)

Difficult to Implement

- Setting fares at dollar increments
- Introducing rolling 24-Hour and 30-Day Passes
- Offering pro-rated passes for unused portion of pass

Being Considered in Other Ways

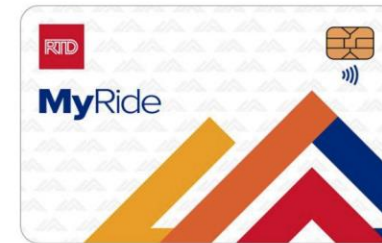
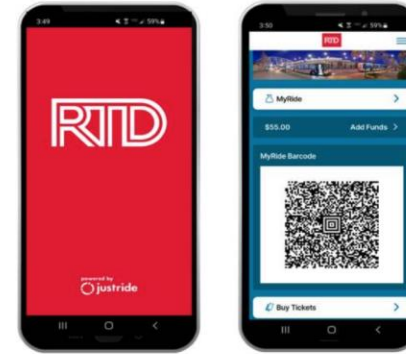
- Offering family fare product
- Introducing changes to the 3-Hour and Day Passes

Limited Interest

- Lowering fares midday and on weekends
- Pricing fares based on amenities

Account-Based Ticketing (ABT) System

- Upgrading the MyRide stored-value card system and the RTD Mobile Tickets App to an Account-Based Ticketing (ABT) system for fare collection
- Enhanced Customer Experience
 - The customer's account is updated in real-time, providing immediate access to funds
 - Customers can use a smart card or a mobile device
 - Fare capping ensures the best fare for the customer
- Preparing for ABT implementation and replacement of validators late summer/early fall



Fare Capping

■ What is fare capping?

- Fare capping is a fare policy that ensures customers always pay the best fare

■ How does fare capping work?

- The fare collection system automatically applies individual fare purchases towards a period pass



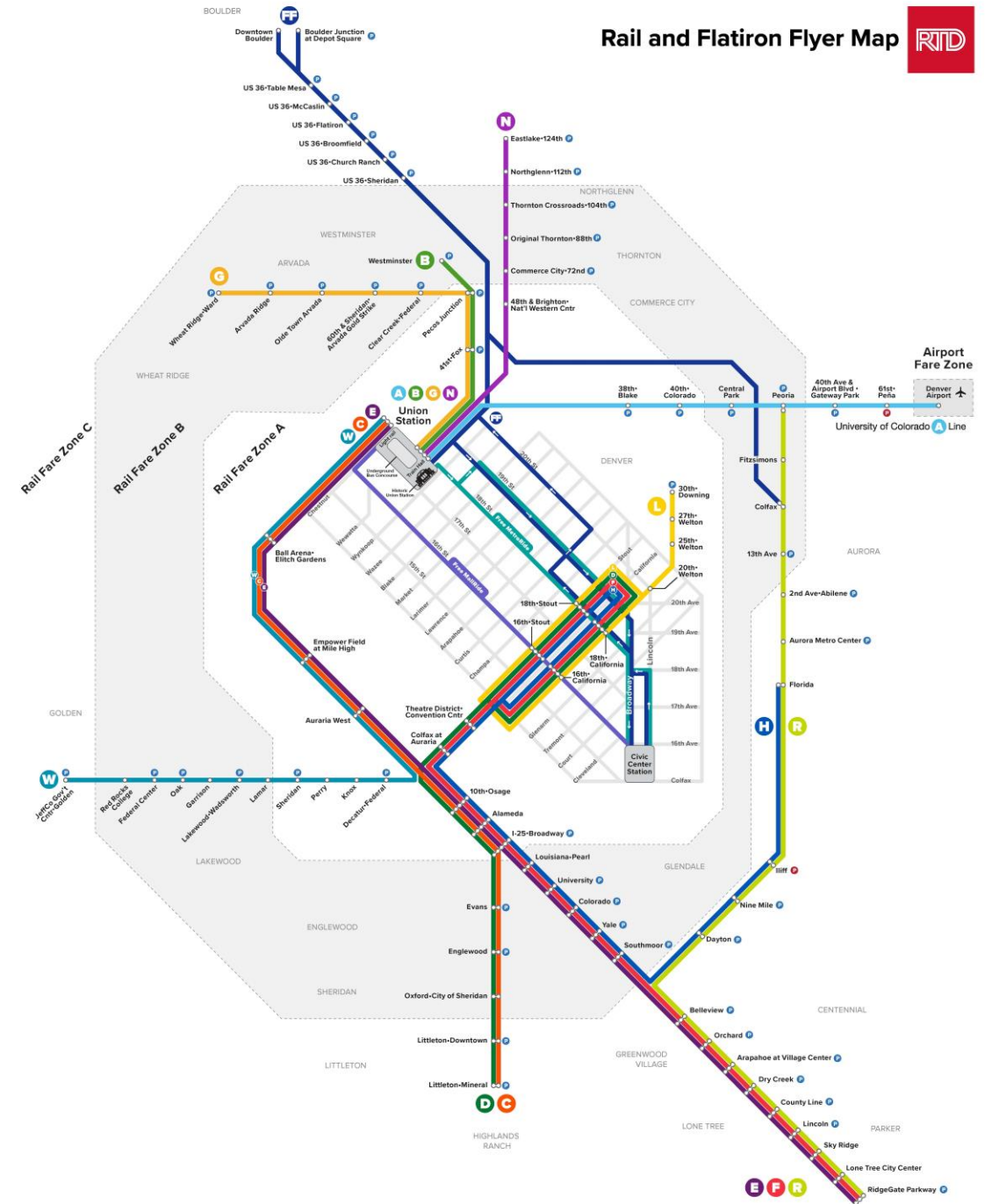
■ What does RTD have planned as part of launch of ABT?

- Implementation of daily (service-day) and calendar monthly fare
- Daily and monthly fare capping for discount customers, including LiVE participants
- Removal of existing MyRide discount, but same discount will be available to customers who purchase physical or mobile 10-Ride Ticket Books

Fare Structure Simplification

■ How does RTD price its rail and bus services?

- The RTD rail system is divided into four fare zones (A, B, C and Airport) with fares based on the number of fare zones traveled:
 - ▶ **Local - \$3.00** travel in 1-2 zones
 - ▶ **Regional - \$5.25** travel in 3 zones
 - ▶ **Airport - \$10.50** trip originating or ending at the Airport
- Bus routes do not utilize zones; though some routes are distance-based, with higher fares on Regional and SkyRide bus routes. Shorter trips on these routes may only require a Local or Regional fare



Fare Structure Simplification

■ What we heard:

- The fare structure is confusing
- Mixed feedback on whether to keep different fare levels or flatten fares
- Support for flat fares - offering the same fare for all services, eliminating higher Regional and Airport fares
- Support for different fare levels (Local/Regional/Airport) – reflecting the longer distance traveled

■ What we are considering:

- Retaining the current fare structure
- Eliminating distance-based fares on bus
- Implementing a flat fare structure with one fare for all bus and rail
- Implementing a flat fare structure with an airport premium

■ What are some of the challenges with fare structure simplification?

- Charging Regional and Airport customers the Local fare results in decreased fare revenue
- Loss in fare revenue may limit RTD's ability to lower the Local fare without negatively impacting service levels
- Lowering Regional and Airport fares may increase demand, thereby impacting capacity, dwell times and parking

Discount Fare Pricing

■ What are the current discount levels?

Program	Eligibility	Discount
LiVE	<ul style="list-style-type: none">• Low-income	40%
Discount	<ul style="list-style-type: none">• Seniors 65+• Individuals with disabilities• Medicare recipients	50%
Youth	<ul style="list-style-type: none">• Youth ages 6-19	70%

■ What we heard:

- Discount fares promote equity
- Confusion on which discount fare program to apply for and/or which discounted fare product to purchase
- Desire to increase LiVE discount level to align with Special Discount
- Interest in reducing the number of discount levels (some feel too many discount levels)
- One discount level can simplify messaging and product sales

Discount Fare Pricing

■ What we are considering:

- 50% discount for LiVE and Discount customers (retaining 70% discount for Youth)
- 50% discount for all discount-eligible customers (LiVE, Discount and Youth)
- 50% discount on 3-Hour Pass and Day Pass and 70% discount on Monthly Pass for all discount-eligible customers
- Flat fares for discount customers set at 50% of the Local fare while retaining current zone/distance-based fare structure for full fare customers
- Zero fares for youth

■ How are different discount fare pricing options being incorporated into the fare alternatives?

- There are trade-offs between the different discount fare pricing options
- Depending on fare levels and the discount fare pricing option included in an alternative, some discount customer groups will benefit while others (in particular Youth) may not benefit
- In evaluating fare structure alternatives, the study team will consider how best to minimize impact on discount customers

Questions and Answers

Questions and Answers

- Please provide comments and questions in the Q&A (see the  icon at the bottom of your screen)

Questions for Participants:

- Do you have any feedback on the conceptual options? What do you like about the options presented to you tonight?
- What do you not like or have concerns about?
- Other questions?

Next Steps and Staying Engaged

Next Steps

- Thank you for your time!
- Next public engagement anticipated for early fall to discuss fare alternatives and tradeoffs between alternatives
- Access past meeting materials, FAQs, the last feedback panel information, and additional resources by visiting the project website at www.rtd-denver.com/farestudy
- Stay involved by using the comment form on the fare study website or by calling customer care at (303) 299-6000

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