



# **Low Income Fare Program Pilot Proposal**

September 28th, 2015

# Purpose of Program

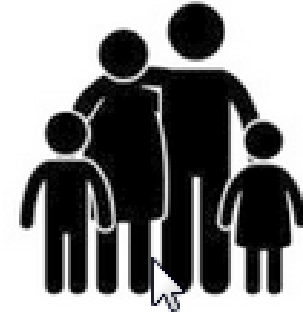
To reduce barriers for residents in the Twin Cities so they can take Metro Transit regardless of age, ability or economic means.

The barriers we hope to reduce are:

1. Lower the cost of taking transit to those considered low income per guidelines.
2. Increase awareness of all reduced fare options available to low income people, including this new fare tool.
3. Allow card holders to have a choice to ride more often, not only the most essential trips.
4. Create a way to manage the impact to that group for future fare changes.



# Program Plan



## Reduced Fare

### Seniors (ages 65+)

Photo ID with "T" endorsement required

### Youth (ages 6 to 12)

Ages 5 and under ride free (limit 3) and must ride with a fare-paying customer

## Mobility Fare

### Persons with Disabilities

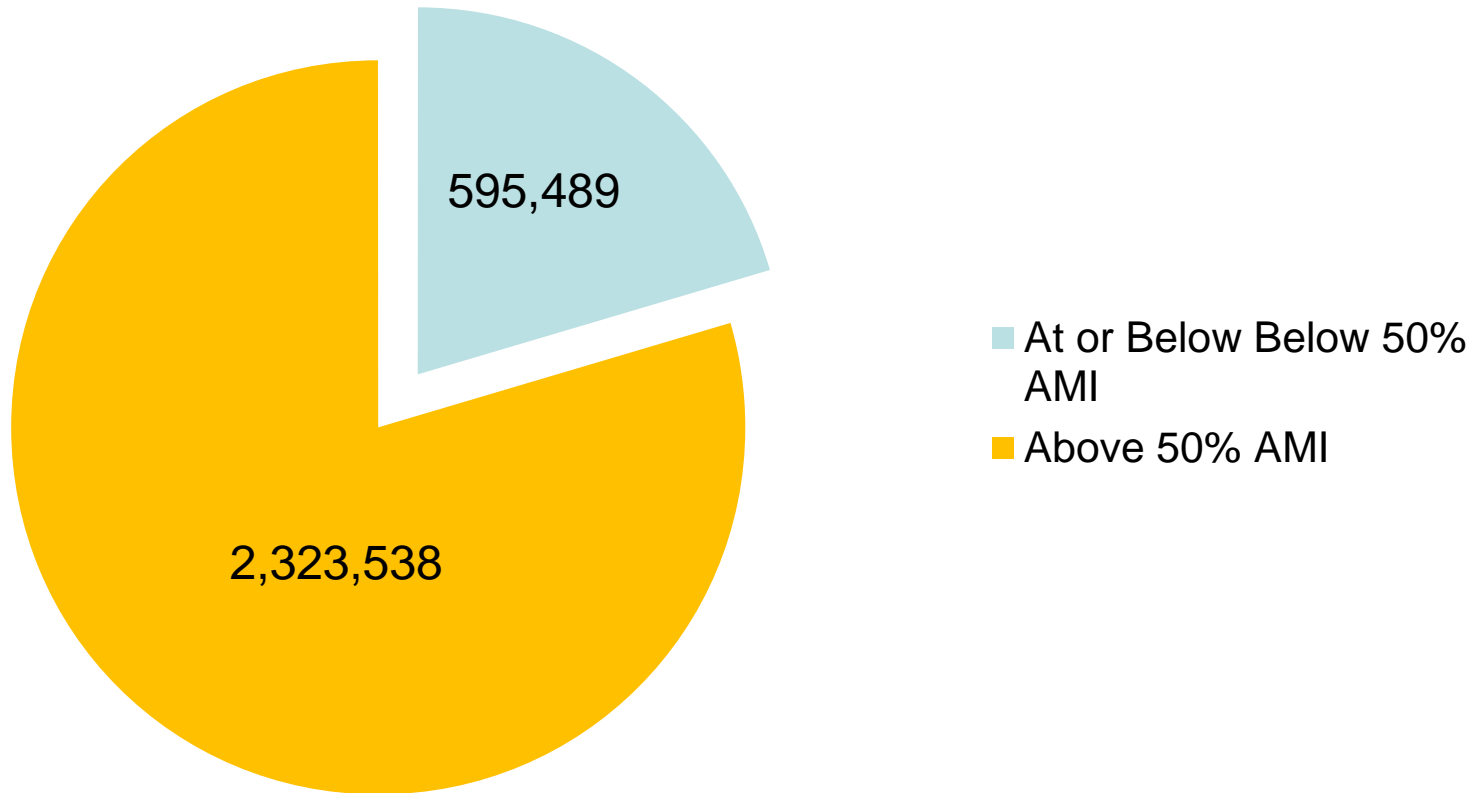
State ID with an "A" or "L" endorsement or a Metro Mobility ID card

**Pre & post survey**

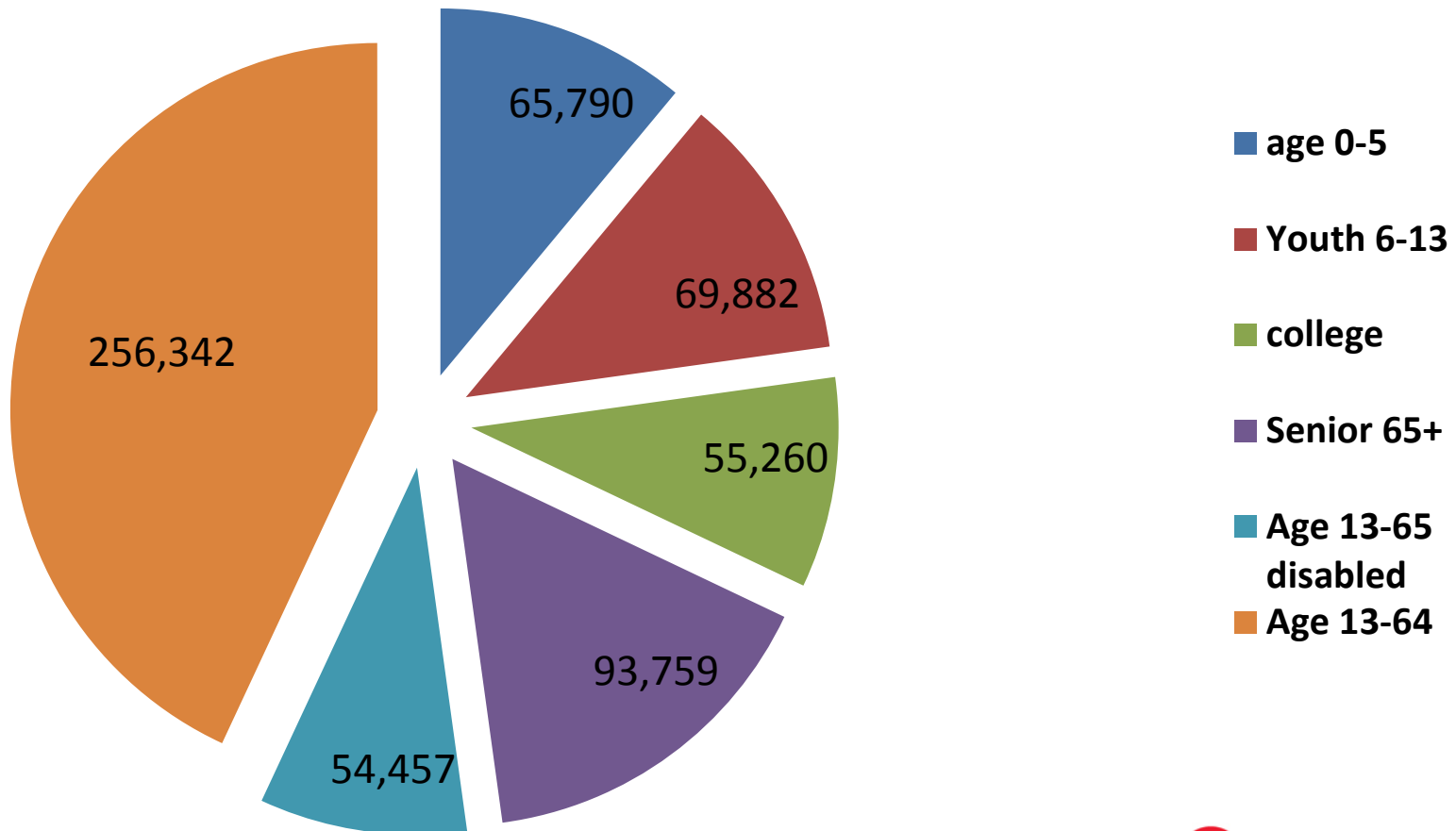


**Six month pilot**

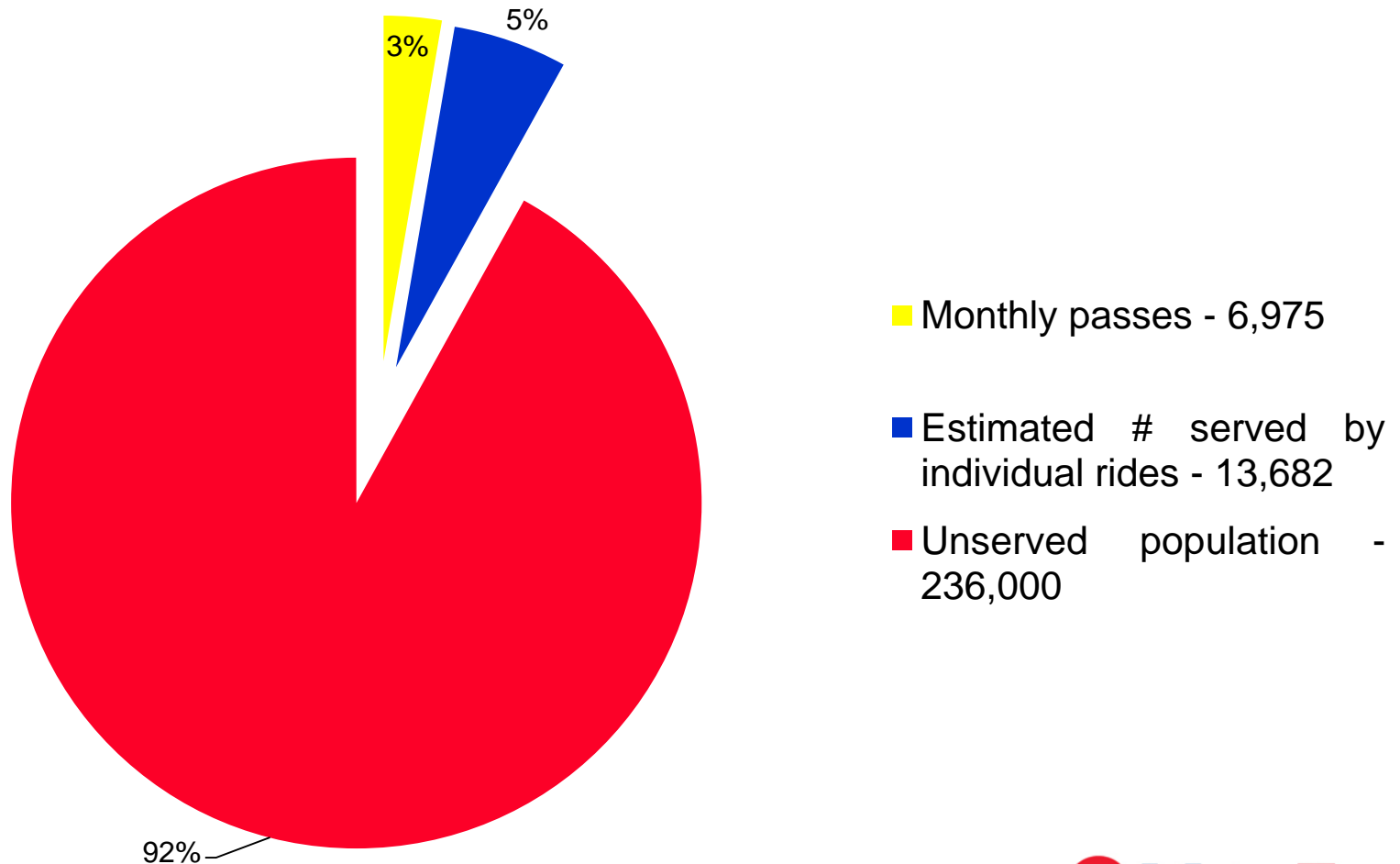
# Twin Cities Population by Income



# Metro Area Low Income Breakdown (<50% AMI)



# How do we serve today low income customers today?



## Other Considered Opportunities

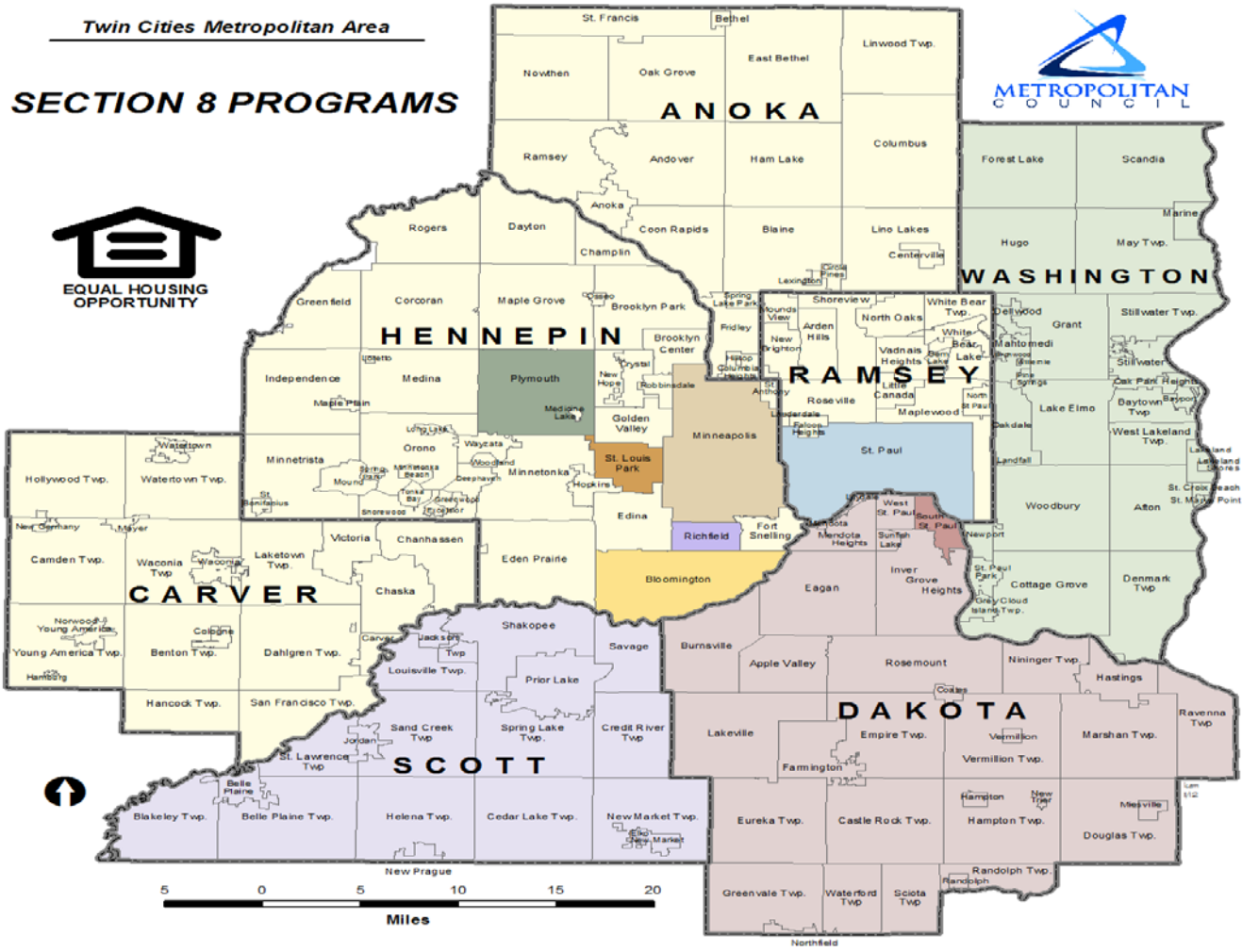
- Twin cities area ( Seattle WA)
- Ramsey or Hennepin Counties
- Public discount (Madison model)
- Retail workers (MOA site specific)
- Housing Assistance programs (Metro HRA)

## Why Metro HRA?

- Metro HRA serves 7,000 low income households with rental assistance
- Help meet Council Thrive Equity initiatives
  - Ensure public transportation access for all residents of the region
  - Ensure housing choice in high opportunity areas
- Access to transportation is a barrier to suburban voucher placement
  - 80% of Metro HRA voucher holders live within ½ mile of a LOCAL transit route
  - 87% within 1 mile of a LOCAL transit route



# SECTION 8 PROGRAMS



Twin Cities Metropolitan Area Housing Authorities:

	<b>Metro HRA</b> (651) 602-1428		<b>South St Paul HRA</b> (651) 554-3270		<b>Dakota County CDA</b> (651) 675-4400
	<b>St Paul PHA</b> (651) 298-5158		<b>Plymouth HRA</b> (763) 509-5410		<b>Washington County HRA</b> (651) 458-0936
	<b>Minneapolis PHA</b> (612) 342-1480		<b>St Louis Park HRA</b> (952) 924-2579		<b>Scott County HRA</b> (952) 402-9022
	<b>Bloomington HRA</b> (952) 563-8937		<b>Richfield HRA</b> (612) 861-9770		

## Pilot Recommendation

- 256,342 low income households in the region
  - At or below 50% Area Median Income
- Metro HRA Pilot Program Size = 8,713
  - Households certified as low income
  - Not eligible for other discounted programs
  - Not receiving transit assistance from another provider
- Metro HRA to send offer of participation
  - Redemption codes included
  - Used to redeem online, in person or via mail

## Pilot Goals

- Gather data to understand impact, both individual and Metro Transit
  - Identify the best group to support
  - Provide the opportunity to ride or ride more.
  - Is HRA the right partner for a wider scale program
- Determine where Metro Transit can have the most immediate impact
  - Easily implemented
  - Calculate Revenue impact
  - Determine conversion rates
  - Validate fraud controls



## Proposed Next Steps

- Continue to get feedback from stakeholders to finalize pilot test plan.
- Develop fare tool and communication plans.
- Implement six month pilot test
  - Targeted for launch December 1<sup>st</sup>, 2015

