Slide 1

We Make Lives Better Through Connections.

Systemwide Fare Study and Equity Analysis

Pass Program Feedback Panel - Meeting #3

November 30, 2022

RTD FARE STUDY & EQUITY ANALYSIS

Slide 2

Agenda and Interpretation

- Agenda:
  - Meetings Instructions
  - Safety Moment
  - Fare Study Overview and Engagement #3 Activities
  - Fare Structure Alternatives and Engagement #3 Feedback
    - Overview of Alternatives A and B, and feedback received
    - Where RTD is thinking of going
    - Discussion - Feedback on Fare Structure Direction
  - Policies and Programs Under Consideration
    - Presentation and Discussions
  - Next Steps and Staying Engaged

Slide 3

Meeting Instructions

- Ensure your Zoom Name includes your organization

- All participants will remain muted unless called on. Please raise your hand if you wish to ask a question or provide input

- Meeting observers will be muted throughout, leaving discussion time for Feedback Members

- **Chat box for Feedback Panel Members –** Feel free to enter a question or comment in the chat box. The project team will be monitoring questions and may answer your question with a typed answer or out loud. If the chat box submissions become uncivil, we will remove the function. Observers, please leave the chat box open for Feedback Panel members, submit your comments on the website: www.rtd-denver.com/farestudy

- If you are joining by the phone only: "*6" will mute/unmute you; if you want to share questions or comments, please press a button on your phone and the facilitator will add you into the list of those interested in speaking.
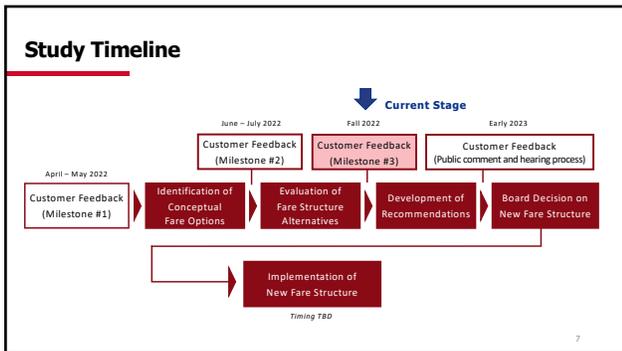
Slide 4

Safety Moment

Overview of the Systemwide Fare Study and Equity Analysis

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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

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Study Timeline

Current Stage

April – May 2022
- Customer Feedback (Milestone #1)

- Identification of Conceptual Fare Options

June – July 2022
- Customer Feedback (Milestone #2)

- Evaluation of Fare Structure Alternatives

Fall 2022
- Customer Feedback (Milestone #3)

- Development of Recommendations

Early 2023
- Customer Feedback (Public comment and hearing process)

- Board Decision on New Fare Structure

- Implementation of New Fare Structure

Timing TBD

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Engagement Activities in Milestone #3

Website, Study Materials, and Social Media
- 4,600+ unique views of website and 63,000+ social media impressions in targeted ad campaign
- New website (in English and Spanish) with detailed overview of fare structure alternatives
- Fact sheets in English, Spanish

Customer and Community Meetings
- Virtual Zoom webinars/meetings
- 87 attendees
- Conducted in English and Spanish

Community Partner Focus Groups
- Led by six community partners
- 65+ participants (as of Nov. 22)
- Conducted in English and Spanish

Stakeholder Groups
- Targeted Focus Groups
- Feedback Panels (3): Equity, Pass Programs, and Jurisdiction

Online Survey
- 3,900+ respondents
- In-person surveys conducted by community partners
- Survey in English and Spanish

Community-Based Organization Survey
- 45 respondents (as of Nov. 23)
- Survey in English and Spanish

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## Fare Structure Alternatives Presented during Engagement #3

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Alternatives A and B

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Considerations in Developing Alternatives

- Customer and community feedback
- Fare strategies to achieve three fare study goals: equity, affordability and simplicity
- Other transit agencies' fare pricing, structures and policies
- Fare pricing to maintain long-term financial sustainability
- Impact on minority and low-income customers
- Operational, technology and capital considerations
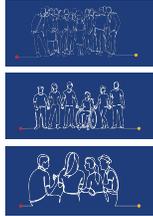
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Alternative A

Current Fare Structure

	LOCAL	REGIONAL	AIRPORT
3-HOUR	$3.00	$5.25	$10.50
DAY	$6.00	$10.50	
MONTHLY	$114.00	$200.00	

Alternative A*

	LOCAL	REGIONAL	AIRPORT
3-HOUR	$2.75	$5.00	$10.00
DAY	$5.50	$10.00	
MONTHLY	$88.00	$160.00	

Alternative A Benefits:

- Lowers all customers' fares
- Lowers monthly pass prices, rewarding frequent customers including airport and airline employees
- Service levels maintained while still decreasing fare prices

Alternative A Tradeoffs:

- No fare structure/payment process simplification

Preliminary prices and structure subject to change

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Slide 13: Alternative B

Alternative B

Current Fare Structure

	LOCAL	REGIONAL	AIRPORT
3-HOUR	$3.00	$5.25	$10.50
DAY	$6.00	$10.50	
MONTHLY	$114.00	$200.00	

Alternative B*

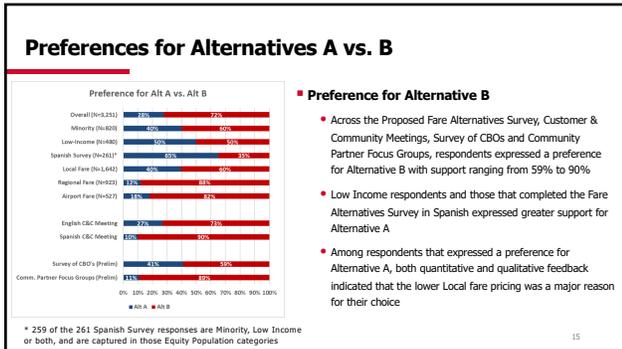|	LOCAL	REGIONAL	AIRPORT
3-HOUR	$3.00		$10.00
DAY	$6.00		
MONTHLY	$96.00		

Preliminary prices and structure subject to change

Alternative B Benefits:
- Single fare for all non-airport travel
- Lower Regional fare
- One Monthly Pass for ALL travel
- Lower Monthly Pass price, including for Local customers
- Airport and airline employees pay less to travel to the airport – only paying for 10 days per month

Alternative B Tradeoffs:
- Local fare stays the same
- Local customers who are infrequent travelers may not benefit from lower Monthly Pass price
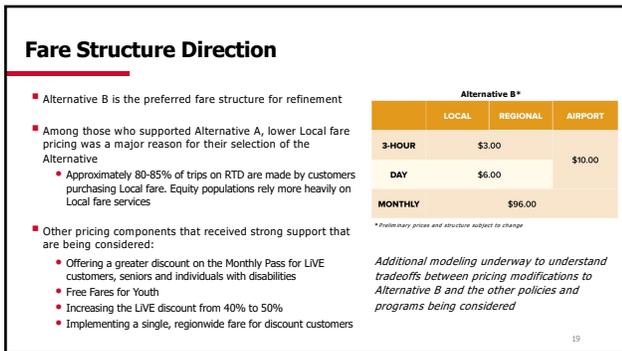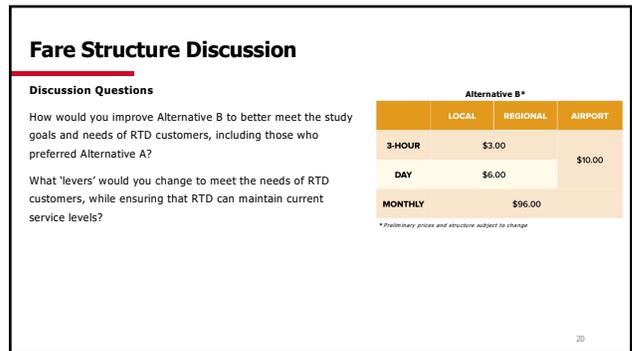- Regional trips charged same amount as Local trips, which does not account for distance traveled

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Feedback Received during Engagement #3

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Slide 15: Preferences for Alternatives A vs. B

Preferences for Alternatives A vs. B

Preference for Alt A vs. Alt B

	Alt A	Alt B
Overall (N=3,251)	28%	72%
Minority (N=820)	40%	60%
Low-Income (N=480)	50%	50%
Spanish Survey (N=261)*	65%	35%
Local Fare (N=1,642)	40%	60%
Regional Fare (N=923)	12%	88%
Airport Fare (N=527)	18%	82%
English C&C Meeting	27%	73%
Spanish C&C Meeting	10%	90%
Survey of CBO's (Prelim)	41%	59%
Comm. Partner Focus Groups (Prelim)	11%	89%

Preference for Alternative B
- Across the Proposed Fare Alternatives Survey, Customer & Community Meetings, Survey of CBOs and Community Partner Focus Groups, respondents expressed a preference for Alternative B with support ranging from 59% to 90%
- Low Income respondents and those that completed the Fare Alternatives Survey in Spanish expressed greater support for Alternative A
- Among respondents that expressed a preference for Alternative A, both quantitative and qualitative feedback indicated that the lower Local fare pricing was a major reason for their choice

* 259 of the 261 Spanish Survey responses are Minority, Low Income or both, and are captured in those Equity Population categories

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Slide 16: Single, Regionwide Fare for Discount Customers

Single, Regionwide Fare for Discount Customers

Single, Regionwide Fare for Discount Customers

	Yes	No
Overall (N=2,762)	89%	11%
Minority (N=724)	90%	10%
Low-Income (N=428)	91%	9%
Spanish Survey (N=221)*	93%	7%
English C&C Meeting	80%	20%
Spanish C&C Meeting	100%	0

Strong Support for a Single, Regionwide Fare for Discount Customers
- Support for the concept expressed in the Proposed Fare Alternatives Survey and Customer & Community Meetings ranged from 80% to 100%
- Although support for the concept was broad-based, feedback from the Survey of CBOs, and Community Partner Focus Groups ranked this concept behind other policies for Discount customers that are under consideration, including a 70% discount on Monthly Passes, Free Fares for Youth and Increasing the LiVE program discount to 50%

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Additional Changes for Discount Customers

Survey of CBO's (Prelim) - Which of the proposed discount changes would you prioritize?

Comm. Partner Focus Groups (Prelim) - Which of the proposed discount changes would you prioritize?

- **Among CBOs and community partners, higher prioritization was placed on a 70% Monthly Pass discount for Discount customers and Free Fares for Youth**
  - Still strong support for increasing the LiVE discount to 50% and having a single, regionwide fare for Discount customers, however these changes were ranked lower

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Fare Structure
Direction and Discussion

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Slide 19

Fare Structure Direction

- Alternative B is the preferred fare structure for refinement
- Among those who supported Alternative A, lower Local fare pricing was a major reason for their selection of the Alternative
  - Approximately 80-85% of trips on RTD are made by customers purchasing Local fare. Equity populations rely more heavily on Local fare services
- Other pricing components that received strong support that are being considered:
  - Offering a greater discount on the Monthly Pass for LiVE customers, seniors and individuals with disabilities
  - Free Fares for Youth
  - Increasing the LiVE discount from 40% to 50%
  - Implementing a single, regionwide fare for discount customers

Alternative B*			
	LOCAL	REGIONAL	AIRPORT
3-HOUR	$3.00		
DAY	$6.00		$10.00
MONTHLY		$96.00	

Preliminary prices and structure subject to change

Additional modeling underway to understand tradeoffs between pricing modifications to Alternative B and the other policies and programs being considered

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Fare Structure Discussion

Discussion Questions

How would you improve Alternative B to better meet the study goals and needs of RTD customers, including those who preferred Alternative A?

What 'levers' would you change to meet the needs of RTD customers, while ensuring that RTD can maintain current service levels?

Alternative B*			
	LOCAL	REGIONAL	AIRPORT
3-HOUR	$3.00		
DAY	$6.00		$10.00
MONTHLY		$96.00	

Preliminary prices and structure subject to change

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Policies and Programs

- Overall EcoPass Program Policies
- EcoPass Business
- CollegePass and Semester Pass
- Neighborhood Eco
- Bulk Purchase Program
- Free Fares for Youth

Time Permitting
- Affordable Housing Pass
- LiVE Program Expansion
- Transit Assistance Grant Program

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Overall EcoPass Program Policies

Discussion Question –
Do you have any feedback on the proposed Pass Program policies?

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Policies Consistent Across Pass Programs

Policies Consistent Across Pass Programs

- Introduce fixed pricing for 2-year intervals, beginning with 2024 and 2025
  - CollegePass contract fixed for 2024/2025 and 2025/2026 academic years
- Continue to rely on utilization to price Eco contracts, but capture periodic snapshots of utilization
  - Also aiming to reduce lag between when utilization took place and when it is used for pricing
- Updated Airport pricing approach
- Potential future price increases will not be phased in

Additional Pass Program Clarifications

- Bulk discount (10%) would NOT apply to Pass Programs
- Fare capping would NOT apply to Pass Programs

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EcoPass Business

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EcoPass Business – Service Level Areas

Existing Policies To Be Retained

- Prorate for partial year utilization
- Fully remote employees can be excluded

New/updated Policies

- Merge Service Level Areas A and B together
- Merge all Employer Size Categories together
- Evaluating whether contract minimums could be switched to an employee count rather than a dollar amount (~5 employee minimum)

2022 ECOPASS PRICING ($3.00/$5.25/$10.50)

SLA (business location)	Contract Minimum Per Year	1-24 employees	25 - 249 employees	250 - 999 employees	1,000 - 2,999 employees
A	$1,368	$68	$46	$32	$22
B	$1,368	$64	$84	$23	$17
C	$2,400	$128	$118	$96	$103
D	$2,400	$1074	$809	$632	

SAMPLE 2024 / 2025 ECOPASS PRICING

SLA (business location)	Price per Employee per Year (any organization size, ~5 employee minimum)
A/B	~ $25 - $45
C	~ $95 - $125
D	~ $550 - $675

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EcoPass Business – Large Orgs / Master Contracts

Existing Policies To Be Retained

- Prorate for partial year utilization
- Fully remote employees can be excluded

New/updated Policies

- Contract minimum definitions outlined in the EcoPass SLA section would be identical, but would be unlikely to impact large organizations / master contracts

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CollegePass and Semester Pass

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CollegePass

Existing Policies To Be Retained

- 2023/2024 Contract will follow existing policy and pricing

New/updated Policies

- Evaluating a **decrease** ↓ on the initial pricing for new Colleges
  - Current: ~$26/student/month
  - Considered: ~$15/student/month
- Contract minimum would be **reduced** ↓
  - Current: $15,600
  - New: ~$9,000

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Semester Pass

Overview	'Opt-In' Pass Program for Colleges/Educational Institutions
Distribution	• Available through participating institutions only • Not available through retail, mobile sales channels
Eligibility	• Enrolled Students only (no Staff or Faculty) • Valid for entire academic semester • Valid on all Fixed Route, bus and rail services (Local, Regional, Airport), not valid on Access-A-Ride
Pricing	~$75 per student per month
Program Administration	Collecting fee, paying RTD and managing student eligibility would be undertaken by the participating institution

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Neighborhood Eco

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Neighborhood EcoPass

Existing Policies To Be Retained

- Prorate for partial year utilization
- Temporary change reducing Contract Minimums from $7,000 to $4,000 in response to COVID would be made permanent

New/updated Policies

- Fare collection system cannot currently track EcoPass boardings by Rider Category (e.g., Youth, Senior/Individuals with Disabilities, LiVE) for Pass Programs
  - All NECO boardings likely to be charged at Full Fare, including Youth and Senior/Individuals with Disabilities boardings
- New neighborhood pricing **reduced ↓**
  - Current: $175 per household per year
  - New: ~$125 per household per year

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Bulk Purchase Program

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Bulk Purchase Program

🚩 **Objective:** discounted, simple and easy-to-use option for nonprofit organizations, employers and other organizations to provide the benefits of transit passes to their clients and employees

- 10% discount applied to bulk purchases over $2,000 per invoice

- Discount applies to discounted and full fare products
  - Customers using discounted fares required to have proof of eligibility

- Organization required to set up an account and sign a contract with RTD

- Discount also applies for bulk purchases by conferences, special events, etc.

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Pass Program Policies

Discussion Question - Do you have any feedback on the proposed Pass Program policies?

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Free Fares for Youth

Discussion Question – How should RTD consider defining free fare for youth eligibility?
- Age-based
- K-12 enrollment
- Limit to participating school districts, community colleges, etc.

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Free Fares for Youth

🚩 **Objectives:** Reduce costs for families, provide youth with reliable, no-cost way to travel to school or work, encourage lifelong transit use

- Free Fares for Youth ranked #2 (Community Partner Focus Groups) and #1 (survey of CBOs [prelim results]) **as a way to increase discounts for financially burdened customers**

- Introducing Free Fares for Youth would lead to a **reduction in fare revenue** and **may require service increases** to meet additional demand
  - Forgone fare revenue is anticipated to be between $4M to $7M by 2024, depending on program eligibility criteria
  - Program introduction is expected to increase youth ridership; other free fares for youth programs have seen youth ridership increase by ~50%

- Free Fares for Youth would **require financial support from external funding partners**. The availability and source of funding may determine eligibility requirements

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Free Fares for Youth – Program Design Elements

- Eligibility
  - Age-based Definition
    - Current youth definition: ages 19 and under
    - Most free fares for youth programs rely on age-based criteria: ages 18 and under, several are limited to children ages 12 and under
    - Examples - WA State / San Diego / SF Muni / Orange Co. / Austin
  - K-12 Student Enrollment
    - Programs may include or exclude GED, most exclude colleges/universities
    - Example - Sacramento
  - Limited to participating school districts, community colleges, etc.
    - Schools, school districts or community colleges may opt-in, but are generally expected to provide funding for participation
    - Example - LA Metro
  - Funding approaches differ, and generally align with the eligibility approach
    - Age based programs are typically funded through city, county, Metropolitan Planning Organization or State funding agreements
    - Programs focused on school district/community college participation typically rely on direct funding from participating institutions, and may be supplemented with additional funding
    - K-12 programs have a mix of funding sources

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Free Fares for Youth – Program Design Elements

- **Proof of Eligibility**
  - Most free fares for youth programs have a special youth ID card that is issued on smart card fare media, in order to provide proof of eligibility and enable data tracking
    - Pros - Single Card for ID and transaction, measures program participation, consistent experience for transit operators and transit security, potential access to future gated areas
    - Cons - Higher administrative effort, including procurement of smart card fare media
  - Some programs accept school IDs and/or government issued IDs
    - Pros - Lower administrative effort, including ability to introduce the program more quickly
    - Cons - Less reliable counts of program participation, challenges for transit operators and transit security, potential future gated areas would need alternative access approach
  - Eligibility requirements and the source of funding may inform proof of eligibility requirements
  - Proof of Eligibility may be limited to a subset of Free Fare for Youth participants
    - Youth under certain age may not be required to have proof of eligibility (e.g.: only youth from 13 to 18, or middle and high school students)

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Free Fares for Youth

Discussion Question - How should RTD consider defining free fare for youth eligibility?

- Age-based
- K-12 enrollment
- Limit to participating school districts, community colleges, etc.

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Next Steps

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Next Steps

- Thank you for your time!
- RTD staff to prepare draft recommendation and seek public input
  - Q1-2023: Release Draft Recommendation and Title VI Fare Equity Analysis Draft Report for Public Comment, Public Outreach
  - Q2-2023: Public Outreach, Incorporate Feedback, Seek Board Approval
- Hope you will stay engaged and encourage customers in your community to provide feedback during the Public Outreach and Public Hearing process
  - RTD will e-mail Feedback Panel participants when the Draft Recommendation and Equity Analysis are released, for distribution to RTD customers in your communities
- Access past meeting materials, FAQs, the last feedback panel information, and additional resources by visiting the project website at www.rtd-denver.com/farestudy; Feedback Panel materials at www.rtd-denver.com/farestudy/feedback-panels

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Affordable Housing Pass

Discussion Question –

Which of the two options presented would best meet the needs of your tenants/residents, and why?

Other suggestions that RTD should consider?

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Affordable Housing Pass

	Approach 1 Affordable Housing EcoPass	Approach 2 Affordable Housing providers become a LiVE certifying entity
Overview	Neighborhood EcoPass contract limited to organizations/agencies with 100% Affordable units under management Definition of "affordable" units is being considered (may involve new categorical LiVE eligibility criteria, such as an AMI threshold)	Through existing income verification processes, designated affordable housing providers could confirm LiVE eligibility/certification as part of their eligibility confirmation process for housing Definition of "affordable" units is being considered
Pricing	Contract priced at LiVE rates	City, County, Housing provider can decide whether to subsidize transit for affordable housing tenants through bulk purchase, direct payment
Pros	• LiVE eligible tenants may receive free/discounted travel • Likely more affordable than providing bulk purchase passes	• Tenants receive housing and transportation benefits "under one roof" • Expands LiVE certification beyond PEAK system • LiVE eligibility follows the tenant, even if they leave their affordable housing unit
Cons	• Can only be implemented if 100% of units within the contract are affordable, increasing administrative burden	• May require tenants to purchase their own fares • Higher administrative requirement for affordable housing providers

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Affordable Housing Pass

Discussion Question

Which of the two options presented would best meet the needs of your tenants/residents, and why?

Other suggestions that RTD should consider?

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LiVE Program Expansion

Discussion Questions – Feedback on the proposed methods to reduce enrollment barriers?

How could RTD further improve access to LiVE fares for income-eligible populations?

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LiVE Program

🚩 **Objectives:** Expand access to the LiVE Program and reduce barriers to enrollment so that more financially burdened individuals can benefit from reduced fares

- RTD is considering LiVE Program changes that broadly fall into two categories:
    1. Reduce Barriers to Enrollment in LiVE
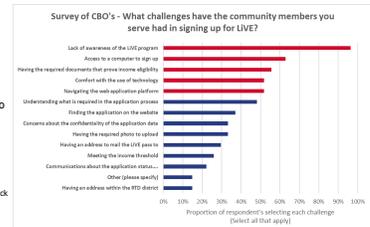   2. Expand Access and Increase LiVE Benefits

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LiVE Program – Reduce Enrollment Barriers

- Nearly every respondent indicated that **lack of awareness of the LiVE program** was a substantial barrier to promoting LiVE (survey of CBOs)

- Three of the top five responses relate to **challenges with access to, or familiarity with technology** (survey of CBOs)

The study team continues to review qualitative feedback from the written responses on the Survey of CBO's, Community Partner Focus Groups, Fare Alternatives Survey and C&C Meetings
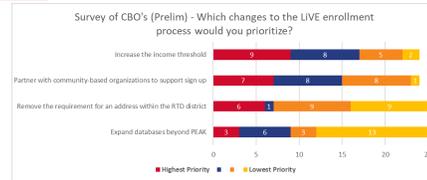
Survey of CBO's - What challenges have the community members you serve had in signing for LiVE?

Lack of awareness of the LiVE program
Access to a computer to sign up
Having the required documents that prove income eligibility
Comfort with the use of technology
Navigating the web application platform
Understanding what is required in the application process
Finding the application on the website
Concerns about the confidentiality of the application data
Having the required photo to upload
Having an address to mail the LiVE pass to
Meeting the income threshold
Communications about the application status...
Other (please specify)
Having an address within the RTD district

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%
Proportion of respondent's selecting each challenge
[Select all that apply]

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LiVE Program – Reduce Enrollment Barriers

- Partnering with community-based organizations to support clients/customers by improving the LiVE application process
  - RTD is considering a more robust outreach and training program
- Enabling government entities/organizations to undertake LiVE eligibility confirmation, outside of PEAK
  - Focused on entities/organizations already undertaking income verification (e.g., affordable housing providers)
  - May include the addition of categorical eligibility criteria, beyond Federal Poverty Level (e.g., Area Median Income thresholds)
- Opportunities to minimize enrollment barriers exceed current staff availability. Additional resources need to be identified to support the LiVE program

- **Discussion Question – What feedback do you have for RTD on the proposed methods to reduce enrollment barriers?**

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LiVE Program – Expand Access and Benefits

Survey of CBO's (Prelim) - Which changes to the LiVE enrollment process would you prioritize?

- **Increasing the LiVE income threshold** and **partnering with CBOs to support enrollment** were the top priorities of CBOs
  - Increasing the LiVE income threshold also ranked as a top priority for Community Partner Focus Groups

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LiVE Program – Expand Access and Benefits

- Increase discount from 40% to 50%, aligning with discounts for seniors and individuals with disabilities
- Increase income threshold from 185% to 200% of the Federal Poverty Level
  - 85% of respondents to the survey of CBOs indicated that this increase would support the community that they serve
- Expand access to LiVE fare products, including fare capping
  - Launch of new MyRide Stored Value, offering new Monthly fare cap for LiVE customers (available as of Sept 2022)
  - Expanded retail network, providing more locations for customers to reload their MyRide accounts (planned for 2023)
  - MyRide fare collection system outreach will launch soon, with animated videos, on-vehicle advertisement, advertising in multiple languages, media events, and ongoing community outreach
- Remove in-District address requirement
- LiVE photo ID requirement likely to remain unchanged

Discussion Question –
How could RTD further improve access to LiVE fares for income-eligible populations?

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Transit Assistance Grant Program

Informational Item
Other suggestions that RTD should consider?

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Transit Assistance Grant Program

🚩 **Objective:** Provide free or deeply discounted fare products to organizations and social service agencies to distribute to financially burdened individuals/clients with immediate transportation needs, in order to improve access to transit and reduce mobility barriers

- Annual grant program for eligible organizations to obtain free or deeply discounted RTD fare products
  - Annual amount set aside for the grant program by RTD is to be determined
  - Eligible nonprofit community-based organizations and social service agencies able to apply
  - Organizations/Agencies would distribute tickets to clients at no cost
  - Products available include full fare 10-Ride Tickets (no proof of eligibility for LiVE or discounted fares required)
- Outside of the Grant Program, organizations would also be able to purchase fare products through the bulk purchase program and receive a 10% discount on purchases over $2,000

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Transit Assistance Grant Program – Design Elements

- Defining "Immediate Needs" / Eligible Organizations
  - Transit agencies define 'immediate needs' differently
  - RTD has not determined a definition or established eligibility criteria, but some examples of groups that RTD might target with such a program: **populations experiencing homelessness, clients seeking domestic violence support, clients exiting incarceration, refugee/recent immigrant populations**
- Grant Selection
  - Other transit agencies have used external organizations (e.g., a non-profit or foundation) to award grants
  - Other transit agencies have placed an annual cap on how much a grant recipient can receive
- Free or Deeply Discounted Passes
  - Some programs do not require financial contribution from the grant recipient, while others require minimum contribution (e.g., minimum 20% match)
  - Financial contributions can expand the reach of the program
- External Funding Sources
  - Some programs receive City/County or State funding to support long-term sustainability and expand the reach of the program

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