



CITY COUNCIL MEETING STAFF REPORT

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| Meeting Date: June 19, 2023 | | Subject: Resolution No. 3072 SMART Fares | |
| | | Staff Member: Eric Loomis, Transit Operations Manager | |
| | | Department: SMART | |
| Action Required | | Advisory Board/Commission Recommendation | |
| <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda | | <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: SMART is seeking a fare change on Route 1X to align with Salem Area Mass Transit District (SAMTD) fare changes to provide equity to customers. | |
| Staff Recommendation: Staff recommends Council adopt the Consent Agenda. | | | |
| Recommended Language for Motion: I move to approve the Consent Agenda. | | | |
| Project / Issue Relates To: Fare structure for Route 1X | | | |
| <input type="checkbox"/> Council Goals/Priorities: | <input type="checkbox"/> Adopted Master Plan(s): | <input checked="" type="checkbox"/> Not Applicable | |

ISSUE BEFORE COUNCIL:

South Metro Area Regional Transit (SMART) operates primarily fare free for customers. SMART Route 1X, which travels between Wilsonville and Salem, operates in partnership with Salem Area Mass Transit District (SAMTD) and is the only fixed route service to require a fare.

EXECUTIVE SUMMARY:

SMART has been operating Route 1X in partnership with SAMTD since the early 2000’s. SMART’s Route 1X was originally free until SAMTD entered the partnership. The last fare change was in 2012 when SAMTD and SMART agreed to increase the fare to \$3.00 for general public passengers and \$1.50 as a reduced fare for customers with a disability and youth customers.

With direction from the Statewide Transportation Improvement Fund (STIF), SAMTD conducted a comprehensive Title VI fare analysis. The analysis recommended several structural changes throughout SAMTD’s services related to fares. SAMTD’s regional service, which incorporates Route 1X was recommended to offer a fare reduction to general passengers, elderly passengers, and passengers with a disability. The analysis, in accordance with STIF recommendations, also encouraged that youth ride Route 1X for free.

SAMTD approached SMART with these findings and indicated that they would move forward with the recommended changes. They requested SMART make the changes as well, to offer a customer’s congruent service between the two agencies. The fare reduction is within SMART’s goals to provide convenient, safe, reliable, efficient, fiscally and environmentally responsible and friendly transportation services to anyone who wants or needs transit services. Staff is requesting City Council approve Resolution 3072.

EXPECTED RESULTS:

SMART expects to see increased ridership based on the reduction in fare. SMART’s current Route 1X ridership is not yet at pre-pandemic levels and therefore the route is able to handle any increase in capacity due to the fare reduction. If there is a future need for additional trips, SMART will seek to leverage Statewide Transportation Improvement Funds (STIF) to meet the needs of expansion on the Route 1X.

TIMELINE:

If approved, SMART will implement the fare change immediately.

CURRENT YEAR BUDGET IMPACTS:

Projected fare revenue for Fiscal Year 2024 will be impacted based on the reduction. However, with the projected increase in ridership, both from the fare reduction and the continual recovery of ridership since the COVID-19 pandemic, the financial impact will be minimal as displayed in the following table.

| Route 1X Fare Analysis | 2021 | 2022 | 2023 | Projected 2024 |
|-----------------------------------|-------------|-------------|-------------|---------------------------|
| Fare Recovery | \$43,065 | \$29,723 | \$52,523 | \$31,079 |

COMMUNITY INVOLVEMENT PROCESS:

N/A

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

N/A

ALTERNATIVES:

Alternative 1: SMART does not change fare structure to Route 1X. This would likely bring in more fare revenue (60-80%), however, it has potential of losing fare with more ridership seeking trips on SAMTD (operating as Cherriots) service, as it would be a lower cost. It may also confuse and upset many customers who would have to pay two different fares to two different agencies for essentially the same service.

Alternative 2: SMART removes fare for Route 1X making it fare free and truly equitable for all customers. Although, ridership might increase for SMART, it may still confuse and upset many customers who would be presented with two different fare structures from SMART and Cherriots for essentially the same service.

CITY MANAGER COMMENT:

N/A

ATTACHMENT:

1. Resolution No. 3072