

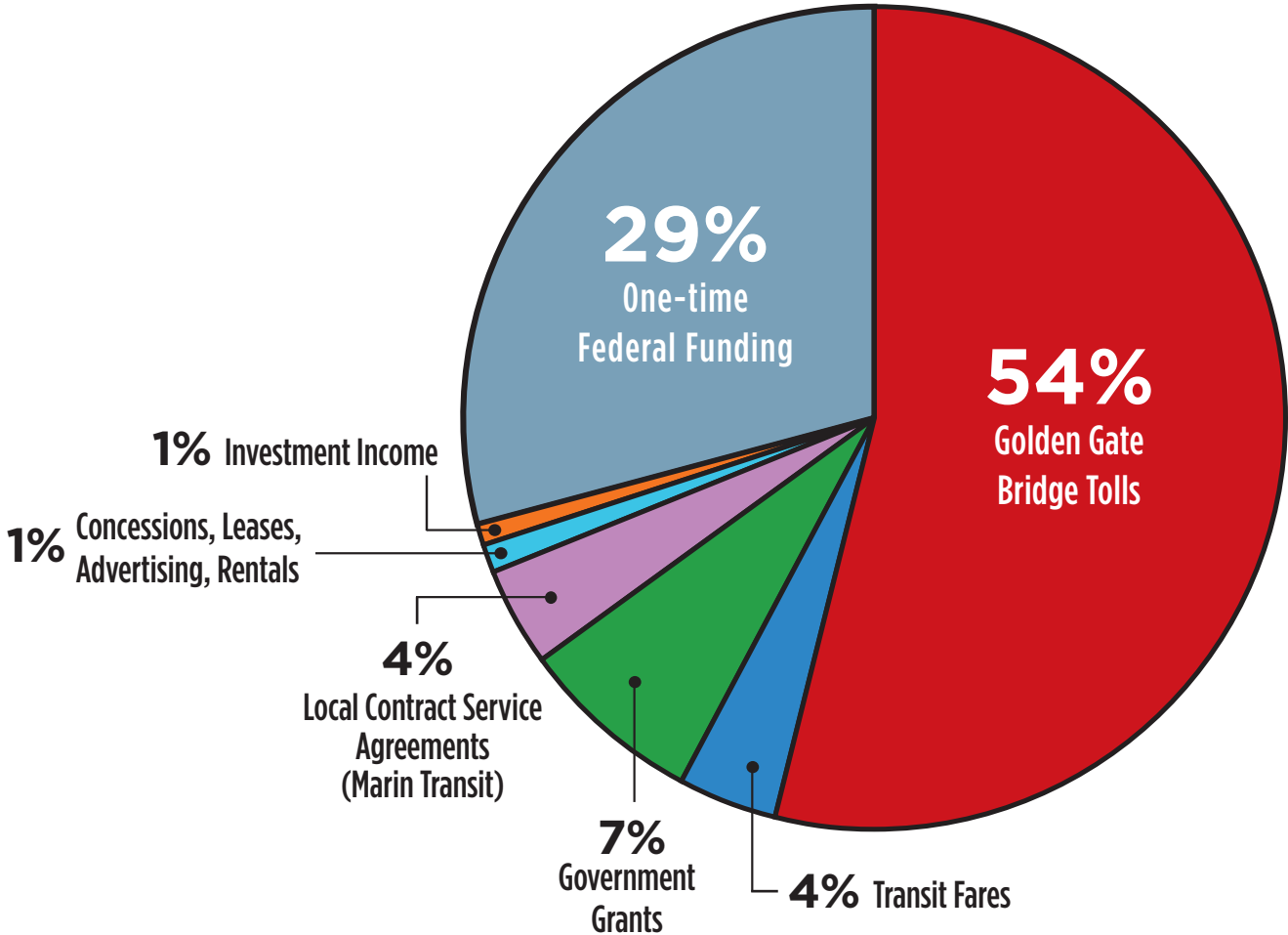
FIVE-YEAR FARE PROGRAM

Presentation



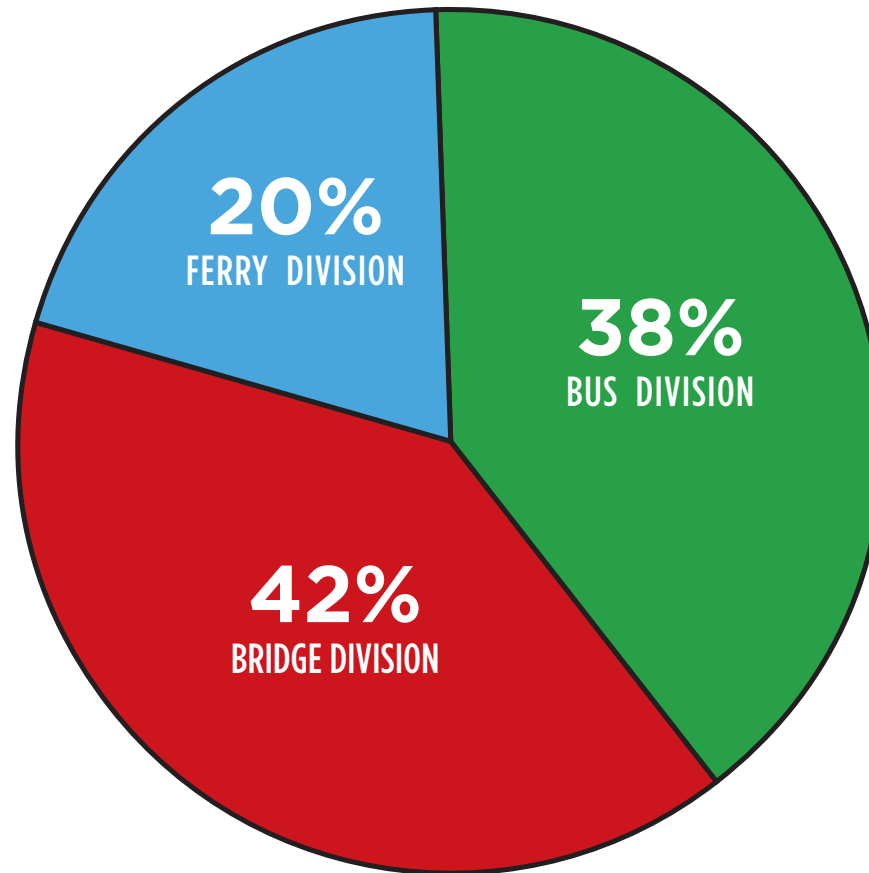
TOTAL OPERATING REVENUE

FY 2022/23 Adopted Budget



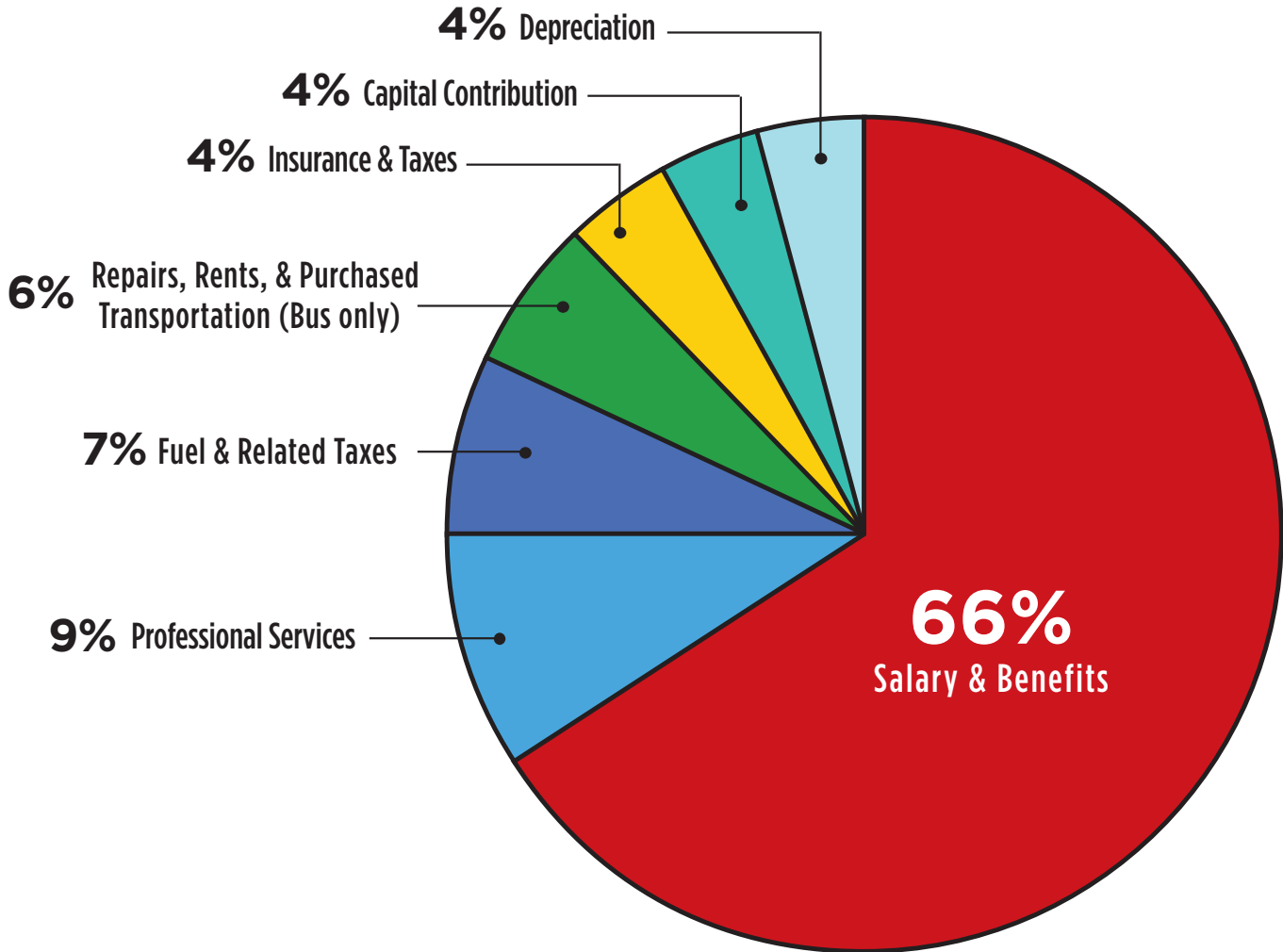
TOTAL OPERATING EXPENSE

FY 2022/23 Adopted Budget



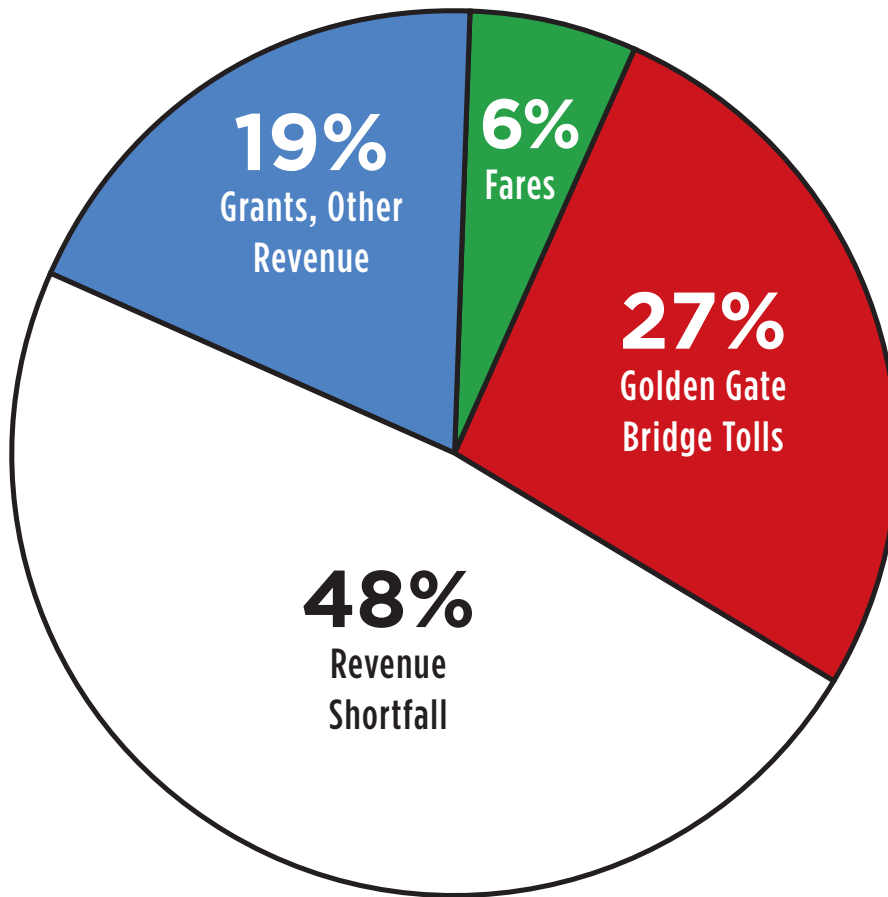
TRANSIT EXPENSE BY CATEGORY

FY 2022/23 Adopted Budget



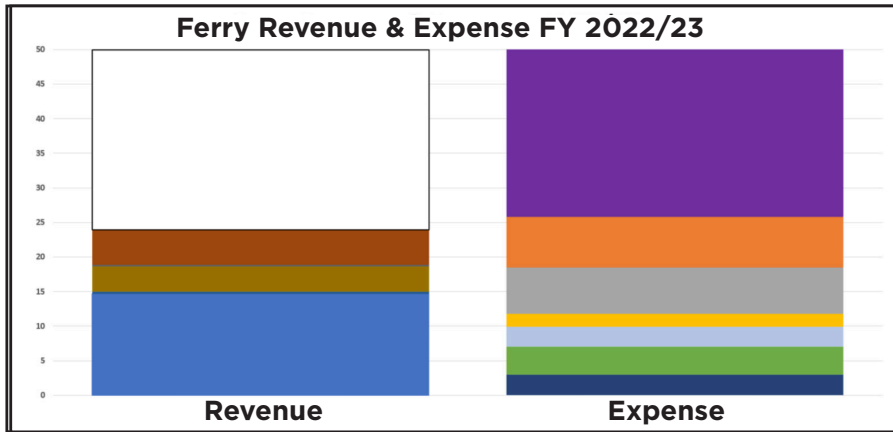
HOW BUS & FERRY ARE FUNDED

FY 2022/23 Adopted Budget

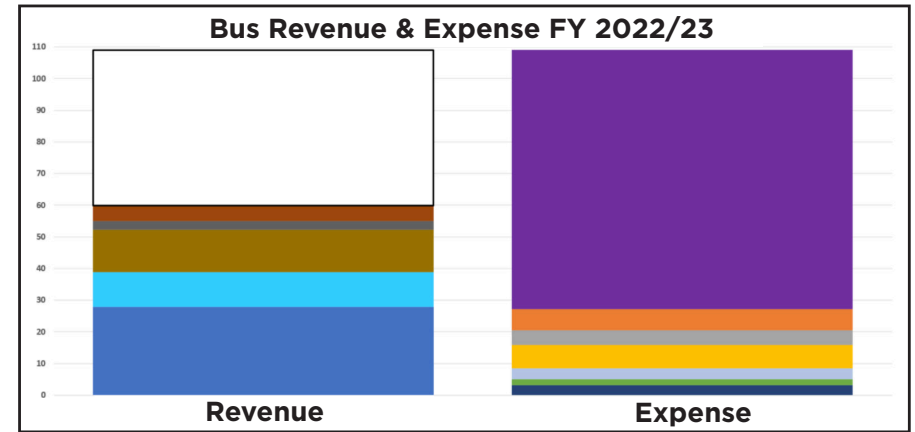


- District receives no local taxes to fund its bus and ferry operations.
- District transit services are directly subsidized by Bridge toll revenues as well as state and federal grants.
- District received one-time federal COVID relief funding which has helped pay for the costs of providing bus and ferry service and backfills the missing Bridge tolls and transit fares associated with continued diminished ridership and travel across the Golden Gate Bridge.
- Fares traditionally fund 20% of bus and 50% of ferry services in a normal, pre-pandemic year.

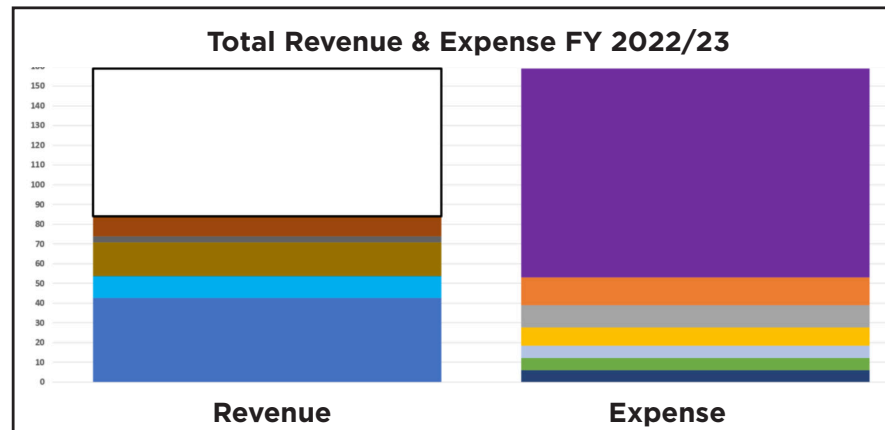
TRANSIT REVENUE AND EXPENSE



Legend



Legend



Legend



PROPOSED FIVE-YEAR FARE PROGRAM

Overall Program Objectives:

The District has a projected five-year \$423 million deficit. Adopting a five-year fare program allows the District to:

- **Recover a percentage of annual operating expenses through fares.**
- **Keep up with rising costs and inflation.**
- **Sustain a level of transit service that meets customer demand.**
- **Make transit more affordable for equity riders.**
- **Provide discounted fares to as many riders as possible.**
- **Reduce local fares in most counties to better align with local service fares and encourage local ridership.**
- **Offer a deeper discount to Clipper START program participants on ferry trips.**
- **Collect Angel Island State Park entrance fees for all riders using the ferry to visit Angel Island.**

PROPOSED FIVE-YEAR FARE PROGRAM

Bus Fare Program Options:

OPTION 1

Increase cash fares for all GGT bus trips (including local trips in all counties and trips between the East Bay and San Francisco) by \$0.25 each year.

OPTION 2

Increase cash fares for bus trips between the North Bay and San Francisco by \$0.25 each year, with changes in Local and East Bay Fares.

OPTION 3

Increase cash fares for bus trips between the North Bay and San Francisco by three percent (3%) each year, with changes in Local and East Bay Fares.

OPTION 4

Increase cash fares for bus trips between the North Bay and San Francisco by four percent (4%) each year, with changes in Local and East Bay Fares.

PROPOSED FIVE-YEAR FARE PROGRAM

Proposed Changes in Local and East Bay Fares for Options 2, 3 & 4

- Marin County local fares would continue to follow Marin Transit's fare policy. Any future adjustments by Marin Transit would be incorporated into GGT's fares.
- Sonoma County adult local cash fares would be decreased to reduce the gap between GGT fares and the fares of overlapping local transit systems. The adult cash fare would be lowered from \$5.00 to \$3.00 in the first year of the program and remain as such. Adult Clipper fares would be lowered from \$4.00 to \$2.40. These reduced local fares would be maintained for the duration of the proposed Five-Year Fare Program, with one exception: Should local fares be increased by the other operators in Sonoma County, the GGT local fares would be increased to correspond to the new fares adopted by the local transit operators.
- Fares for East Bay local travel and travel between the East Bay and San Francisco would continue to match the BART Early Bird Express program fares. The GGT fares would be adjusted to match changes to BART fares for the duration of the program.
- San Francisco local fare increases would mirror the increases for bus trips between the North Bay and San Francisco (\$0.25, three percent, or four percent).

PROPOSED FIVE-YEAR FARE PROGRAM

Annual Net Revenue Impact of the Four Proposed Bus Fare Increase Scenarios

PROPOSED BUS FARE CHANGES	ANNUAL REVENUE INCREASE	ANNUAL % INCREASE
No Fare Increase	\$ —	0.0%
Option 1 — \$0.25 Annual increase all trips	\$620,000	4.25%
Option 2 — \$0.25 Annual increases for regional trips, etc.	\$260,000	1.55%
Option 3 — 3% Annual increases for regional trips, etc.	\$300,000	1.65%
Option 4 — 4% Annual increases for regional trips, etc.	\$340,000	1.90%

PROPOSED FIVE-YEAR FARE PROGRAM

Ferry Fare Program Options:

OPTION 1

Increase all ferry fares (Clipper, single use ride tickets and group fares) by \$0.25 each year.

OPTION 2

Increase ferry Clipper adult fares and increase group fares by \$0.25 each year, and reduce the means-based fares.

OPTION 3

Increase ferry Clipper adult fares and increase group fares by three percent (3%) each year, and reduce the means-based fares.

OPTION 4

Increase ferry Clipper adult fares and increase group fares by four percent (4%) each year, and reduce the means-based fares.

- Customers who qualify for youth, senior, persons with disabilities, and Medicare discounts would continue to receive a 50% discount from adult single ride ticket prices.
- In options 2, 3 and 4, it is proposed that the existing prices of single ride tickets remain unchanged, except for a one-time \$0.50 increase for the Larkspur Ferry in the first year. This would standardize the single ride ticket prices at \$14.00 for the Larkspur, Sausalito, and Tiburon routes.

PROPOSED FIVE-YEAR FARE PROGRAM

Means-Based Ferry Fare Change for Options 2, 3 & 4

Currently, participants in the Bay Area's means-based Clipper START program receive a 50% discount from the adult single ride ferry fares. Options 2, 3 and 4 propose that the 50% Clipper START ferry discount be based on Clipper fares and not the fares for single ride tickets. This will lower the cost of ferry trips for low-income residents.

Angel Island State Park Entrance Fees for Options 2, 3, & 4

California State Parks currently charges a fee of \$1.00 or \$1.50 for all visitors going to and coming from Angel Island State Park. These entrance fees are meant to be paid by park visitors. However, in implementing Angel Island Service, the District had technical limitations that prevented charging all passengers the park entrance fee. Options 2, 3 and 4 would update this practice to add the entrance fee to everyone who uses Golden Gate Ferry to access the park. The amount paid by customers for single use fares would increase by \$1.00 or \$1.50, depending on fare type. This fee is passed through to California State Parks and does not represent revenue to the District.

PROPOSED FIVE-YEAR FARE PROGRAM

Annual Net Revenue Impact of the Four Proposed Ferry Fare Increase Scenarios

PROPOSED FERRY FARE CHANGES	ANNUAL REVENUE INCREASE	ANNUAL % INCREASE
No Fare Increase	\$ —	0.0%
Option 1 — \$0.25 Annual increase all trips	\$460,000	2.26%
Option 2 — \$0.25 Annual increases for Clipper & Group fares while reducing means-based fares	\$380,000	1.88%
Option 3 — 3% Annual increases for Clipper & Group fares while reducing means-based fares	\$420,000	2.12%
Option 4 — 4% Annual increases for Clipper & Group fares while reducing means-based fares	\$540,000	2.68%

PROPOSED FIVE-YEAR FARE PROGRAM

Why Increase Fares?

- In order to provide transit service, the District needs revenues to keep up with rising costs.
- One-time, COVID relief federal funding that has been essential in keeping transit services in place will run out and the District needs to generate revenue to help replace those depleted funds.
- Ridership is not recovering to pre-pandemic levels. Bus and Ferry ridership remains down by approximately 55%. Fare revenue from riders is an important source of funding to pay for transit service.
- Farebox recovery rates were 7.0% for Bus and 17.2% for Ferry during 2022. In a normal, pre-pandemic year, the District has a goal of 25% for Bus and 40% for Ferry.
- The District did not increase fares in 2022.

NEXT STEPS

Public Hearing

Thursday, February 23, 2023

9:00 a.m.

View the Livestream of this Meeting at:

<https://www.youtube.com/user/goldengatedistrict>

Or Listen and Comment at: (415) 569-6446

POSSIBLE BOARD ACTION

March 2023

WE WELCOME YOUR COMMENTS

Comments must be received by 4:30 p.m. on Friday, February 24, 2023

Submit Comments:

- By attending one of the virtual public meetings
- By email at publichearing@goldengate.org
- In writing to: Secretary of the District, GGBHTD, PO Box 29000, Presidio Station, San Francisco, CA 94129-9000

All comments are weighed equally regardless of how they are submitted.