



**Getting Everyone
On Board:**
Recommended
Options
for the Triangle's
next Zero Fare Pilot

Zero Fare for Everyone Pilot Study

Preliminary Findings Update

RTA 2020 Transportation Breakfast

August 4, 2020



HDR Study Team



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What is Zero Fare?

A transit agency **policy** whereby transit patrons are not required to make a fare payment or display a pass



Why “Zero Fare” and not “Fare free”?

Nothing is “free”

In fact, some transit elements will actually cost an agency more to provide when fares are eliminated

Low-Fare Fare-Free TRANSIT

Some recent applications by
U.S. Transit Systems



Prepared for:
U.S. DEPARTMENT OF TRANSPORTATION
URBAN MASS TRANSPORTATION ADMINISTRATION
Office of Transportation Management and Demonstrations
Office of Service and Methods Demonstrations
Washington, D.C. 20590

Business Leadership on Zero Fare

- RTA has supported expanding zero fare since Jan. 2018
- Regional business community focus on equity, accessibility, mobility, shared prosperity



RTA Zero Fare Pilot study

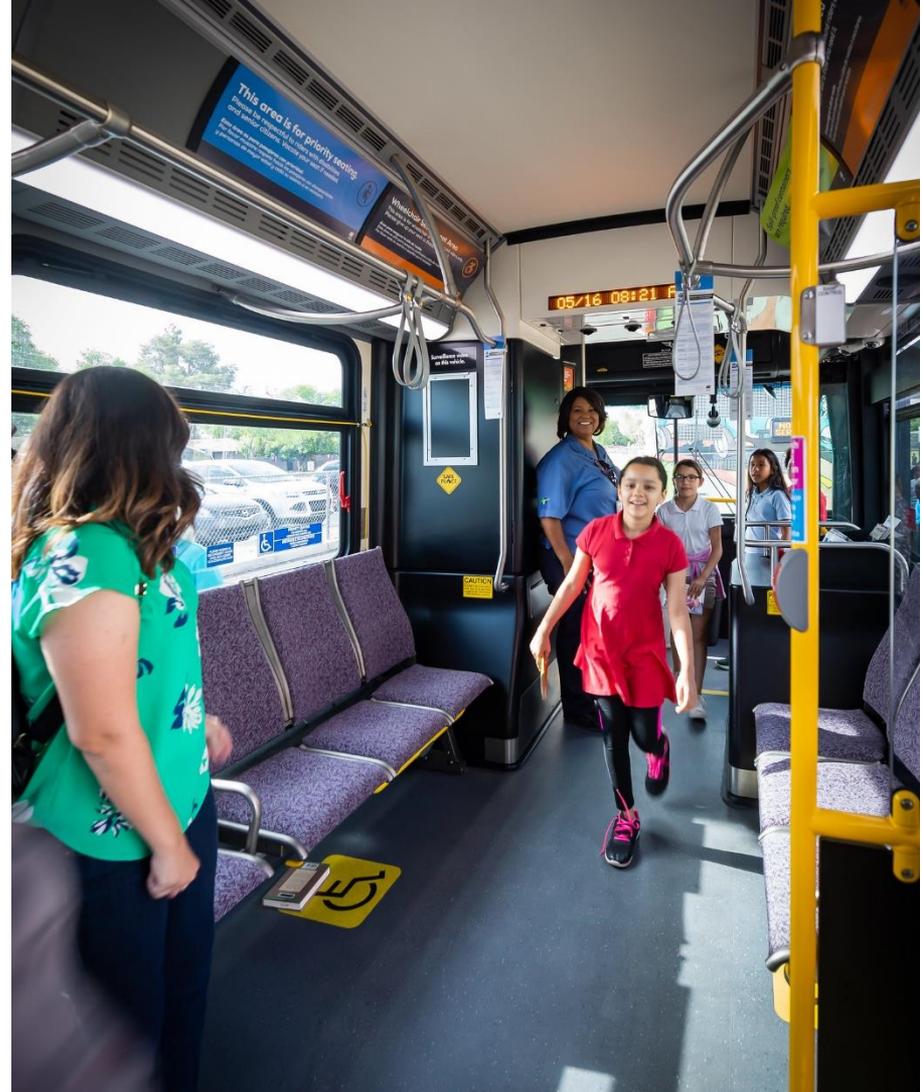
- RTA requested HDR to examine possible pilot options for expanding zero fare
- Study goal: identify potential candidates, promising service options, issues to resolve



Removing Barriers with Zero Fare

Zero Fare transit removes barriers to using, and *considering* using, transit

- Financial barriers
- Mental barriers
- Physical barriers



Benefits of Zero Fare

- Reduces travel costs for users
- Enhances equity and shared prosperity
- Increases ridership
- Improves accessibility
- Economic competitiveness
- Attracts, retains talent in region
- Faster travel times
- Lowers administrative costs
- Reduced public outreach costs
- Improves driver morale and safety
- Reduces maintenance, operating, capital costs
- Environmental sustainability



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Zero Fare Issues to Address

Loss of fare revenue

Capacity impacts

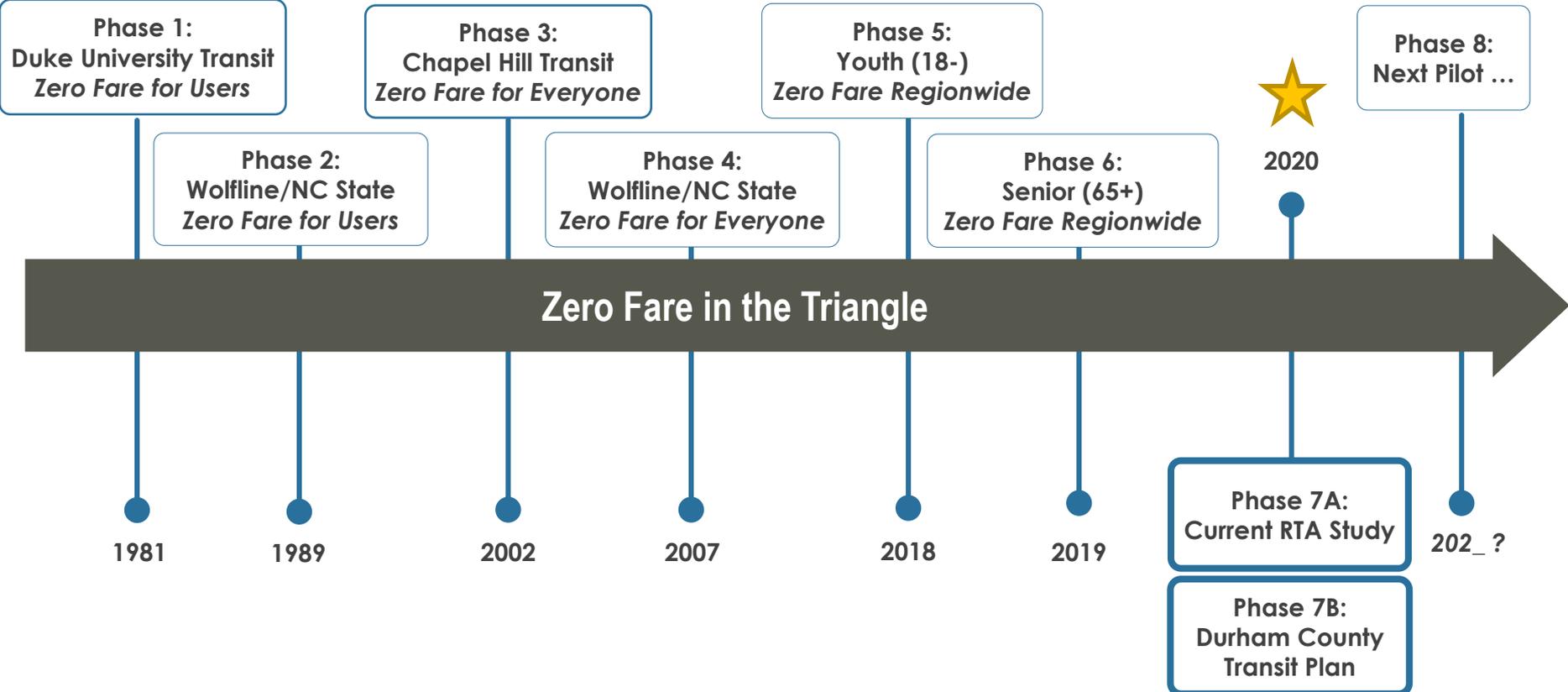
Increases paratransit usage

Slower travel time – operational challenges

Can induce “non travel” use of transit vehicles

Increases maintenance, operating, capital costs?

History of Zero Fare in Triangle



Zero Fare Study Methodology

- Local agency interviews
- Peer agencies elsewhere
- Literature review
- Ridership and economic analysis



Local Agency Engagement

- Receive local data
- Understand areas of interest
- Hear concerns
- Identify potential peer agencies



Peer Agency Interviews

Zero Fare policies, implementation, impacts, and lessons learned

- Olympia, WA
- Summit Stage, CO
- Rock Hill, SC
- Lawrence, MA
- Kansas City, MO



My Ride
ROCK HILL

INTERcity
TRANSIT

→kcATA

MVRTA
MERRIMACK VALLEY REGIONAL TRANSIT AUTHORITY

Benchmark Analysis

- Review of FY2018, pre-COVID data
- Comparison with “synthetic” or median peer agency



Research Findings

Benefits

- 20-30% ridership increase
- Higher travel speeds
- Fare collection savings
- Fewer conflicts with customers

Issues to address

- Crowding on certain routes
- Paratransit usage and costs
- Funding, partnerships



How peer agencies are replacing fare revenue

- Olympia, WA - Sales tax, \$550k annual savings on collection costs
- Summit Stage, CO - Sales tax
- Kansas City, MO - Sales tax, considering parking surcharge
- Lawrence, MA - City of Lawrence reimbursing regional transit authority
- Rock Hill, SC - General fund, institutional contributions (university, health system, credit union)



COVID19 and Crowding

- Typical transit bus has 30 to 37 seats
- Social distancing protocols limit capacity to 10 to 16 passengers
- Zero Fare could increase ridership by 30%; but, buses with lower capacity can fill faster, potentially leaving some people behind; additional buses could be deployed but it may raise operating cost



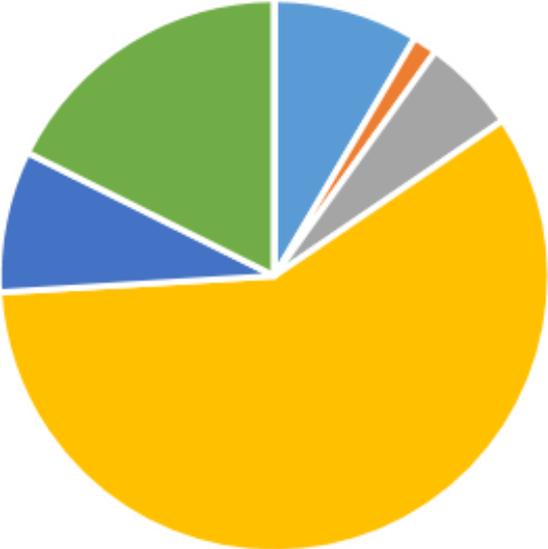
Pilot Options to Consider for Triangle Area

- GoCary – 7-days Zero Fare –OR– Zero fare weekends
- GoRaleigh – Zero Fare weekends
- GoDurham – Zero Fare weekends
- GoTriangle – Zero Fare weekends

Chapel Hill Transit – continues with their program

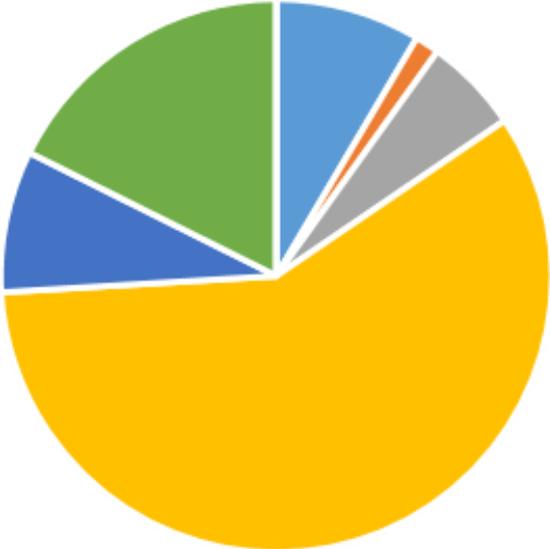


Representative Agency Revenue Sources



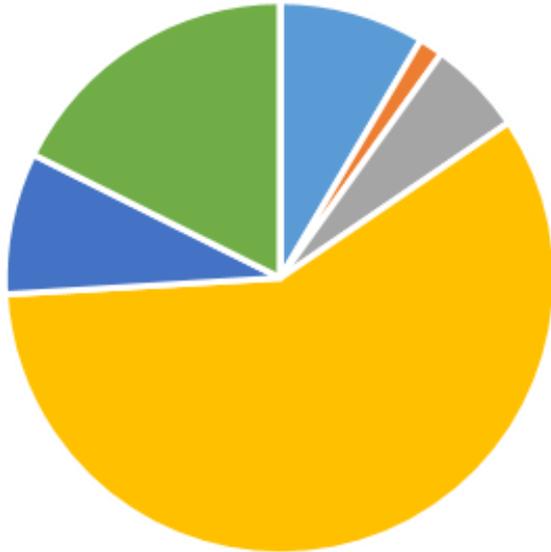
- 55% - Local Funding
- 15% - Federal Funding
- 10% - State Funding
- 10% - Misc. Revenue
- 8% - Weekday Fare Revenue
- 2% - Weekend Fare Revenue

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6-month (1/2 year) Zero Fare Weekends pilot:

= 1% of Annual Agency Operating Revenue

Why focus on Zero Fare weekends pilot?

- Lowers cost risk due to ridership, paratransit increase
- Mitigates crowding risk
- Easier to fill revenue gap
- Equity / lower income population
- “Zero Fare Weekends” easy to explain





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