



DATE: May 8, 2014

TO: Transit Task Force Members

FROM: Carlos de Leon
Deputy Director, Transportation

SUBJECT: Recommended Transit Fare Policy

At today's Study Session, staff will be presenting the recommended transit fare policy for Sun Tran, Sun Van and Sun Link.

Staff Recommendation – It is respectfully requested that Transit Task Force provide input to staff on the recommended transit fare policy and on the implementation of the fare policy beginning February 2015. Staff is planning to present the recommended transit fare policy to Mayor and Council on May 20. Based on Mayor and Council direction, staff is recommending that the public hearing for any fare policy changes be scheduled for the June 17, 2014 Mayor and Council meeting.

Background – At the February 19, 2014 Mayor and Council Study Session, Mayor and Council directed staff to initiate the public comment process/Title VI fare and service equity analysis in March 2014 for proposed FY2015 changes as provided as part of the Proposed Transit Fare Policy Presentaion, which included three fare implementation scenarios. Two of three scenarios were part of the Proposed Transit Fare Policy which was approved by the Transit Task Force in December 2013. A third fare implementation scenario was recommended by staff to provide additional revenue flexibilty during the FY2015 budget process.

The public comment process and Title VI fare and service equity analysis was conducted in compliance with City of Tucson Resolution No. 22127, City of Tucson Policy and Procedure for Solicitation and Consideration of Public Comment on Fare Changes and Major Service Changes on Public Transportation. In recognition of the potential interest and impact of the proposed fare and service changes, public outreach activities were expanded to include media announcements, open houses, forums, website notices and response solicitation, social media, and notices upon transit vehicles. Per an intergovernmental agreement with the RTA, any public comment process/Title VI analysis for the Sun Tran Express routes was closely coordinated with the Regional Transportation Authority (RTA) since the RTA provides funding for all the express routes with the exception of Route 108X.

To help balance the City's FY2015 budget, the City Manager recommended a target budget goal of \$40.7 million for the General Fund investment in the Mass Transit Fund. Based on this target budget goal and future financial forecasts, an initial estimate of approximately \$6 million in additional revenue and/or reduced costs will be needed to achieve this target budget goal.

At the April 23, 2014 Mayor and Council study session, staff presented transit internal savings/revenue opportunities of \$3.3 million for FY2015. At the May 6 Mayor and Council study session, staff presented the results of the Title VI fare and service equity analyses, which concluded that the proposed FY2015 transit fare changes do not have a disparate impact on minorities or a disproportionate burden to low income populations. In addition, the City of Tucson has a legitimate, non-discriminatory rational/decision for proposed FY2015 transit fare changes.

Present Considerations – Based on the comments received during the public outreach, staff has revised the Proposed Transit Fare Policy, to include more progressive discounts for period passes. With the exception of adjustments to the period passes, the revised transit fare policy is the same as approved by the Transit Task Force in December 2013. The revised transit fare policy is provided in Attachment A. For implementation, staff is recommending that Sun Link streetcar start service in July 2014 with the current approved fares and that recommended transit fare policy be applied in February 2015 as shown in the following table:

Fare Type	Current Fares	Recommended Fares (February 2015)
<i>Sun Tran/Sun Link Fares</i>		
Single Trip Fares		
Full Fare	\$1.50	\$1.50 (No change)
Economy Fare	\$0.50	\$0.50 (No change)
Express Fare	\$2.00	\$2.00 (No change)
Up-Charge Express Fare	\$0.50	\$0.50 (No change)
Up-Charge-Economy To Express Fare	\$1.50	\$1.50 (No change)
Period Passes		
Day Pass	\$3.50	\$4.50
30 Day Pass	\$42.00	\$50.00
Economy 30 Day Pass	\$15.00	\$17.00
Express 30 Day Pass	\$56.00	\$67.00
UA/PCC Base Fare Semester Pass	\$173.00	\$203.00
UA/PCC Semester Express Pass	\$230.00	\$270.00
UA/PCC Annual Base Fare Pass	\$413.00	\$422.00
UA/PCC Annual Express Pass	\$550.00	\$562.00
<i>Sun Van Fares</i>		
Regular Fare One Way	\$3.00	\$3.00 (no change)
Low Income Fare One Way	\$1.00	\$1.00 (no change)

Financial Considerations – If approved and implemented, the recommended fare policy would result in an estimated \$0.5 million annual operating budget savings in for the City. With an implementation date in February 2015, the estimated revenue in FY2015 is \$250,000. Combined with the internal savings and revenue opportunities of \$3.3 million and recommended bus service changes of \$2.4 million, the recommended fare policy would nearly achieve the \$6 million General Fund reduction as recommended by the City Manager.

Please contact me at 791-4371 if you have any questions about the above item.

cc: Daryl W. Cole, Transportation Director
Albert Elias, Assistant City Manager

Attachments: A. Proposed City of Tucson Fare Policy (Revised May 5, 2014)