



ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

Master Minute Order

Report ID: 21-163c **Status:** Adopted/Provided Direction

Type: Regular - Finance & Audit

Meeting Body: Board of Directors - Regular Meeting 03/27/2024 **Final Action:** 03/27/2024

Sponsors:

Attachments: STAFF REPORT, Att 1 Resolution 24-009, RED FOLDER: AC Transit Fare Increase Coalition Letter

Related Files:

Agenda Title:

Consider the adoption of Resolution 24-009 selecting one of the following options for the planned local and Transbay fare increases:

1. implement the previously-deferred increases, to be effective on July 1, 2024 and July 1, 2025; or
2. further defer implementation of the previously-postponed local and Transbay fare increases by one additional year to July 1, 2025 and July 1, 2026, and allow for no further deferrals;

and receive an update on proposed changes to Board Policy 333: Fare Policy Goals and Methodology and the outreach planned to support the required Title VI analysis.

Staff Contact:
Chris Andrichak, Chief Financial Officer
Beverly Greene, Executive Director of External Affairs, Marketing & Communications

Legislative Action & Summary

Acting Body:	Date:	Action:	Result:
Board of Directors - Regular Meeting	03/27/2024	Adopted and provided direction	Pass

Action Text:

AMENDED MOTION: PEEPLES/SYED to adopt Resolution 24-009, with a revised Section 1, Option 2 to read: " The local and Transbay fare increases previously deferred and now scheduled for July 1, 2024 and July 1, 2025 are to be deferred for at least one additional year to July 1, 2025 and July 1, 2026. Direct staff to return to the Board in 3-6 months with a timeline for revising/re-evaluating fare pricing. The motion carried by the following vote:

Ayes: 6 President YOUNG, Director BECKLES, Director WALSH, Director SYED, Director McCALLEY, Director PEEPLES

Nayes: 1 Vice President SHAW

Notes:

[Written comment received prior to the meeting is incorporated into the file by reference.]

Chief Financial Officer Chris Andrichak presented the staff report.

Public Comment:

Jesse Gunn, Hayward Teacher and Ward 6 candidate, commented against fare increases, adding it does not address the issues about ridership. Gunn commented on strategies, emphasizing a focus on increasing ridership and investing in enhancing the rider experience. Gunn added agreement for fare caps but cautioned its impact to riders with limited budgets.

Laurel Paget-Seekins commented how raising fares is a daunting task for Board members and that current reported information may still be inadequate. Paget-Seekins noted that riders are more interested how fare increases affect their lives and not about how many fare deferrals have previously been made and raising bus fares will force some riders to cut costs elsewhere. Paget-Seekins suggested the Board take advantage of discussions on Clipper 2 to analyze and develop a better fare policy.

Brian Culbertson noted how the District's transit fare would compare with other Bay Area transit agencies following a fare increase, adding how other Bay Area transit agencies are focusing on lowering transit fares. Culbertson commented on how current District revenue reporting shows increasing fare revenues due to ridership increases, and suggested the Board hold off on fare increases for two years.

Carter Lavin, Transbay Coalition, noted that a fare increase would be the opposite action to other Bay Area transit agencies. Lavin disagreed with the notion that customers will pay whatever you charge, and that riders will leave the system for other modes of transit. Lavin added that implementing a fare increase at a time the District has a \$56 million budget surplus is unnecessary.

Sam Greenberg opposes a fare increase and that increases in revenue will occur with the continued increasing pace in ridership. Greenberg commented that the number one priority should be to continue to grow ridership and a fare increase would negatively impact the poorest community of transit riders.

Anthony suggested that the Board hold off on any decision to raise fares until June 2024 as the Board approaches upcoming reporting of Clipper 2. Anthony requested a holistic review of the fare increases involving rider feedback.

Joshua Gunter, Transbay Coalition, commented on a community coalition letter submitted to the Board addressing the fare increase and listed the agencies who signed onto this letter who request the Board to reject the proposed fare increase and ensure that transit is accessible and affordable to all.

Ren Fitzgerald urged the Board to reject a fare increase and instead focus on increasing ridership and improving the rider experience.

Dave Lyons reflected on the stress to bus operators following a fare increase. Lyons noted that ridership will decrease following a fare increase.

Vallery Lancey commented on peer transit agencies that are prioritizing ridership which offers more leverage for pursuing funding sources in lieu of fare increases. Lancey addressed the ease by which riders can switch to cars when they're faced with rising fares and noted that a fare increase will not significantly impact the issues with the fiscal cliff in an impactful way.

Raul Maldonado commented that the time is not right for this fare increase.

MOTION: YOUNG/SHAW to adopt Resolution 24-009, Option 2.
