

Fare Policy Update

Board of Directors

05/23/2024



Why we are here

- Seek **final approval on Resolution No. R2024-08** to update the Board's fare policy.
- Review substantive changes to the policy, including updated farebox recovery targets and triggers for future fare adjustments.

Areas of focus in 2023 & 2024

Major policy topics

- Fare policy update – originally adopted in 2010 with a minor update in 2014
 - ✓ Fare structure on Link.
 - ❑ Farebox recovery targets.
- Parking management program – last Board action in 2018 to allow priced monthly parking permits
 - ✓ Expanded program with daily paid parking.

Fare policy update

Rationale for a fare policy update now

- Current fare policy was adopted in 2010 with a minor update in 2014 to add new passenger fare categories (low-income adult fare category).
- Addressing substantive issues associated with **farebox recovery targets and approach for adjusting fare rates.**
- Making minor and administrative/clerical changes to other sections.

Fare policy update

Changes to farebox recovery section

- Update targets and add minimum thresholds.
- Add systemwide minimum threshold (15%) and target (20%).
- Update modal targets as follows:
 - » **Link:** 40% → 17% minimum threshold and 22% target.
 - » **Souder:** 23% → 13% minimum threshold and 18% target.
 - » **ST Express:** 20% → 8% minimum threshold and 13% target.
- Set minimums and targets 3 years after start of service or start of fare collection – will apply to Stride and Tacoma Link.

Fare policy update

Changes to fare rates and adjustments section

- Require Board consideration of fare changes and trends in operational expenses every four years to align with Finance Plan assumptions for fare increases.
- Require Board consideration of a fare change if a minimum threshold isn't achieved in consecutive years.

Fare policy update

Changes to other sections

- Flat fare and route-based fares are added to the fare structures section.
- Passenger fare categories section incorporates youth fare changes and expands proof of eligibility for passengers with disabilities.
- Clarifying edits and minor changes to the section on fare media and transfers.
- Clarifying edits and minor changes to the special fare rates section.
- Deletion of the public involvement section due to adoption of Resolution No. R2023-34 (Public Comment on Fare Changes and Major Service Changes Policy).

Thank you.



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