

TITLE: Action on Resolution No. 2022-____ authorizing amendments to Pierce Transit's Code Chapter 3.72 FARES to implement the Free Youth Transit Pass for all ages 18 and under across all transportation modes offered by Pierce Transit with an effective date of September 1, 2022. And final acceptance of the related Title VI Fares Equity Analysis.

DIVISION: Planning & Community Development

SUBMITTED BY: Lindsey Sehmel, AICP – Principal Planner Scheduling

RELATED ACTION:

ATTACHMENTS:

Proposed Resolution

Exhibit A, PT Code 3.72 Legislative Markup

Exhibit B, Title VI Fare Equity Analysis

RELATION TO STRATEGIC PLAN: Customer

BUDGET INFORMATION: N/A

BACKGROUND:

Washington State Legislation has adopted a new Transit Support Grant Program that would provide an estimated \$8,224,958 in annual funding for Pierce Transit during the 2023-2025 biennium (per WSTA calculations) given that the following conditions are met:

Chapter 47.66 RCW **NEW Sec. 422**

(2) To be eligible to receive a grant, the transit agency must have adopted, at a minimum, a zero-fare policy that allows passengers 18 years of age and younger to ride free of charge on all modes provided by the agency. Transit agencies must submit documentation of a zero-fare policy for 18 years of age and under by October 1, 2022 to be eligible for the 2023-2025 biennium. Transit agencies that submit such fare policy documentation following the October 1, 2022, deadline shall become eligible for the next biennial distribution.

(3) The department shall, for the purposes of the "Summary of Public Transportation" report, require grantees to report the number of trips that were taken under this program.

According to ACS 2019 estimates, approximately 23% of Pierce Transit's PTBA population is under 18 years old. In 2019, youth fares accounted for between 14% and 19% of passenger types. The table below compares existing fare policy to impacts of a new, adopted policy:

	Existing	New
Policy	Children 5 and younger ride free Youth 6 to 18 years old = \$1 cash fare	18 and younger ride free
Revenue	\$ 1,194,655 - \$ 1,624,055 Estimated range of revenue for 2019	\$8,224,958* (correction from BOC meeting) Estimated annual funding of program for Pierce Transit starting with '23-'25 biennium per WSTA

Note: There are funds available for the remainder of the 2022 FY at approximately 3 Mil for Pierce Transit.

FINANCIAL ESTIMATES:

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Exact revenue from “Youth” passengers is difficult to estimate. This is largely because passes sold by Pierce Transit are not necessarily used on Pierce Transit service. For regional fares, Pierce Transit receives an apportioned value of all rides taken on Pierce Transit service. While the current ORCA system is unable to report distinct categories of fares for revenue received, reporting should improve with ORCA NextGen. Another reason for difficulty in reporting is because some fare categories may include youth passengers. For example, a Pierce Transit Discounted All Day Pass paid for with cash includes any rider in the category of “Youth, Senior/Disabled”: it is currently not possible to parse “youth” riders from this larger category, Additionally, Pierce Transit offers free rides to children under the age of 5, law enforcement officers, and board of commissioners. It is also not possible to parse youth passengers from this category. But upon adoption of the new policies, we will separate the Youth category from both of these fare types to ensure accurate reporting of rides provided under the Grant.

While it is possible to report revenue from specific fare categories that serve youth riders (such as Pierce Transit’s Class Pass, Summer Youth Pass, and SHUTTLE passengers 18 and younger), fixed route revenue from Youth is estimated through a different method. Revenue from these categories—including ORCA Passport Business Accounts that serve youth passengers— are accounted for in the total fixed route estimates below.

Municipal Code	Fixed Route - Fare Category	2019	2020	2021
3.72.030 B	One Ride Youth			
3.72.040 B	All Day Pass - Youth (Local)			
-	All Day Pass - Youth (Regional)			
3.72.040 E	Monthly - Youth (Regional)			
3.72.040 I	Summer Youth Pass	\$ 18,000.00	\$ 4,361.00	\$ 5,148.00
3.72.040 J	Class Pass	\$ 528.00	\$ 96.00	\$ -
	SHUTTLE Revenue (Youth Estimate)	\$ 1,807.58	\$ 195.25	\$ 491.50

ORCA Passport Business Accounts	2019	2020	2021
Bethel Acceleration Academy	\$ -	\$ -	\$ 1,494.80
Tacoma School District	\$ 389,197.20	\$ 362,922.88	\$ 296,906.11
Tacoma Creates	\$ 28,759.37	\$ 57,518.75	\$ -
Summit Public Schools	\$ 23,952.84	\$ 13,726.72	\$ 5,729.53
Puyallup Digital Learning	\$ 75.20	\$ 564.33	\$ 233.86
TOTAL	\$ 441,984.61	\$ 434,732.68	\$ 304,364.30

Revenue for “Youth” estimates are based on High/Low estimates of “Youth” passenger boardings. “Youth” passenger boarding estimates are based on percent of pass types used.

YOUTH RIDERSHIP = Total Boardings * % Passes Used

	Youth Passes Alone <i>Low Estimate</i>		
	Total Boardings - PT	Est % Youth Boardings	%
2019	8,321,507	1,162,919	14%
2020	4,755,898	469,878	10%
2021	4,363,240	443,142	10%

	Youth + Youth, Senior/Disabled Passes <i>High Estimate</i>		
	Total Boardings - PT	Est % Youth Boardings	%
2019	8,321,507	1,580,911	19%
2020	4,755,898	687,458	14%
2021	4,363,240	682,319	16%

YOUTH REVENUE = Youth Boardings * Average Fare per Boarding
(Average Fare per Boarding = Total Revenue / Total Boardings)

Revenue from Youth Ridership	2019	2020	2021
Total Revenue - PT	\$ 8,548,604	\$ 4,461,166	\$ 4,423,976
<i>Low Estimate</i>	\$ 1,194,655	\$ 440,759	\$ 449,310
%	14%	10%	10%
<i>High Estimate</i>	\$ 1,624,055	\$ 644,855	\$ 691,817
%	19%	14%	16%

High estimate accounts for possibility of youth riders in other fare categories.

Based on this methodology, Pierce Transit revenue from youth passengers has ranged between an estimated 10% (\$440,759) to 19% (\$1,624,055) over the past three years. This only accounts for fixed route and SHUTTLE ridership; there are currently no vanpool commuters 18 and younger, and there is no data for youth ridership on Pierce Transit’s On-Demand service (Runner).

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By adopting the zero-fare policy for riders aged 18 and younger, Pierce Transit would begin to report the number of trips taken under the Washington State Transit Support Grant. This would create a single fare category for Youth and result in more precise youth ridership activity in the future.

TITLE VI ANALYSIS:

Based on demographic data from the 2017 Ridership Survey, the findings of the impact to our youth in the our PTBA

is that there is no disparate impact or disproportionate burden which can be found as Attachment A to the Resolution. Public Notice was provided for July 11, 2022 Board of Commissioners meeting on June 29, 2022.

STAFF RECOMMENDATION:

Staff recommends that the Board of Commissioners hold a Public Hearing on the Title VI Equity Analysis, consider the fare impacts to our riders and move to approve Resolution No: 22-____.

ALTERNATIVES:

Do not approve the resolution authorizing a new Free Youth Transit Pass and the agency will back out of the Move Forward Washington Grant application cycle this biennium. This is not recommended.

PROPOSED MOTION:

Approve Resolution 22-____, approving the introduction of a Free Youth Transit Pass, effective date of September 1, 2022 and authorizing housekeeping amendments to Pierce Transit Code Section 3.72 and final acceptance of Title VI Fares Equity Analysis.