



## Legislation Details (With Text)

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### COUNCIL ITEM OF SPECIAL INTEREST: TRANSIT SERVICES FARE STRUCTURE

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Staff Presenter: Kevin Link, Transit Administrator, Public Works

### Purpose and Policy Guidance

This presentation is in response to a Council Item of Special Interest Mayor Weiers requested at the August 2, 2016 Council Workshop, regarding the fare structure for Dial-A-Ride (DAR) users, and specifically the higher rate charged for service provided under the Americans with Disabilities Act (ADA).

Transit staff is seeking guidance from Council regarding the possibility of adjusting transit fares. Glendale's last transit fare adjustment occurred in September of 1991.

### Background

Dial-A-Ride service began in 1975 in Glendale as an innovative transportation program. The program was initially a six-month demonstration project and was the first of its kind in Arizona. The project came about in response from the City Council, who at that time expressed an interest in providing general public transit service to the downtown area connecting low income housing and Glendale Community College.

The city first contracted with a small private provider to implement the DAR program. The program started with two vans and serviced a 3.5 square mile area. One-way ridership during the first year was 1,570 passengers.

In 1977, the city took over the DAR operation. The service expanded over the years, as demand and the need for public transit continued to grow. Currently, DAR service is available citywide to the general public, with a service area of 55 square miles, and is available for same day pickup with limited reservation capabilities. In Fiscal Year (FY) 2015-16, one-way ridership on the DAR system was 74,256 passengers.

In accordance with the Americans with Disabilities Act (ADA) of 1990, Dial-A-Ride service was expanded to include ADA paratransit (federal term for ADA DAR) service to disabled persons who have been certified as ADA eligible, through the Valley Metro eligibility process. This enhanced service provides disabled persons more flexibility than non-ADA service by operating additional hours outside of DAR, tighter pickup schedules (one-hour window), advanced reservations, and door to door service. ADA certified individuals have the option of choosing ADA paratransit service at a higher fare or same day service for a reduced fare.

The city also participates in the Regional ADA paratransit service through a Transit Services Agreement with the Regional Public Transportation Authority (RPTA). ADA eligible residents of any of the Valley Metro partner cities can request service that will transport the rider anywhere within the metropolitan area that is within an ADA service area. Riders are charged a flat one-way fare (\$4.00) for this service and the customer's city of residency pays the remaining balance of the trip.

In addition to Dial-A-Ride/ADA paratransit service, the Transit Division also manages the Glendale Urban Shuttle (GUS) service. GUS 1 and 2 run the same route but in opposite directions with the boundaries being 52nd to 67th Avenues, and just south of Glendale Avenue to Northern Avenue, providing transportation to local destinations. The GUS 3 route is from 53rd to 65th Avenues, just south of Northern Avenue to just north of Peoria Avenue. The route for GUS 1 and 2 is 6.1 miles long. The route for GUS 3 is 10.4 miles long. Passengers can transfer between all three GUS routes at the 55th Avenue and Northern stop. In FY 2015-16, GUS ridership was 90,911 boardings.

### **Analysis**

Glendale is one of only two cities (Peoria) in the Valley that provides DAR service to the general public, provides internal operation of the service, and does not charge the maximum allowable under law of \$4 for ADA paratransit trips (ADA fares are restricted to no more than twice the fixed route rate currently set by Valley Metro at \$2 per ride). Currently, the average per trip cost for Dial-A-Ride is \$33.90.

The current fare structure along with a proposed adjustment is below:

DAR	Current	Proposed
General public (age 14-64) -	\$2.00	\$5.00
Seniors (age 65 or older) -	\$1.00	\$2.00
Disabled (non-ADA) -	\$1.00	\$2.00
ADA (internal trips) -	\$2.00	\$3.00
Regional ADA Service -	\$4.00	\$4.00
Juniors (age 6-13) -	\$1.00	\$2.00
Child (age 5 and younger) -	Free	Free
Group rates (4 or more paying passengers)		
General public (age 14-64) -	\$1.00	\$3.00
Senior, Disabled, Junior -	\$0.50	\$1.00

GUS	Current	Proposed
General Public	\$.25	Free
Child (age 5 and younger)	Free	Free
Seniors/Disabled Patrons between 10am-2pm	\$0.10	Free

As noted previously, the last fare adjustment was in 1991. Anytime fares are adjusted, there is an expected proportional, possibly temporary, decrease in ridership. The general rule of thumb within the transit industry is for every 10 percent increase in fares, an agency can expect to see a 4 percent decrease in ridership. This proportional relationship has been quantified by various studies that have been conducted across the country over the years. At the proposed adjustments, there is an expectation of a 60 percent decrease in ridership within the general public category; a 40 percent ridership decrease in the seniors and disabled category; and a 20 percent decrease in ADA ridership. Of the total 74,256 passengers in FY 2015-16, 54% were senior and disabled fares, 10% were regular fares (general public, junior fares) and 6% rode in the other category (free, child under 5, PCA). ADA fares in the same period, which include ADA trips within the city as well as customers transferring in and out of Glendale, made up just over 30 percent of total ridership.

Larger fare adjustments might have other impacts. For example, if the ADA fare were to be increased to \$4.00, ADA clients may choose to use the more costly regional service if the fare is the same for a trip within Glendale as it is to other neighboring city locations. The difference between Glendale's internal ADA fare and regional ADA service fares may also serve as an incentive for residents to stay and shop in Glendale, rather than go outside the city for their needs. The same holds true for the recommended senior and disabled fare. It is also possible that if fares are adjusted to the same amount across the board, there will be an increase in persons who become ADA certified eligible for city and regional ADA paratransit service. The ADA legislation restricts the flexibility a provider has with ADA trips. Specifically, the legislation stipulates that an ADA client who is booking an ADA trip must be picked up within an hour of his or her requested pick-up time. That does not hold true if a resident, who is ADA eligible, is booking a non-ADA trip. Staff tries to pick riders up as close to the requested time as possible, but if availability is limited, the client's pick-up time may be more than an hour after their requested time. Having a lower fare for non-ADA trips provides an incentive for residents to use non-ADA service. This flexibility in scheduling increases productivity and can reduce costs.

GUS service provides a convenient and low cost option of transportation for Glendale residents to local destinations which include downtown, restaurants, retail locations, adult living facilities, Glendale libraries, Glendale Adult Center, Glendale High School, and Glendale Community College, among other key locations. GUS operates an average cost per rider of \$8.67 and is mainly funded through the GO (Glendale Onboard) sales tax.

### **Community Benefit/Public Involvement**

Dial-A-Ride, ADA paratransit, and GUS services provide a benefit to Glendale residents offering convenient and affordable transportation options for residents who rely on public transportation. A fare adjustment would require citizen input in the form of a public meeting(s), which would be scheduled for some time in the April-May timeframe.

### **Budget and Financial Impacts**

Fares received in Fiscal Year 2015-16 for DAR services equaled \$92,016, with expenses totaling \$2,516,912, which equates to a 3.65 percent fare recovery ratio. A fare adjustment as outlined above is expected to generate an additional \$23,907 in revenue. Conversely, fares for GUS over the same period equaled \$21,676. Elimination of these fares combined with the DAR fare increases would equate to a net revenue increase of \$2,231 depending on actual ridership decreases.

The FY 2016-17 operating budget for DAR is \$2,849,318 which includes the budget for the Regional Paratransit Service. The adjustment in fares would represent less than 1% of operating costs.