

### Transportation Committee

For the Metropolitan Council meeting of April 12, 2017

**Subject:** Authorization for public hearings on regional transit fares; approval of public hearing content for potential fare adjustments

#### Proposed Action

1. Authorize a series of public meetings on potential fare adjustments for regular route transit, dial-a-ride transit and paratransit services operated and/or funded by the Metropolitan Council (including Metro Transit, Metro Mobility, and suburban transit providers) and
2. Approve information scheduled to be presented at public hearings and public meetings for the purpose of public comment and input prior to adoption of any regional fare adjustments.

#### Summary of Committee Discussion/Questions

Nick Eull and Michelle Fure presented. Eull reminded members that this item is to approve for public hearing purposes, it is not yet approving a fare increase. Letofsky asked whether fares would have to be increased again once the legislature acts – if there is a higher deficit. Eull said there is some flexibility built in to these proposals and there is hope for an indication from the Legislature about funding during the public comment period. Eull said that information about ridership decrease projections will be part of the information shared at the public meetings. Letofsky suggested pulling Council members in to attend the pop-up meetings that are planned. Eull said that is the intent and Fure said that Communications will work with Suburban Transit Providers and Metro Transit operations and Police to plan where and when to share information at the busiest stations. Munt asked how the message will be framed to the public, that a part of the need for increasing fares is due to a lack on the legislature's part to provide a stable funding source for transit. Fure said that they are working with the facts as they are now, and information will be conveyed about the impacts to riders – how it will affect them personally. CM's will be briefed on the messages prior to the meetings. Dorfman asked if there was any sense of the amount of ridership decrease there may be to Metro Mobility due to an increased fare. Nick Thompson said that ridership may flatten out because riders may choose to take less discretionary trips, but ridership would most likely grow again after awhile.

Motion by Reynoso, seconded by Letofsky and passed.

## Transportation Committee

Meeting date: April 10, 2017

For the Metropolitan Council meeting of April 12, 2017

**Subject:** Authorization for public hearings on regional transit fares; approval of public hearing content for potential fare adjustments

**District(s), Member(s):** All

**Policy/Legal Reference:** Public Accountability Policy 2-1, Public Hearings Procedure 2-1b; Transit Fare Policy Changes 3-2-6, Implementing Procedure 3-2-6a

**Staff Prepared/Presented:** Brian J. Lamb, General Manager, Metro Transit (612-349-7510)

Nick Thompson, Director, MTS (651-602-1754)

Edwin D. Petrie, Director of Finance, Metro Transit (612-349-7624)

Gerri Sutton, Asst. Director Contracted Transit Services, MTS (651-602-1672)

Nick Eull, Senior Manager of Revenue Operations, Metro Transit (612-349-7364)

Michelle Fure, Manager of Public Involvement, Regional Administration (651-602-1545)

**Division/Department:** Metro Transit, Metropolitan Transportation Services

### Proposed Action

That the Metropolitan Council

1. Authorize a series of public meetings on potential fare adjustments for regular route transit, dial-a-ride transit and paratransit services operated and/or funded by the Metropolitan Council (including Metro Transit, Metro Mobility, and suburban transit providers) and
2. Approve information scheduled to be presented at public hearings and public meetings for the purpose of public comment and input prior to adoption of any regional fare adjustments.

### Background

- As a result of inflationary pressures, growth in Metro Mobility demand, and reductions in Motor Vehicle Sales Tax (MVST) receipts, the Metropolitan Transportation Division is facing a projected State Fiscal Year (SFY) 2018-2019 deficit of nearly \$74 million. One of the recommended solutions to help resolve this projected deficit is a fare adjustment.
- The Council aims to achieve an average farebox recovery rate on regular route bus service of 28.5 percent. The farebox recovery rate for bus has been trending downward and fell below 28 percent in 2014.
- Federal guidelines and Metropolitan Council policy require that fare adjustments be reviewed through a public hearing and public comment process prior to adoption. This authorization will set in motion the process of having these hearings in a timely manner and allowing time for public input, Council consideration of options, and actual implementation as soon as feasible, within the constraints of resources, contracts and procedures.
- Staff have developed a combination of measured and balanced adjustments for revenue enhancements, to help address this shortfall with the minimum of possible impacts to the riding public and the region as a whole.
- Council policy as well as state and federal guidelines require public hearings for the purpose of input prior to implementation of any significant fare adjustment by the public transit system.

- Public hearings and meetings are scheduled in May and June 2017. Specific meeting dates, locations, and times, as well as other channels for public input, are contained in this business item.
- Summaries of the recommended changes and public input will be presented to the Transportation Committee in July 2017 prior to presentation to the Council for final consideration.
- Implementation of new fares is scheduled for fall 2017.

### **Rationale**

The proposed authorization for public hearings on fare adjustments and the presentation of this material at public hearings for public comment will assist in the process to bring forward regional fare adjustments to aid in balancing the Metropolitan Transportation Division's projected SFY 2018-2019 budget deficit.

### **Thrive Lens Analysis**

A fare increase will impact all public transit customers in the Twin Cities region. Staff have analyzed and included options for mitigating increases to the region's most transit dependent customers with adoption of a low income fare program. These proposals have also passed a Title VI analysis, which tests whether proposals have a disparate impact on low-income communities, or communities of color. In addition, staff have included other options that could help offset a fare increase for seniors, youth and Medicare card holders.

### **Funding**

The Metropolitan Council last took action to increase fares effective Oct. 1, 2008. This action was an effort to raise revenues to offset a budget deficit and to preserve the farebox recovery rate. This proposal for the public hearings will include proposed fare adjustments for services operated by all regional transit providers participating in the regional fare structure.

### **Known Support / Opposition**

This action is to open the process for receiving formal public comment about the potential fare increase – there's no known opposition to that process.

However, in preliminary outreach with suburban transit providers, several agencies have indicated concern and potential opposition to a fare increase. In addition, community constituencies have appeared before the Council to voice opposition to a fare increase.

Following the public comment process, we will have more specific information related to support or opposition for any fare increase that may be proposed later this year.

# Public Hearings/Meetings for Proposed Changes to Regional Transit Fares

## *Public comment period from April 13 to June 26, 2017*

The Metropolitan Council will also receive public comments via the following methods:

- **Mail:** Public Information, Metropolitan Council, 390 N. Robert. St., St. Paul, MN 55101
- **Email:** [public.info@metc.state.mn.us](mailto:public.info@metc.state.mn.us)
- **Recorded line:** 651-602-1500
- **TTY:** 651-291-0904

## *Informational Displays*

Displays explaining the fare change, along with comment cards will be available in the lobby during regular business hours of the Metro Transit F.T. Heywood Building at and the Metropolitan Council offices at 390 North Robert St., St. Paul.

Transit representatives will also be present at busy transit stations and stops throughout the region during May and June. For updates and to learn more, visit [metro council.org](http://metro council.org) or follow us on [Facebook](#).

## *Public Hearings*

Public hearings are opportunities for people to **offer formal public testimony** – delivered orally or in writing - on the proposed increase to regional transit fares. There will also be information about the proposed fare increase available, and an opportunity for attendees to ask questions about the proposal and its impact prior to the public hearing and after the close of the hearing.

### **Wednesday, May 17: 6:30 to 7:30 p.m.**

Rum River Library Meeting Room  
4201 – 6<sup>th</sup> Avenue, Anoka  
Near regional park-and-ride facilities  
for routes 766, 850, 860, and the Northstar Line

### **Wednesday, May 31: noon to 1 p.m.**

Minneapolis Central Library, Doty Board Room  
300 Nicollet Mall, Minneapolis  
Served by many regional transit routes

### **Wednesday, June 7: 6:30 to 7:30 p.m.**

Burnhaven Library Meeting Room  
1101 County Rd 42 W, Burnsville  
Served by regional route 444

### **Wednesday, June 14: 6 p.m.**

Metropolitan Council Chambers  
390 North Robert St., St. Paul  
Served by many regional transit routes

## *Public Meetings*

Public meetings will be like traditional open houses, with information about the proposed fare increase available, and an opportunity for attendees to ask questions about the proposal and its impact. People will be able to offer public comment, though there will be no formal opportunity to offer testimony at the public meetings.

### **Thursday, May 11: 5:30 to 6:30 p.m.**

Chanhassen Library, Wilder Meeting Room  
7711 Kerber Blvd., Chanhassen  
Near regional park-and-ride facilities  
for routes 690, 691, 692, 695, 698, 699

### **Tuesday, May 23: 6:30 p.m. to 7:30 p.m.**

Stillwater Library, Margaret Rivers Room  
224 – 3rd St. N., Stillwater  
Near regional park-and-ride for route 294

### **Tuesday, May 30: 5:30 to 6:30 p.m.**

Maplewood Library, Meeting Room  
3025 Southlawn Drive, Maplewood  
Served by regional transit routes 64,  
80, 219 and 223. Near regional  
park-and-ride for routes 265, 270, 272

### **Wednesday, May 31: 5:30 to 6:30 p.m.**

Wescott Library, Meeting Room  
1340 Wescott Road, Eagan  
Served by regional transit route 446  
Near regional park-and-ride facilities  
for routes 437, 438, 440, 444, 445, 446,  
470, 472, 475, 480, 484, 491, 492,  
and METRO Red Line

### **Thursday, June 1: 5:30 to 6:30 p.m.**

Plymouth Library, Meeting Room  
15700 36th Ave N, Plymouth  
Served by regional transit routes 740, 741  
Near regional park-and-ride facilities  
for routes 672, 674, 675, 776, 790, 793

### **Monday, June 5: 6:30 to 7:30 p.m.**

Savage Library, Meeting Room  
13090 Alabama Ave. S., Savage  
Served by regional transit route 444. Near  
regional park-and-ride facilities  
for routes 421, 464

### **Thursday, June 8: 6:30 to 7:30 p.m.**

Southdale Library, Meeting Room  
7001 York Ave. S., Edina  
Served by regional transit routes 6, 537, 538

### **Tuesday, June 13: 6 to 7 p.m.**

North Regional Library, Meeting Room  
1315 Lowry Ave. N., Minneapolis  
Served by regional transit routes 5 and 32

**Regional Fare Adjustment Proposals**  
**For proposed implementation on Sept. 1, 2017**

**Regional Bus and Light Rail Fares**

Cash Fare Increases	Current		Fare Increase Proposal 1: \$0.25 increase		Fare Increase Proposal 2: \$0.50 increase	
	Full Fare	Reduced Fare	Full Fare	Reduced Fare	Full Fare	Reduced Fare
Local Bus & METRO Regular Fares	\$1.75	\$0.75	\$2.00	\$1.00	\$2.25	\$1.00
Local Bus & METRO Rush Fares	\$2.25	\$2.25	\$2.50	\$2.50	\$2.75	\$2.75
Express Bus Regular Fares	\$2.25	\$0.75	\$2.50	\$1.00	\$2.75	\$1.00
Express Bus Rush Fares	\$3.00	\$3.00	\$3.25	\$3.25	\$3.50	\$3.50
	Limited Mobility:	\$0.75/Ride	Limited Mobility:	\$1/Ride	Limited Mobility:	\$1/Ride

**Rush Hours**

**Current**

**Proposed**

	Current	Proposed
	Monday - Friday	No Change
Morning Peak Hours	6 a.m. - 9 a.m.	
Afternoon Peak Hours	3 p.m. - 6:30 p.m.	

**Northstar Fares**

All Fare Types (Full Fare, Senior, Youth, and Limited Mobility)	Current	Proposal 1: \$0.25 Increase	Proposal 2: \$0.50 Increase
All Weekday Fares (One-Way)	Varies by Station	All fares increase \$0.25	All fares increase \$0.50
All Weekend Fares (One-way)	Varies by Station	All fares increase \$0.25	All fares increase \$0.50

**31-Day Passes**

**Current**

**Proposal 1:  
\$0.25 Increase**

**Proposal 2:  
\$0.50 Increase**

Local Off-peak	\$59.00	\$72.00	\$81.00
Local Peak	\$85.00	\$90.00	\$99.00
Express Off-Peak	\$85.00	\$90.00	\$99.00
Express Peak	\$113.50	\$117.00	\$126.00
Limited Mobility	\$31.50	\$36.00	

**Transfers**

**Current**

**Proposal 1**

**Proposal 2**

Transfer Duration and Cost	2.5 Hours/No Additional Cost	No Change
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**10 Ride Cards & 7-Day passes**

	Current	Proposal 1	Proposal 2
Young Adult 10-Ride	\$13.50	\$17.50	\$18.75
Full Fare 10-Ride	\$18.50	\$25.00	\$27.50
Full fare 7-Day Pas	\$22.00	\$25.00	\$27.50

**Other Fare Change Options**

	Current	Proposed Options
10% Bonus on Stored Value Loads \$10 or More	10% Bonus	No Bonus
Reduced Fare Rates During Rush	Pay Full Fare	Reduced Fare Rate
Express Fare Categories	Off-Peak and Peak Rates	One Single Express Category
Downtown Zone Fares	\$0.50/Ride	\$1/Ride
Transit Accessibility Pass (TAP)	N/A	\$1/Ride
Transit Schools Program	5% Discount	0%/Eliminate Program
Reduced Metro Mobility Fare when Transferring to Fixed Route at Designated Fixed Route Station	None	To Be Considered

**Transit Link\*\***

	Current Fare	Proposal 1: \$1.60 Average Increase	Proposal 2: \$1.85 Average Increase	Proposal 1 & 2
Off-Peak	\$2.25	\$3.50	\$3.75	+ \$1.25 for trips greater than 15 miles
Peak	\$2.25	\$4.50	\$4.75	

**Metro Mobility\*\***

	Current Fare	Proposal 1: \$0.50 Increase	Proposal 2: \$0.75 Increase	
Off-Peak (ADA)	\$3.00	\$3.50	\$3.75	No Distance Surcharge for ADA Trips
Peak (ADA)	\$4.00	\$4.50	\$4.75	
Off-Peak (Non-ADA)	\$3.00	\$3.50	\$3.75	+ \$1.25 for trips greater than 15 miles
Peak (Non-ADA)	\$4.00	\$4.50	\$4.75	

\*\*These programs only accept GOTO Stored Value and Cash.

**Transfers**

**Current Proposal 1 & 2**

Transfer Duration and Cost	2.5 Hours/No Additional Cost	No Change
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<b>Other Fare Products</b>	<b>Current</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
6-Hour Pass (Full Fare)	\$3.50 – \$4.00	\$4.00 - \$4.50	\$4.50 - \$5.00
6-Hour Pass (Reduced Fare)	\$1.50 - \$3.00	\$2.00 - \$3.50	\$2.00 - \$3.75
Visitor Pass	\$4.50	\$5.00	\$5.50
All-Day Pass (Full Fare)	\$3.50 - \$4.50	\$4.00 - \$5.00	\$4.50 - \$5.50
All-Day Pass (Reduced Fare)	\$1.50 - \$4.50	\$2.00 - \$5.00	\$2.00 - \$5.50
Day Pass/24-Hour Pass	\$6.00	Eliminate	Eliminated
Downtown All-Day pass	\$1.00	\$2.00	\$2.00

<b>Pre-paid Single Ride Fares</b>	<b>Current</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Tokens	\$87.50/Bag	\$112.50/bag	\$125/bag
One Ride Coupons	\$2.70 ea.	\$2.90 ea.	\$3.15 ea.