

# Board Briefing

## eFare Ordinance



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# Agenda

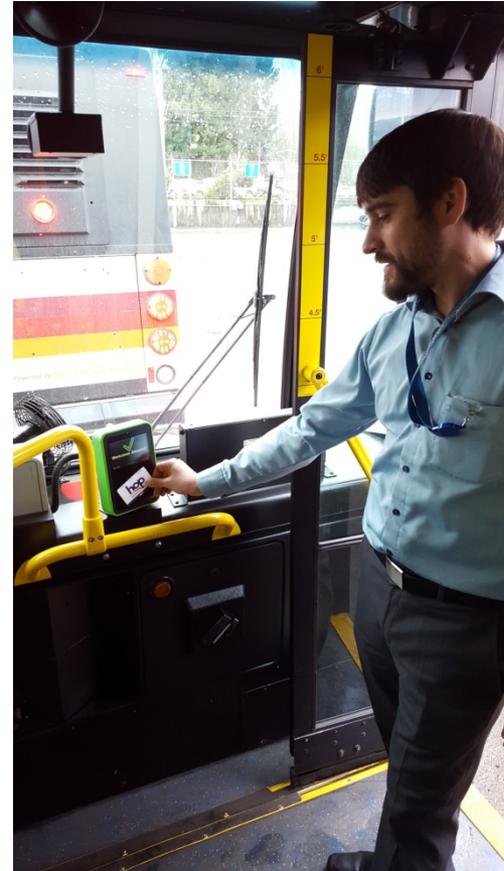
- 1. How the System Works/Features**
- 2. Proposed Fare Ordinance Changes**
- 3. Title VI Analysis & Process**
- 4. Community Feedback**
- 5. Recommended Mitigations**

How the System Works/Features

**EFARE**

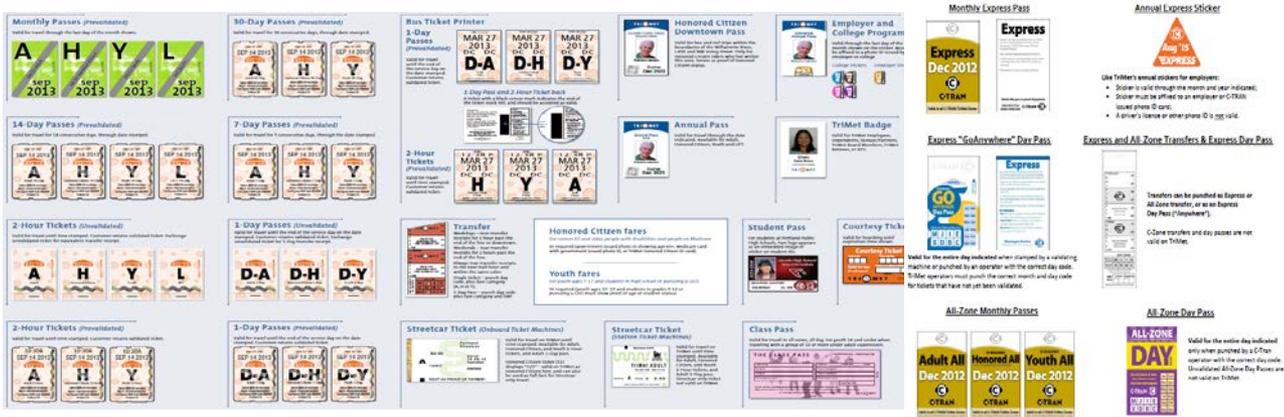
# Why do eFare?

- ✓ Simple to understand and easy to use for customers and operators
- ✓ Regional, seamless transfers
- ✓ Increase pricing equity
- ✓ Reduce paper fare leakage
- ✓ Easy to maintain equipment
- ✓ Reduce cash collection costs



# How the System Works

## Simple and easy for customers and operators



# Many New Ways to Pay



- ✓ Telephone
- ✓ 500+ retail stores
- ✓ Website
- ✓ Automated phone
- ✓ Smart phone app
- ✓ TriMet Ticket Office
- ✓ Card lasts 10 years



- ✓ New Smart Phone app – reload anytime, anywhere
- ✓ Links to Hop card
- ✓ Future Innovation: Tap phone instead of card



- ✓ Simple: tap and ride
- ✓ Adult fares: 2 ½ Hour and 1 Day Pass
- ✓ Ideal for visitors or occasional riders
- ✓ Visa, MasterCard, American Express and Discover

# Features For Riders

1. **One regional fare system** – TriMet, C-TRAN and Portland Streetcar
2. **Faster boarding** for customers and operators
3. **Best fare, Stored value:** 1-Day & 1-Month caps, unused \$ rolls over to next month
4. **Anytime, anywhere** -- Manage account via telephone, smart phone or website
5. **Reload at retail stores**, by telephone, automated phone system, or the TTO
6. **Highly reliable equipment**
7. **Auto-load:** Hassle-free
8. **Lost card protection** for those that register card
9. **500 integrated retail stores** reloading at any register in the store
10. **Streamlines distribution and program management**--website for employers, agencies and schools



# Agency Benefits

- ✓ **Simplify fares for operators** with a simple green light, red light
- ✓ **Faster boarding** for customers and operators
- ✓ **Reduce cash** in the system
- ✓ **Highly reliable equipment** with no moving parts to maintain
- ✓ **Improved service planning** with better ridership data
- ✓ **Future products and services** are easier to offer



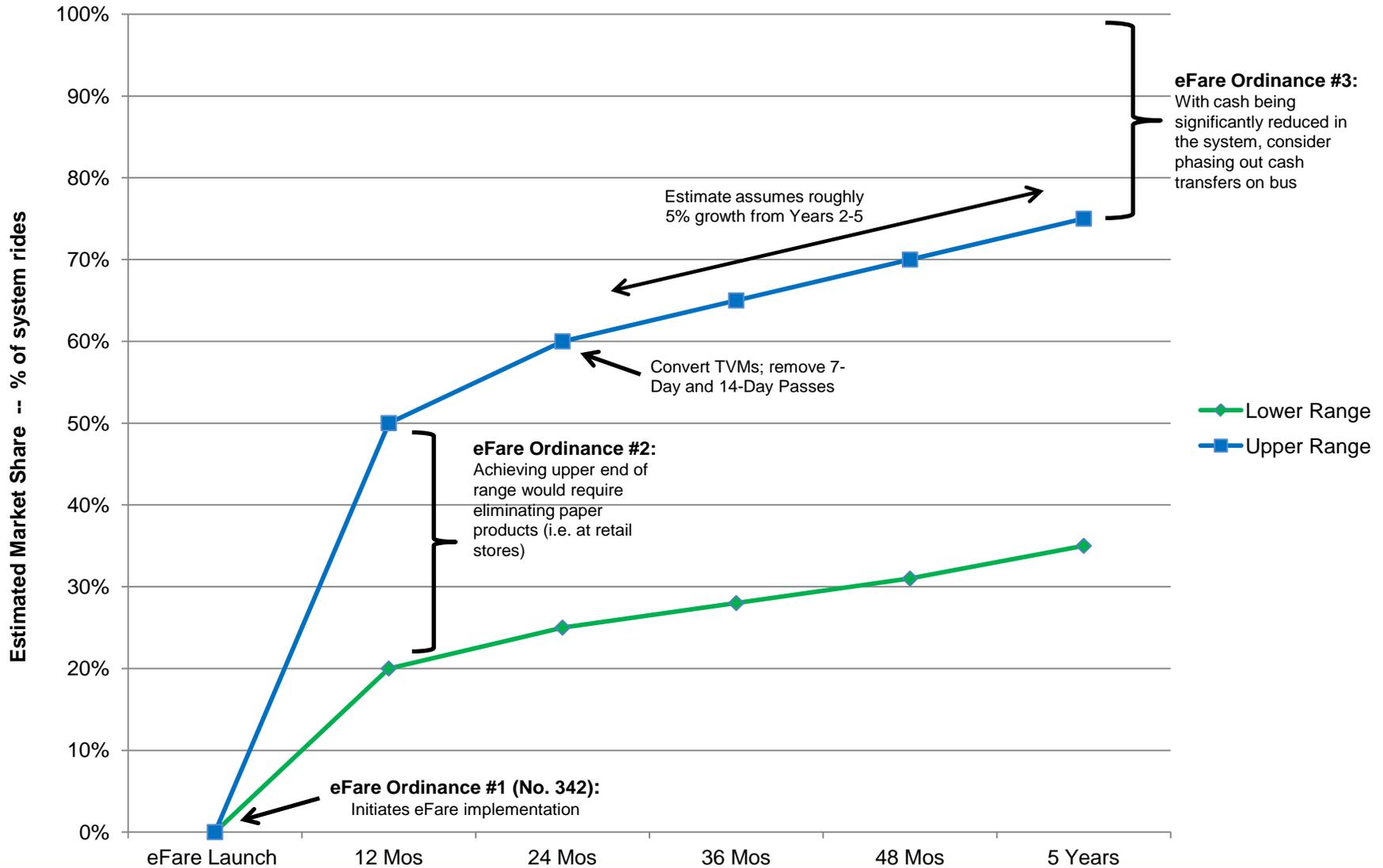
Proposed Fare Ordinance

# EFARE

# Proposed Fare Ordinance Changes

- **Stored Value & Fare Capping**, with 2½ Hour Tickets, 1-Day Passes, 1-Month Passes
  - Prices do not change from current levels
  - Adult: \$2.50; \$5.00; \$100
  - Honored Citizen and Youth: \$1.25; \$2.50; \$28
- **Card Fee - \$3; Minimum Load - \$5**
- **Other Financial Instruments** (contactless bankcards, Apple Pay, Android Pay)
  - Can be used to purchase Adult 2½ Hour Tickets and 1-Day Passes
- **LIFT fares**
  - \$2.50 single tickets and \$74 1-Month Passes
- **eFare contactless media** for other fare programs (e.g. stickers for employers)
- **Fare Enforcement Provisions** – inspect new fares with smart phone

# Potential eFare Adoption Over Time





Title VI Analysis & Process

# EFARE AND EQUITY

# Title VI of the Civil Rights Acts of 1964

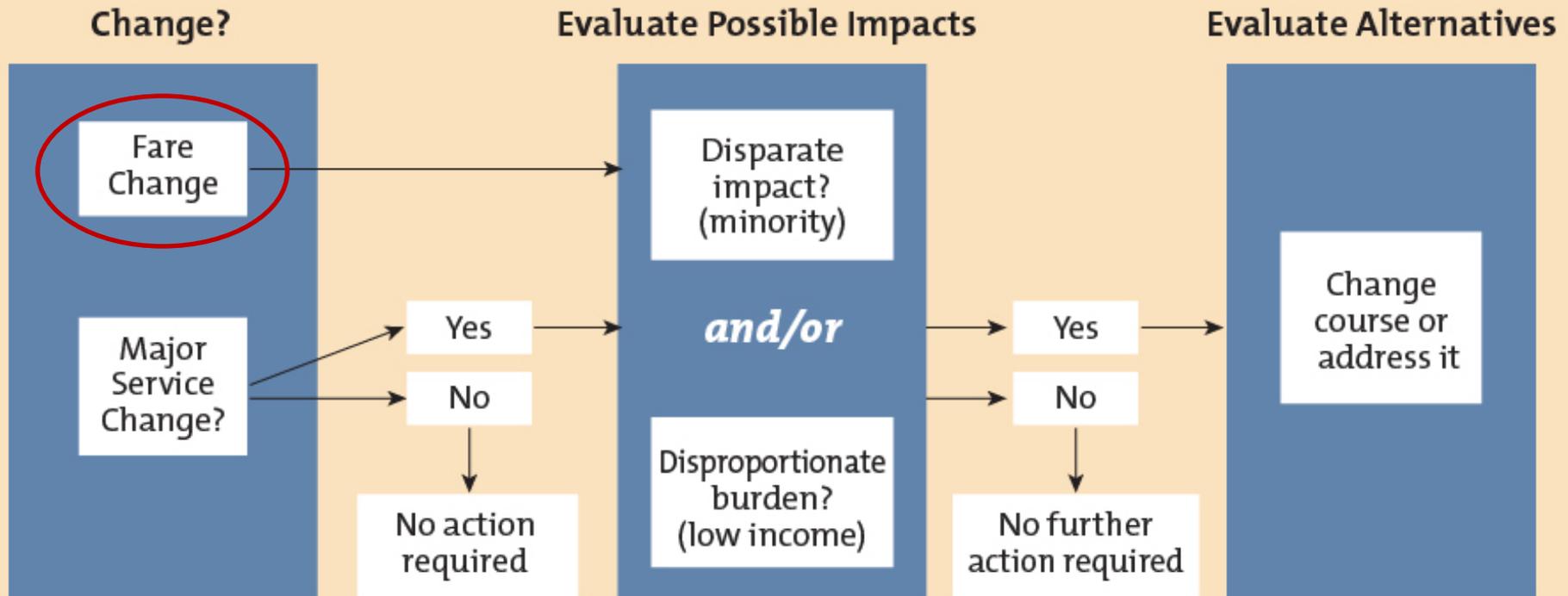
“No **person** in the United States shall, on the ground of **race, color** or **national origin**, be excluded from participation in, be denied the benefits of, or be subjected to **discrimination** under **any program or activity receiving Federal Financial assistance.**”

--42 U.S.C. Section 2000d

# Title VI Background

- TriMet must submit a Title VI Program to FTA every 3 years
- Equity analyses required to evaluate planned “major” service changes & all fare changes
- TriMet’s 2013 Title VI Program outlined equity analysis policies:
  - Major Service Change
  - Disparate Impact (minority populations)
  - Disproportionate Burden (low-income populations)

# Overview of TriMet Equity Analysis



# All Fare Changes are Evaluated





# E-Fare Title VI Process

- ✓ Peer Review of transit systems that have conducted similar fare equity analyses
- ✓ Based on peer reviews and TriMet policies developed methodology to conduct the equity analysis
- ✓ Preliminary Equity Analysis Report (Jan. 2015)
- ✓ Title VI Minority & Low-Income Community Engagement
  - Transit Equity Advisory Committee (TEAC)
  - Community Based Organizations (CBOs)
- ✓ Equity Analysis Report (Jan. 2016)

# Title VI Community Engagement

- Worked with 6 Community Based Organizations to host 7 meetings in Nov/Dec 2015
- Educated CBOs and participants on eFare
- 140 constituents and staff participated

- ❖ APANO
- ❖ Black Parent Initiative
- ❖ Center for Intercultural Organizing
- ❖ Gladstone H.S.
- ❖ Latino Network
- ❖ NAYA





# Title VI Analysis Findings

**These findings are based on the data that was analyzed**

## **No Disparate Impact/Disproportionate Burden Found:**

- ✓ Elimination of mail-order purchasing of fare media
- ✓ Increase to 500+ retail outlets
- ✓ New fare caps available with e-fare
- ✓ Elimination of 7-Day Pass
- ✓ Elimination of 14-Day Pass
- ✓ \$3 card cost, with cash transfers maintained

## **Potential Disparate Impact/Disproportionate Burden:**

- ✓ Automatic reload option using credit/debit card
- ✓ Accepting contactless bank cards
- ✓ \$5 minimum load requirement

# Transit Equity Advisory Committee Input

**TEAC is supportive of eFare and made the following suggestions to ensure successful and equitable implementation:**

- **Security of personal information**
  - Engage mental health care providers in particular
- **Addressing language and registration barriers**
- **Incentivize migration to eFare**
  - \$3 card plus \$5 minimum: “package” idea
  - Affordability for low income families
  - One ride negative balance
- **Employers as a means to increase access**
- **Program evaluation involving TEAC for long-term phase out of paper**



Community Feedback/Mitigations

**EFARE**



# Early Mitigations

## Feedback led to early mitigations in the project

- ✓ Fare capping and lost card protection fundamental to system design
- ✓ Reduced proposed card fee from \$3.50 to \$3.00
- ✓ Retaining paper transfers and 1-Day passes for purchase by cash onboard bus and at TVMs
- ✓ Expand retail network from 125 stores to 500 stores
- ✓ E-card registration not required; register anonymously via by telephone without internet/email
- ✓ Cash fares same price as eFare



# Community Feedback/Mitigations

Focal points of community feedback:

- Minimum Reload
- Card Fee, Family Card
- Registration
- Eliminating Paper Tickets and Passes
- Fare Enforcement
- Reloading at TVMs
- Retail Deserts



# Minimum Reload

## Minimal community concerns based on robust retail network

**Today:** At retailers, \$25 minimum purchase for Adults and \$12.50 for Youth and Honored Citizens

**With eFare:** \$5 minimum load (same as current mobile app)

**Pay-as-you-go:** Customers can continue to pay cash one ticket at a time on bus or at rail stations, the same as they do now.

- ✓ Losing *just one Day Pass* today, over the course of 10 years, costs \$5  
eFare offers balance protection with the one time card fee of \$3
- ✓ Minimum load ensures we expand retail network four-fold



# Card Fee; Family Fare

## We heard concerns about the card fee from families

- ✓ \$3 card fee – card lasts up to 10 years; ensures customers don't throw cards away
- ✓ Important to balance a low card fee, while covering costs
- ✓ Pay-as-you-go families with two children pay cash for each family member now; **nothing will change with eFare**; there is no family fare today.
- ✓ Mitigate card fee/family card by targeting low income and minority populations and issue free cards initially.
- ✓ Low income family of four that buys fares at a retail store today spends at least **\$37.50 at retailers today**; with eFare, it will be \$32. If customer obtains free cards, only \$20 to reload four cards

# Registration

## Preliminary concerns about internet access, language barriers, personal information protection

- ✓ Customers who want lost card protection can provide pseudo names with a security PIN
- ✓ Customers who don't have access to the internet/email can register by calling the Hop call center or using agency transit stores.
- ✓ All Personally Identifiable Information (PII) is securely stored and encrypted
- ✓ No registration required at retail stores for Adult, Youth and Honored Citizens





# Eliminating Paper Retail Tickets and Passes

**We didn't hear concerns from the community.**

- Our goal is a 75% adoption within the first five years.
  - Seattle is near 70% after 5+ years

**Focus Group: *"I think it's a great idea. For people who don't have yearly passes, it's an easier way to keep track of your spending, load money, and have more control over using TriMet, plus I like that it's not a flimsy piece of paper."***



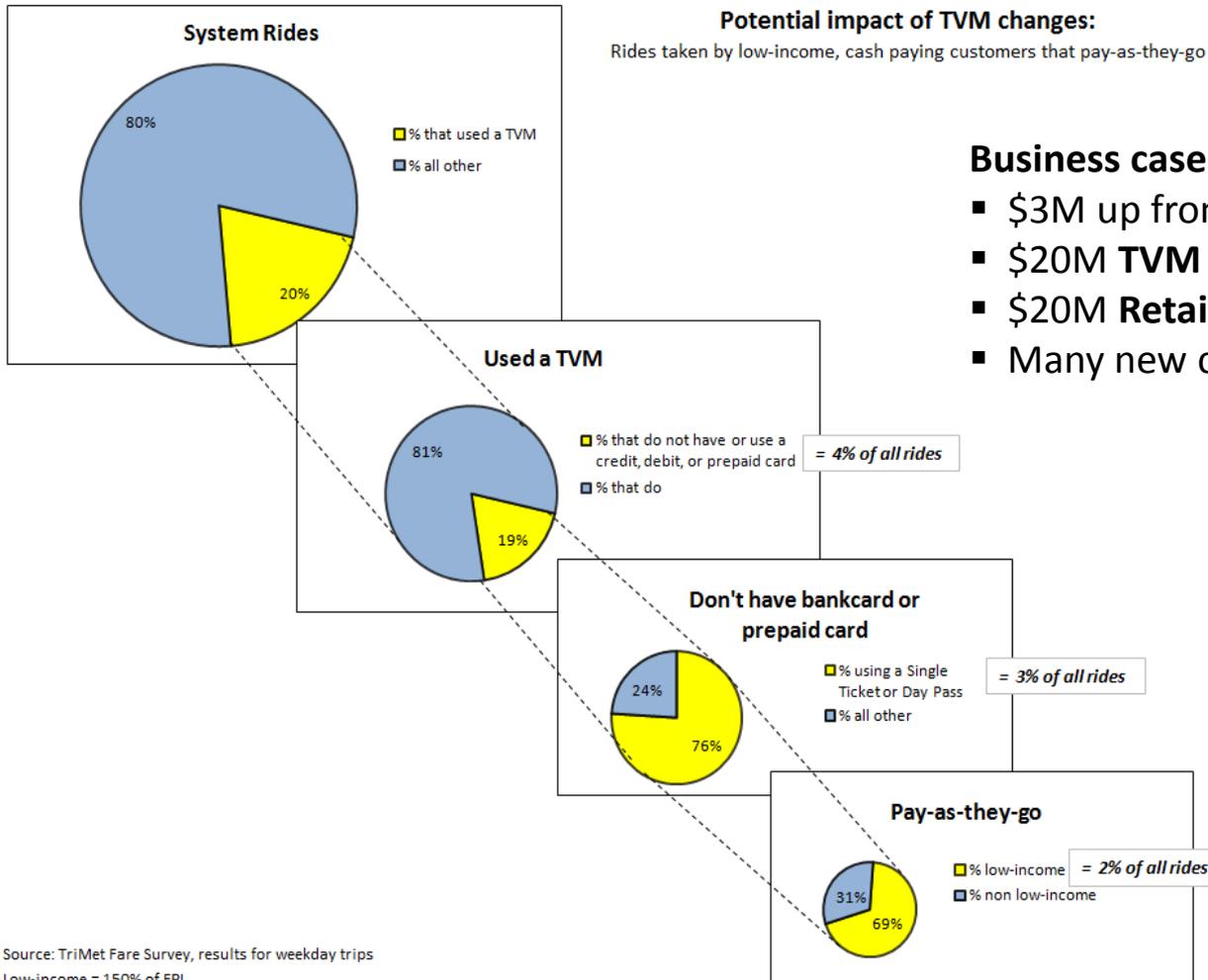
# Fare Enforcement

**Fare enforcement will follow the same approach as today**

- ✓ **Fare Inspectors will continue to randomly inspect fares on bus and rail**
- ✓ **Like the mobile app inspections today, smart phones will be used**
- ✓ **Customers can choose to stay anonymous**

# Reloading at TVMs

## Very few concerns from the community, yet desirable option



### Business case:

- \$3M up front cost
- \$20M **TVM** annual revenue = \$4M annual costs
- \$20M **Retail** annual revenue = \$1M annual costs
- Many new channels available with eFare

Source: TriMet Fare Survey, results for weekday trips  
Low-income = 150% of FPL



# Retail Deserts

## Very few concerns that eFare retail locations are insufficient

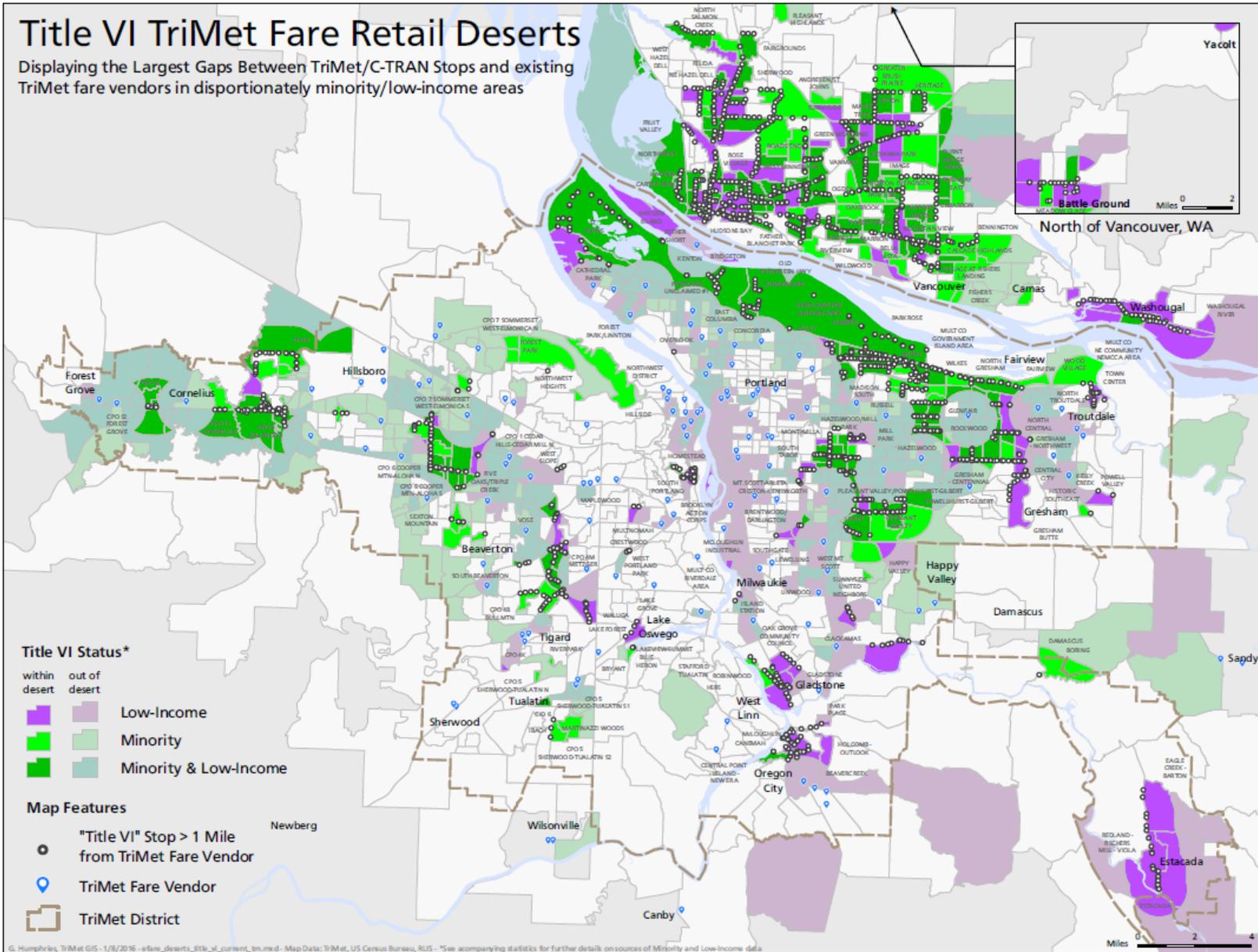
**Ability to add retailers** and will target areas lacking coverage

- ✓ **Current Retail Network Map**
  - Depicts our current retail sales locations and the associated retail ‘deserts’
  
- ✓ **Future potential Retail ‘Deserts’-- Low-income and Minority Neighborhoods**
  - Depicts the areas within the region that have coverage gaps for low-income and minority neighborhoods, whereby the closest retail store to a stop is over 1 mile

# Current Retail Map

## Title VI TriMet Fare Retail Deserts

Displaying the Largest Gaps Between TriMet/C-TRAN Stops and existing TriMet fare vendors in disproportionately minority/low-income areas



- Title VI Status\***
- |               |               |                       |
|---------------|---------------|-----------------------|
| within desert | out of desert |                       |
|               |               | Low-Income            |
|               |               | Minority              |
|               |               | Minority & Low-Income |

- Map Features**
- "Title VI" Stop > 1 Mile from TriMet Fare Vendor
  - TriMet Fare Vendor
  - TriMet District

G. Humphries, TriMet GIS - 1/8/2015 - efare\_deserts\_819\_vf\_current\_fm\_med - Map Data: TriMet, US Census Bureau, BLS. \*See accompanying statistics for further details on sources of Minority and Low-Income data.







# Summary of Feedback

- 1. \$3 card fee seen as barrier for families**
- 2. Some community concerns about \$5 reload min.; Minimal concerns about reloading at TVMs (yet desirable), and no concerns with eliminating paper tickets and passes**
- 3. Key support: Fare capping, stored value (roll over), retail network, lost card protection, free cards initially, anonymous registration, cash transfers**



***“I really like this. I like it especially for the low-income people because they can’t sometimes afford a monthly pass or two week pass, and this has a cap on it...when they come up to the amount that would be a monthly pass, they don’t have to pay any more. I think that’s wonderful.”***



# Early Mitigations

- ✓ Fare capping and lost card protection fundamental to system design
- ✓ Reduced proposed card fee from \$3.50 to \$3.00
- ✓ Retaining paper transfers and 1-Day passes for purchase by cash onboard bus and at TVMs
- ✓ Expand retail network from 125 stores to 500 stores
- ✓ E-card registration not required; register anonymously via by telephone without internet/email
- ✓ Cash fares same price as eFare



# Recommended Mitigations

## Recommending:

- ✓ 200,000 free cards initially
  - 115,000 for general public
  - 85,000 for social service agencies, schools, employers
- ✓ Free cards via Access Transit program/funding
- ✓ Maintain cash transfers
- ✓ No minimum purchase at TriMet Ticket Office
- ✓ Expanded retail network targeting remaining 'retail deserts'

## Not Recommending:

- ✓ Reload cards at TVMs
- ✓ \$2.50 min. load at retailers
- ✓ Reduced card fee/family card

We can reassess these post-launch. Staff carefully considered business case