

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 19, 2004

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *PS*

SUBJECT: BUDGET MEMO #52 : STUDENT BUS FARE DISCOUNT

This memorandum is in response to Mayor Euille's question about the status of the student fare discount proposal from last year.

During the FY 2004 budget process, then-Councilman Euille requested staff to develop a proposal for service similar to the Montgomery County, Maryland Ride On bus system's Kids Ride Free program. A copy of the proposal presented to City Council is attached.

It was estimated that the cost of providing free DASH rides to eligible youth from 2:00 pm to 7:00 pm on Monday through Friday, year-round, including holidays would be \$165,000. It did not include a cost estimate for providing the same discount on Metrobus service within the City. Staff estimates the Metrobus cost would be an additional \$76,000.

Funding for the proposal in the amount of \$150,000 was included in the FY 2004 Preliminary Add/Delete List. It was not approved by City Council in the Final Add/Delete List. The City has not performed any further work on this proposal however, the information and estimates contained within last year's proposal are still valid.

Attachment: FY 2004 Budget Memo #14: DASH Student Fare Discount

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 9, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER S

SUBJECT: BUDGET MEMO # 14 : DASH STUDENT FARE DISCOUNT
(COUNCILMAN EUILLE'S REQUEST)

This memorandum is in response to Councilman Euille's request to develop a proposal for City Council's consideration similar to the existing Kids Ride Free transit program in Montgomery County, Maryland.

The Montgomery County program was established two years ago to provide free rides home for students participating in after-school activities. The service was initially provided on the County's Ride On bus system Monday through Friday from 2:00 pm to 7:00 pm. It has since been expanded to Metrobus service originating in Montgomery County and has been proposed by the Montgomery County Executive to expand to 24 hours a day year-round in September. Montgomery County has not measured the amount of increased student ridership the program may have generated. A description of the Kids Ride Free program from the Montgomery County Department of Public Works and Transportation website is attached.

A similar program on only the Alexandria DASH bus system would provide at least an estimated 140,400 to 187,200 free rides annually (current ridership estimates) at a cost of \$1 per ride in lost revenue. Using a ridership figure halfway between these two estimated numbers, the cost is estimated at \$165,000 per year. It is reasonable to expect that number of free rides provided would increase over time as the program becomes more publicized. The assumptions used to derive this estimate are outlined below.

- The program would be applicable to the DASH system only and provide free rides for eligible youth on Monday through Friday including holidays from 2:00 pm to 7:00 for 12 months per year. The program does not include Metrobus service.
- DASH serves approximately 3,600 riders of all ages on an average weekday between the hours of 2:00 pm and 7:00 pm.

- An on-board bus ridership survey conducted by the Northern Virginia Transportation Commission (NVTC) in June 2000 concluded that approximately 11 percent of DASH riders are between the ages of 15 and 18 years old.
- Student ridership, which is likely less than 11 percent during the school day and late in the evening and higher than 11 percent after school, could be as much as 15 to 20 percent between the hours of 2:00 pm and 7:00 pm. This would equate to 540 to 720 free rides per day. Given there are 260 weekdays, including holidays, during the year, this creates a fiscal impact of existing ridership of \$140,400 to \$187,200. Using a ridership figure about halfway between these two numbers, the cost would be \$165,000.
- DASH currently charges students the regular \$1 fare, so each free ride provided would cost \$1 in lost revenue.
- The policy question that any spending proposal raises is how does the public cost (\$165,000 in this case) compare with the public benefit and the public purpose achieved. If the ridership of school aged children increases substantially due to the elimination of the fare, then a public benefit of greater mobility and transit use is achieved (along with the economic benefit of providing each currently paying rider a \$1 free ride). Additionally, the benefit of reducing the number of cars on the road and the need for parking would be realized for new riders who now drive and park. If the increase in ridership is marginal (for example only a 10 percent increase in ridership which equates to about 16,5000 additional riders per year), then the annual marginal cost of the increased ridership (\$165,000 in this case) may far outweigh the benefit (for example a 10 percent ridership increase comes at a cost of \$10 per ride added).

By limiting service to operation only while City public schools are in session (183 days starting in FY 2004 excluding summer school), the cost could be reduced to an estimated \$115,000. This allows students who are unable to ride the school bus home in the afternoon due to participation in after school activities to ride free and all students to travel on DASH for free during the days and hours identified but not ride free in the summer months, on weekends, and other non-school days.

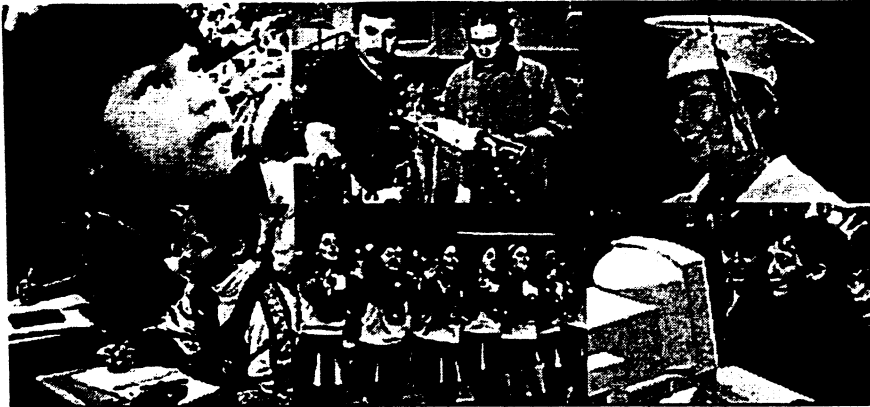
The only cost identified by this report is the loss of DASH revenue, which would need to be replaced by other subsidized by other funds and therefore the General Fund. There would be no immediate operating or capital costs associated with the program at its onset. However, if it were to become popular enough to impact crowding during the already busy afternoon/evening peak period, the need to add buses to or otherwise alter existing routes could result in increased operating and capital expenses.

Other issues for consideration are administration and precedent. The Montgomery County Kids Ride Free program uses a combination of photo identification cards issued by the schools and other special buses passes for high school students at schools which do not issue identification cards. No photo identification would be required for elementary school students to participate in a Kids Ride Free program. The Alexandria City Public Schools issues school bus passes to

secondary school students, however the policy at private schools would have to be determined. If a separate pass needs to be created and administered, DASH administrative costs would increase. Also, DASH does not currently offer discount fare programs for any special need populations. The implementation of a Kids Ride Free program could result in increased requests for special fare treatment for other groups (such as senior citizens, low-income residents, or the disabled).

Attachment: Montgomery County, MD Kids Ride Free Program Description

134



Kids Ride Free Program

Monday January 6, 2003

- All school age children may ride free on Ride On **and now Metrobus** service between 2:00PM and 7:00PM Monday to Friday
- Students must present a photo ID issued by the Montgomery County School System or a special bus pass/ID. These special passes/ID's display the Ride On logo, are signed by the school principal and are available through the schools that do not have photo ID's. Otherwise regular fare will be charged
- **Middle or High School students must show a school picture ID**
Elementary age students need NOT show ID. If a student does not have a picture ID, contact the school administration for more information.
- Students must board at bus stop within Montgomery County.
On routes that serve more than one jurisdiction, operator must collect regular fares from passengers who board at all stops outside Montgomery County. (Note: Students boarding in Montgomery County may ride to a destination in another jurisdiction if they wish, but returning to Montgomery County from a bus stop in another jurisdiction requires payment of the regular applicable fare)
- Transfers are not to be issued. (They would not be needed if a student boards a second bus in Montgomery County. A fare should be paid if a student boards a bus outside Montgomery County)
- Read about the "Student Bill of Rights and Responsibilities"

Following are the only Metrobus routes that are included in the program:


135

14A,14B,14C,14D,70,71,B11,C2,C4,C7,c8,c9,D5,F4,F6,J1,J2,
J3,J4,J5,J8,J9,K6,L7,L8,N7,Q2,T2,Y7,Y8,Y9,Z1,Z2,Z3,Z4,
Z5,Z7,Z8,Z9,Z11,Z13,Z17,Z19,Z29

All Ride On routes are included in the program

The 2002-2003 Pass looks like this:

IT'S FREE! **Student Ride On Bus Pass**



**VALID ON RIDE ON BUSES ONLY!
2 - 7 P.M., MONDAY-FRIDAY
EXPIRES 8-31-03**

Student Name: _____


School Name (print): _____

Principal's Signature: _____

VOID

RIDE ON **TERMS & CONDITIONS**

- Pass may be confiscated by the operator.
- Pass good only on Ride On buses.
- Pass usage only by students in Montgomery County.
- Pass must be presented upon boarding the bus.
- No transfer allowed with this pass.
- Pass must remain in the possession of passenger.
- Must adhere to the "Student Bill of Rights & Responsibilities."

 If found, please return to: Montgomery County
Division of Transit Services, 101 Monroe St., 5th Floor
Rockville, Maryland 20850