**RTD PASS PROGRAM WORKING GROUP**

**February 6, 2018 – Summary**

Meeting Objective:

Complete a Package of Pass Programs that Can Achieve the Guiding Principles

1. **Purpose**

The Pass Program Working Group will make recommendations to RTD-Denver staff on revisions to all RTD pass programs. The working group will seek consensus recommendations to the RTD-Denver staff. The Pass Program Working Group will:

* Revisit and refine goals for each pass program,
* Refine pricing and administration of each pass program,
* Recommend pass program policy revisions, and
* Recommend criteria for RTD to use in evaluating future proposals for new pass programs
1. **Public Input**
2. Neighborhood EcoPass Program

If tap data are used, then,

* + Eliminate the survey and replace with a default household cost – it’s a barrier to entry
	+ Thresholds to big price increases – cap year-to-year increases
	+ Quarterly updates and allow coordinators to run reports and anticipate price increases
	+ Allow young people, low-income people, etc. to participate with their discount in the neighborhood programs
1. EcoPass
* It generates ridership and revenue
* It pays on aggregate
* Changes to EcoPass should protect revenue, ridership and brand
* When boulder comes forward with community pass, I hope it gets due consideration and RTD is excited
1. CU Boulder
* Happy that the EcoPass and College Pass programs are working to create revenue and ridership
* Our contract is similar to My Card…
* Keep the College pass as priced now – if it is increased, it will not get renewed by the students – if we don’t get the current 45% increase, we don’t know how we could get approval – CU Regents have a fee lock for the next four years
* 3 million rides – students don’t own cars
1. Charter School
* Support for reduction in cost – 70% for school-age young people + and low-income + free for 19 and under
* Students have attended – Legacy School – 92% free and reduced lunch – transportation is cost-prohibitive for these students who come from throughout the region
* Early College of Arvada – near the G Line – 51% free and reduced lunch – they subsidize passes – and parents often site transportation as a barrier
* More access to those who are trying to attain college
* No mill levy override funds and no district transportation
1. Denver Women’s Collaborative
* Nine not-for-profit programs – for women in poverty
* 880 RTD day passes each month
* Many of our organizations have stopped their participation in the program – cost is a factor
* How you structure the programs impacts our ability to participate
* Low-income pass program is excellent
* Many can’t afford passes – even with the discount
* $26+/hour necessary for a single parent with two children to be above poverty
* When we give out passes, we help people get to job interviews, from shelters to services – keeping women safe and helping them build a better life
* Denver’s transit system is already expensive
* When you change fares, those impacted should be considered first
* Add income pass and a not-for-profit program
* Visit us
1. 9-5
* Income-based – 50% for 185% of the FPL
* Children’s pass at 70%s
1. Please include youth pass in your final recommendation
2. **Modeling Results**

Four Nines Technology presented information on a package of fares, discounts and programs that just reach the budget target. The package they modeled is:

Base Fare: $3.00

Regional Fare: $5.25

Low-Income Program: 40% Discount at 185% of federal poverty level

Youth Program: 70% Discount, 5-and-under free

EcoPass Program: No Discount; Price Increase 3-Year Transition, Capped at 20% increase each year, SLA Update

Neighborhood EcoPass Program: No Discount; Price Increase 3-Year Transition, Capped at 20% increase each year

College Program: No Discount; Price Increase 3-Year Transition, Capped at 20% increase each year

Flex Pass: No Discount

Eliminate: Ten-Ride Ticket Books, MyRide Discount and Annual Pass with 12 months for price of 11

Four Nines also presented work-in-progress for EcoPass – business size categories

1. **Discussion – Toward a Consensus Package**

The group discussed the full package of recommendations, searching for areas of agreement. At the end of the meeting, the recommendation stands as follows:

1. Base Fare
* Consensus: We recommend limiting the local fare to not more than $3.00 and the regional fare to not more than $5.25
* Divided Recommendation: Some recommend limiting the airport fare to $9.00 and others to something higher in hopes of using that revenue for the discounts below
* Next Step: Set a recommendation for airport fare in February 27 meeting
1. Low Income Program
	* Consensus: We recommend that RTD begin a low-income program for those whose incomes are at or below 185% of the federal poverty level and that RTD create day pass and monthly pass products for this program.
	* Divided Recommendation: For some, the discount for this program should be 50%. For others, the discount should be 40%
	* Next Step: Examine the model results one more time, in hopes of moving from 40% to 50%
2. Young People
* Consensus: We recommend a 70% discount program for anyone 19 and under.
* Divided Recommendation: Some would recommend that RTD continue to permit riders 5 and under to ride for free when accompanied by a fare-paying rider. Others would have RTD permit riders 12 and under to ride for free.
1. EcoPass
	* Consensus: We recommend retaining the EcoPass Program
	* Divided Recommendation: Though all expect some level of SLA update to reflect current transit service and most recently opened rail lines, there is not yet full agreement on the specific SLA update. In addition, some would phase in price increases over three years for EcoPass holders whose prices would increase by more than 20%, allowing for increases of no more than 20% in any year. Others would cap the increases at not more than 10% each year. [note: after the meeting another option of a fixed monetary cap on price changes was distributed to the group]
	* Next Step: Between now and February 27, complete the examination of SLA changes, including the possibility of new groupings based on business size; finalize this portion of the recommendation in the February 27 meeting.
2. Neighborhood EcoPass
* Consensus: We recommend retaining the Neighborhood EcoPass Program, updating pricing to reflect the face value of the trips. We recommend that RTD establish first-year pricing for new neighborhoods and eliminate the need for a neighborhood survey.
* Divided Recommendation: Some would allow for increases of no more than 20% in any year and phase in price increases over three years. Others would cap the increases at not more than 10% each year.
1. College Pass
	* We recommend retaining the College Program and updating pricing to reflect the face value of the trips.
* Divided Recommendation: Some would allow for increases of no more than 20% in any year and phase in price increases over three years. Others would cap the increases at not more than 10% each year.
1. Not-for-Profit Program
	* Consensus: We recommend that RTD continue its not-for-profit program, allowing these organizations to purchase 2-hour passes, day passes, and monthly passes, including passes at discounts that correspond to the low-income, senior/disabled, and youth passes.
2. Flex Pass
	* Consensus: We recommend that RTD retain the Flex Pass Program, but with no discount.
3. Eliminating Transfer
	* Consensus: Eliminate transfers in favor of a time-limit
	* Divided Recommendation: Some would set the limit at 2 hours. Others would set the limit at 3 hours.