

## **SPECIAL FARE ZONE FORMAL APPLICATION**

The Special Fare Zone Application process begins when Tri-Met receives a letter of intent to apply for a special fare zone. After a preliminary meeting between the applicant, the local jurisdiction, and Tri-Met, the formal application process begins. (See Special Fare Zone Application Procedure.) Following is the formal application, and what is expected at each step.

### **STEP 1: PRELIMINARY APPLICATION**

Following the preliminary meeting, the applicant completes the Preliminary Application. The purpose of the Preliminary Application is to present information that describes how the proposed special fare zone will meet the baseline implementing criteria.

#### **Implementing Criteria**

1. The proposal for a special fare zone should contain strategies, including parking management, that will improve mobility and transit ridership both to and within the special fare zone. Measures of improved mobility within the zone include, but are not limited to, reduced vehicle miles traveled, reduced auto mode split, and increased mode split for transit, ridesharing, walking, and bicycling. It is recognized that such strategies would be implemented before or at the same time as implementation of a special fare zone.
  - a. Provide data on the current transit ridership, vehicle miles traveled, auto mode split, transit mode split, ridesharing mode split, and walk mode split to and within the proposed special fare zone.
  - b. Outline the strategies to decrease the auto mode split and vehicle miles traveled to and within the zone. Outline the strategies to increase transit ridership and mode split for transit, ridesharing, bicycling, and walking.
  - c. Provide five year projected transit ridership, vehicle miles traveled, auto mode split, transit mode split, ridesharing mode split, and walk mode split to and within the proposed special fare zone.
2. A Special Fare Zone proposal should be considered only for an area whose practice is to charge a fee for parking. However, consideration will be given to applications demonstrating that some non-commuter parking within a special fare zone, while possibly free, has measures implemented for controlled access.
  - a. Provide an inventory of current parking in the proposed special fare zone. The inventory should include, but is not limited to:
    - the number of parking spaces on-street and off-street

- the number of public and private spaces
  - the percent of spaces that are currently paid and if they are monthly or hourly
  - provide average parking rates for the paid parking
- b. Outline any changes in parking policy in the proposed special fare zone area that would increase paid parking.
  - c. Describe future (5-year) parking levels in the proposed special fare zone, including parking fees.
3. In partnership with the jurisdiction in which the new special fare zone is proposed, the proposal must include a transportation and parking management plan for the area, such as, but not limited to, management of both on-street and off-street parking space use. See Attachment A for sample strategies. Incentives/strategies for enhancing transit-oriented development within the special fare zone will be considered as well.
    - a. Additional examples can be found in the City of Portland's transportation and parking management plans.
    - b. Include a copy of the adopted parking management plan(s) that covers the proposed special fare zone area. If an existing parking management plan has not been adopted by the local jurisdiction, please provide a proposal for developing a detailed parking management plan and the timeline for adoption by the local jurisdiction.
  4. A Special Fare Zone must have clearly recognizable boundaries, be of an appropriate size, have or will have a minimum existing level of transit service needed to be an effective special fare zone, and have a strong projection for transit ridership within the special fare zone.
    - a. Provide a map with the boundaries of the proposed special fare zone clearly marked. Boundaries should not be a street, but rather fall between two streets. Identifiable boundaries include geographic barriers, such as rivers, cliffs, gulches, as well as man-made barriers, such as freeways and bridges.
    - b. Identify the current level of transit service (frequency, hours of day, days of week,) provided within the proposed special fare zone, by street served. Provide the current ridership to and within the proposed special fare zone, and the anticipated ridership in five years.
  5. The applicant will provide a written description of how the strategies described in Criteria 1 through 4 are supportive of the region's adopted goals for improved mobility, air quality, land development patterns, and reduced auto travel.
    - a. Demonstrate how the proposed special fare zone supports existing regional strategies for air quality, growth, and land development patterns.

- b. Describe any areas where the proposed special fare zone would be in conflict with regional strategies. For any areas in conflict with the adopted policies, please identify plans to ameliorate the impacts.

## STEP 2: OPERATIONAL AND FINANCIAL ANALYSIS

The Tri-Met Board will approve or reject preliminary applications based on the first five implementing criteria as they contribute to attainment of Goals 1 and 2. If the Tri-Met Board finds that the applicant has met these criteria, the application process will move to the second stage of implementation evaluation.

The purpose of the second stage evaluation is to assess the impacts of the proposed special fare zone on both Tri-Met and the region. This analysis should include, but not be limited to, the impacts on ridership, revenues, service delivery, air quality, improved mobility, enhanced development patterns, and avoided costs. In the case of the extension of an existing Special Fare Zone, this analysis will include the impacts of the existing Special Fare Zone as well.

### **Implementing Criteria**

6. Recognizing that special fare zones are unique, the operational analysis will identify operating procedures for the zone which will best accommodate Tri-Met's adopted Service Standards and Fare Policy.

- a. Tri-Met has adopted Service Standards outlining how service is designed, minimum service levels, and priorities for adding new service. Elements of the Service Standards include frequency of service, stop spacing, duplication of service, rail-bus integration, loading factors, on-time performance, effectiveness (rides/hour) and rider satisfaction.

Describe how the proposed special fare zone accommodates the Service Standards. Identify any areas that may be in conflict with the Service Standards.

- b. Tri-Met has an adopted Fare Policy outlining how fares are determined using ridership, revenue, and costs as criteria. Elements of the fare policy include:
  - Ridership - simple and equitable fares, integration of fares, avoiding fares based on time of day, retaining distance based fares, offering special fares for unique markets;
  - Revenue - having fares generally keep pace with inflation, minimizing losses through fare evasion, controlling free fares, retaining higher fares for longer trips, special fares should increase revenue as well as ridership;
  - System Cost - increase fare recovery ratio, reallocate low productivity service, and charge special fares for special services.

Describe how the proposed special fare zone accommodates the Fare Policy. Identify any areas that may be in conflict with the Fare Policy.

- c. For any areas in conflict with the adopted policies, please identify plans to ameliorate the impacts and/or discuss how the benefits of the proposed zone may offset negative impacts.
7. In partnership with Tri-Met, the applicant agrees to engage in a process that would determine (a) the financial impact of the special fare zone, and (b) an evaluation of the costs and benefits to Tri-Met and the region. Based on this analysis, a financing plan will be developed that explains how any costs of the Special Fare Zone or extension will be covered. The plan should recognize the short-term as well as the long-term benefits and costs.
- a. Costs include:
    - Decreases in fare revenue from giving away fares to customers who currently pay to make the trip, and increases in fare evasion.
    - Operating costs for increases in service, fare inspection, and customer information resulting from the special fare zone.
    - Increases in capital costs for additional vehicles for any increase in service as a result of the special fare zone.
  - b. It is anticipated that the financing plan would outline how any additional costs are to be covered in the short-term and long-term.
  - c. Revenues include:
    - New fare revenue from passengers who start riding on Tri-Met from outside the zone.
    - New revenue sources dedicated to Tri-Met, such as parking fees, impact fees, special assessment districts, and new taxes.
    - Increased payroll tax revenue from increased employment due to increased density of development within the special fare zone.
    - Additional existing taxes, and increases in payroll taxes from increased employment in the zone due to the special fare zone.
  - d. Benefits should include, but are not limited to, the impacts on ridership, revenues, service delivery, air quality, improved mobility, enhanced density, development, and avoided costs.

### STEP 3: FINAL REVIEW OF THE IMPLEMENTING CRITERIA

The Tri-Met Board of Directors' approval or denial of the special fare zone will be based on a final evaluation of the benefits and costs of the zone based on the information presented in all seven of the implementing criteria and on the proposed zone's compatibility with Tri-Met's Strategic Plan.