



Agenda Item No. (6)

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of July 25, 2019

From: Ron Downing, Director of Planning  
Joseph M. Wire, Auditor-Controller  
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE THE SETTING OF A PUBLIC HEARING TO RECEIVE  
PUBLIC COMMENT ON THE PROPOSED ESTABLISHMENT OF  
MEANS-BASED FARES FOR REGULAR SERVICE ON GOLDEN GATE  
TRANSIT BUS AND GOLDEN GATE FERRY**

### **Recommendation**

The Finance-Auditing Committee recommends that the Board of Directors authorize the setting of a Public Hearing to receive public comment on the establishment of "Means-Based Fares," that would provide a fare discount for low-income riders on Golden Gate Transit regional bus routes and regular (non-special event) Golden Gate Ferry service. The public hearing would take place on Thursday, August 22, 2019, at 9:00 a.m. in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco.

This matter will be presented to the Board of Directors at its July 26, 2019 meeting for appropriate action.

### **Background**

Transit affordability has been highlighted as an issue in the Bay Area, particularly for regional trips that are much longer and more expensive than local trips.

On May 23, 2018, the Metropolitan Transportation Commission (MTC) approved implementation of a pilot Regional Means-Based Fare Program as a way to provide greater mobility options for low-income persons on participating transit systems in the Bay Area. Persons with income below 200% of the Federal Poverty Level (approximately \$70,000 per year for a family of four in the Bay Area) would be eligible. The pilot program would have a duration of 12 to 18 months, depending on how quickly the available MTC funds (which partially offset the cost of the pilot program) are expended.

Participating agencies in the pilot program as adopted by MTC are the Golden Gate Bridge, Highway and Transportation District (District), BART, Caltrain, and SFMTA. Each agencies' participation requires governing board approval, and the District's Board of Directors approved a resolution of support for participating in the program on July 28, 2018. The pilot program is expected to begin in late 2019 and would be solely based on fares paid using Clipper cards.

Participating agencies may choose either a 20% or 50% discount from their currently available adult cash fares. Staff recommends the 50% discount, which aligns with the 50% discount currently offered to the District's senior, persons with disabilities and youth customers, regardless of income. From a policy perspective, it is more equitable to offer at least the same level of discount to low-income riders as is available already to seniors, persons with disabilities and youths.

Intercountry fares for travel on the District's buses and ferries would be the principal fares covered by this program. However, because fares for local travel on the District's buses within San Francisco and Sonoma County are set much higher than the fares charged by local operators for comparable travel in those counties, these fares would also be discounted under this program.

Two categories of fares would not be included in this program: local fares within Marin County, and East Bay local and East Bay to San Francisco fares. GGT local fares within Marin County are set to conform with Marin Transit's local fare of \$1.80 Clipper, and would not be discounted further under this program. Two fare categories in Contra Costa County would also be excluded from this program at this time. Local fares for travel within Contra Costa County and Contra Costa to San Francisco fares have already been discounted to align with those of the BART Early Bird Express program, due to restrictions in zones in the Clipper environment, no further discount would be offered under a means-based program. At a future time, when the BART Early Bird Express program has ended, and if there continues to be a means-based fare program, local fares within Contra Costa would become part of the means-based program. MTC has indicated that the discount rate could be adjusted up or down in the future, as the actual participation rate is unknown at this time.

The extent of annual revenue loss has been estimated by MTC to be approximately between \$500,000 and \$1,000,000 per year for the District's bus and ferry services. Of this amount, regional funding of between \$300,000 and \$500,000 would be available to offset a portion of the lost revenue. Again, these amounts are solely estimates and are dependent on actual participation rates by the District's low-income customers. MTC's estimates do not include any assumptions for fare elasticities or ridership changes. The offset funds are currently programmed by MTC from SB-1 funds, the statewide gas tax.

### **Discussion**

The Board of Directors' (Board) policy identifies that establishing a new fare requires a public engagement process that includes a formal public hearing.

The attached fare tables (Attachment A) show the proposed discounted fares for applicable Golden Gate Transit and Golden Gate Ferry zones under the means-based fare program.

### **Public Comment Process**

Public comments on this proposal to offer means-based fares can be submitted in several different ways:

1. Attend the public hearing;
2. E-mail [publichearing@goldengate.org](mailto:publichearing@goldengate.org); and/or,
3. Send written comments to the District Secretary.

All comments are considered equally without regard to the manner in which the comments are submitted. Therefore, individuals do not have to attend the public hearing and provide testimony in person if they have commented through e-mail or written forms. All comments received through the above methods will be considered in the final recommendation. Comments must be received by 4:30 p.m. on Friday, August 23, 2019.

### **Title VI Equity Analysis**

Any fare change is subject to an equity analysis under the requirements of Title VI. Final recommendation to the Board after the Public Hearing would include the results of that Title VI equity analysis. This analysis will be completed after the Public Hearing in order to reflect any public comments received on the proposal to implement this service.

### **Public Notification**

If the proposal to hold this public hearing is approved by the Board, outreach on the proposal to create the new means-based fares would begin immediately and continue into mid-August prior to the public hearing.

Public notification activities will comprise:

- Advertisements in local publications (*Marin Independent Journal, Santa Rosa Press Democrat, San Francisco Chronicle, and La Voz*);
- Ferry terminal signage advertising the Public Hearing;
- Press Releases to local media;
- Social Media Postings on Facebook and Twitter; and,
- Email blast to customers and community-based organizations.

Translation of all printed materials and handouts in Spanish will be available, per the District's Limited English Proficiency (LEP) Plan.

### **Next Steps**

Following the public hearing, staff will evaluate all comments received and determine whether changes or modifications need to be made to the proposal to establish means-based fares. A final recommendation will be brought back to the Board of Directors at the September 27, 2019 Finance-Auditing Committee meeting and to the full Board on the same day.

### **Fiscal Impact**

The fiscal impact of providing a Public Hearing and associated outreach is estimated at less than \$5,000, and will be covered by the existing Marketing and Communications Department budget.

Attachment: Appendix A: Proposed Discounted Fares for Golden Gate Transit and Golden Gate Ferry

**APPENDIX A  
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**Proposed Means-Based Fares FY 2019/20**

**BUS FY19-20**

		San Francisco	Marin County			Sonoma County		East Bay
	Bus Zone	1	2	3	4	5	6	7
San Francisco	1	\$2.25	\$3.50	\$3.75	\$4.25	\$6.50	\$6.50	\$3.50
Marin County	2	\$3.50	\$1.80			\$4.25	\$4.75	\$3.00
	3	\$3.75				\$4.00	\$4.25	
	4	\$4.25				\$3.50	\$3.50	
Sonoma County	5	\$6.50	\$4.25	\$4.00	\$3.50	\$2.25		\$5.75
	6	\$6.50	\$4.75	\$4.25	\$3.50			\$5.75
East Bay	7	\$3.50	\$3.00			\$5.75	\$5.75	\$2.00

**FERRY FY19-20**

Larkspur	\$6.25
Sausalito	\$6.50
Tiburon	\$6.50
AT&T Pk	\$14.00
AT&T Pk	\$14.50

*Effective 2/11/19*

*Effective 3/1/20 (Approx.)*