

**Date:** June 11, 2014

**To:** Board of Directors

**From:** Neil McFarlane

**Subject:** **ORDINANCE NO. 335 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) ADOPTING YOUTH FARE REDUCTIONS, AND AMENDING TRIMET CODE CHAPTER 19 (SECOND READING)**

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**1. Purpose of Item**

Ordinance No. 335 amends TriMet Code Chapter 19 to adopt reductions to Youth fares. The fare changes would become operative on September 1, 2014, and are further described in Section 3, 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. 335 requires two readings.

**4. Type of Action:**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other

**5. Background**

TriMet reviews fares regularly to ensure fare levels are set appropriately for our customers, while keeping pace with the cost of operating the transit system. Fare adjustments, which regularly occur in September of each year, attempt to balance affordable fares with the need to generate revenues and serve a growing number of riders. The last change in fixed route fares occurred September 1, 2012. LIFT paratransit cash fares increased April 1, 2014.

Ordinance No. 335 proposes a reduction in Youth fares, in order to provide youth and their families across the region with enhanced opportunities to use transit. Currently, approximately 42% of youth in the TriMet District meet income eligibility thresholds that qualify them for Free and Reduced-Priced Meals programs.<sup>1</sup> Lowering Youth fares helps reduce barriers to using transit for all youth across the region, by making it more affordable

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<sup>1</sup> Eligibility is determined by household size and income (\$43,568 annually for a household of four). Children in households receiving Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF) or Food Distribution Program on Indian Reservations (FDPIR) are also eligible for free and reduced-priced meals. <http://www.ode.state.or.us>.

for youth to get to school and after-school activities, access employment opportunities, and fulfill family-related responsibilities. It also makes riding TriMet more affordable for parents traveling with children between ages 7 and 17 (children under 7 ride for free).

TriMet assesses transit equity considerations of proposed fare changes on low-income and minority populations. To do this, TriMet identifies potential *adverse effects* and analyzes whether there are *disparate impacts*, i.e., whether any of the impacts fall on minority populations more than on others, and whether there are *disproportionate burdens* on low-income riders. The proposed Youth fare changes have been assessed and those findings have been presented to the Board for their consideration in the document entitled “Fall 2014 Fare & Service Change Equity Analysis Report” dated May 27, 2014 (“Report”). In summary, the fare change equity analysis set forth in the Report provided to the Board for adoption of Ordinance No. 335 finds no *disparate impact* on minority youth and no *disproportionate burden* on low-income youth. Both minority and low-income youth generally stand to see the greatest fare reductions from the proposed Youth fare changes, based on the fares they purchase.

#### Youth Fare Reductions Public Comment and Outreach

Public comment on the Youth fare reductions is accepted by phone, email and standard mail. A summary of comments received via these venues will be provided to the Board prior to the June 11, 2014 Board meeting. In addition, verbal and written comments may be provided during Public Forum on June 11, 2014.

TriMet staff has also solicited feedback from the Transit Equity Advisory Committee (TEAC), the Multnomah Youth Commission, community-based organizations who serve youth, and school district representatives throughout the service district.

#### **6. Financial/Budget Impact**

Ordinance No. 335 proposes specific Youth fare changes as described below, and all other fare levels would remain unchanged. The changes as proposed are estimated to reduce fare revenue by approximately \$775,000 annually, \$634,000 of which will be offset by increased contributions to the Portland Public Schools (PPS) Student Pass Program by Pass Program sponsors PPS and the City of Portland.

- Youth Single Ticket /Cash Fares: Reduced \$.40, from \$1.65 to \$1.25;
- Youth 1-Day Passes: Reduced \$.80, from \$3.30 to \$2.50;
- Youth Tickets / Book of 10: Reduced \$4, from \$16.50 to \$12.50;
- Youth 7-Day Passes: Reduced \$.50, from \$8.00 to \$7.50;
- Youth 14-Day Passes: Reduced \$1, from \$15.50 to \$14.50;
- Youth Monthly / 30-Day Passes: Reduced \$2, from \$30.00 to \$28.00; and
- Youth Annual Passes: Reduced \$22, from \$330.00 to \$308.00.

#### **7. Impact if Not Approved**

Should the Board not proceed with a second reading and not adopt Ordinance No. 335, the existing Youth fare pricing structure of the TriMet Code would remain in place.

**ORDINANCE NO. 335**

**AN ORDINANCE OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET) ADOPTING YOUTH  
FARE REDUCTIONS 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 Youth Fare Reductions; 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. 335.

**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, 2014.

Date Adopted: \_\_\_\_\_

\_\_\_\_\_  
Presiding Officer

Attest:

\_\_\_\_\_  
Recording Secretary

Approved as to Legal Sufficiency:

\_\_\_\_\_  
Legal Department

**ORDINANCE NO. 335**

**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, 2014.

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	\$ <del>[30.00]</del> <b><u>28.00</u></b>
HONORED CITIZEN	\$26.00
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/ <del>16.50</del> <b><u>12.50</u></b>
HONORED CITIZEN	10/\$10.00
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.

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(3) Cash Fares

<u>Status</u>	<u>Fare</u>
YOUTH	\$ <del>[1.65]</del> <b><u>1.25</u></b>
HONORED CITIZEN	\$1.00
ADULT	\$2.50

(4) Annual Passes

<u>(a) Status</u>	<u>Fare</u>
YOUTH	<del>[\$330.00]</del> <b><u>308.00</u></b>
HONORED CITIZEN	\$286.00
ADULT	\$1,100.00
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(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	<del>[\$3.30]</del> <b><u>2.50</u></b>
HONORED CITIZEN	\$2.00
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	<del>[\$8.00]</del> <b><u>7.50</u></b>
HONORED CITIZEN	\$7.00
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	<del>[\$15.50]</del> <b><u>14.50</u></b>
HONORED CITIZEN	\$13.50
ADULT	\$51.00

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