

Metropolitan Transportation Authority

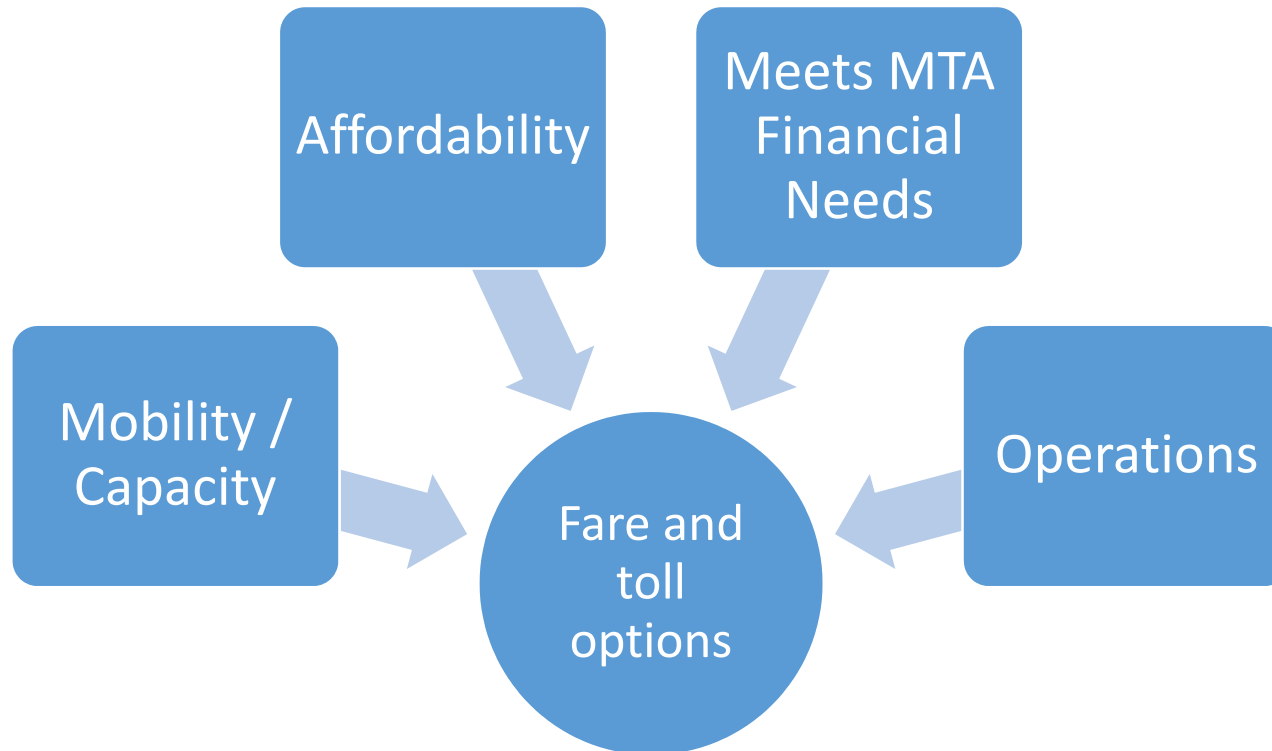
Fare and Toll Proposal

Presentation to the Board

November 16, 2016



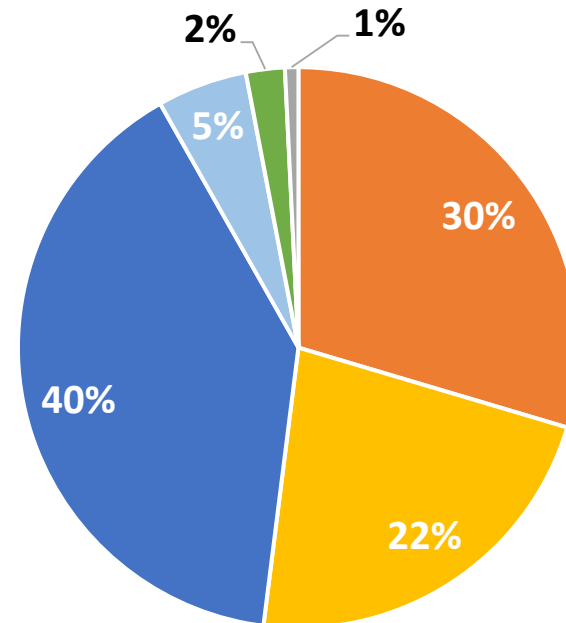
Key policy questions considered when evaluating fare options



Current NYCT Fare Structure and Ridership

- Time-based Passes
 - Valid for 7 or 30 days after the first swipe
 - Unlimited number of trips allowed
- Pay-Per-Ride MetroCard Fares
 - Base MetroCard Fare is \$2.75
 - If customer adds \$5.50 or more at a time, an additional 11% “bonus” is added to the Card’s value
 - Effective fare with bonus is \$2.48
- Non-MetroCard Fares
 - Cash on the Bus - \$2.75
 - Single Ride Ticket - \$3.00
 - No intermodal transfers

Ridership by Fare Product, Sept 2015 – Aug 2016



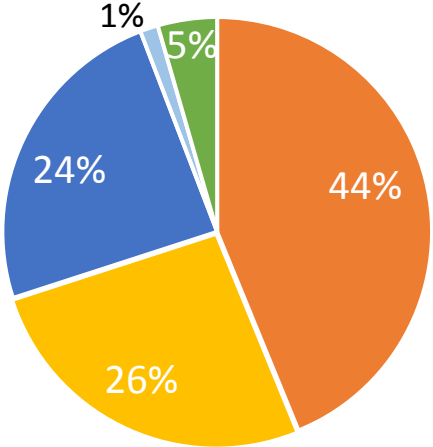
Source: NYCT OMB



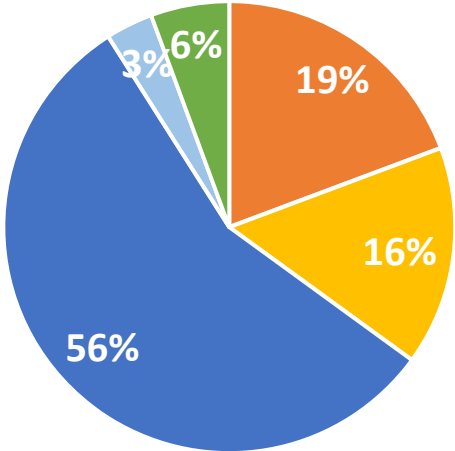
Frequency of travel influences fare product choice

Customer Fare Product by Travel Frequency, 2016

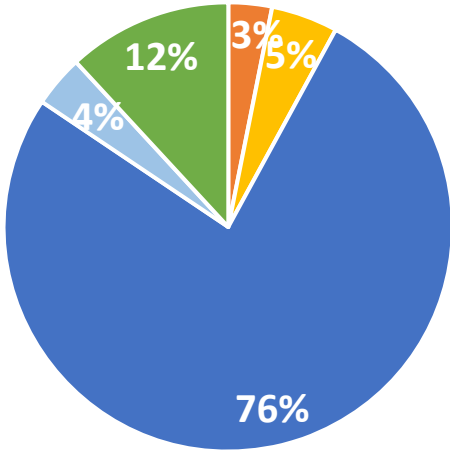
6 or 7 days per week



3 to 5 days per week



2 days or fewer per week



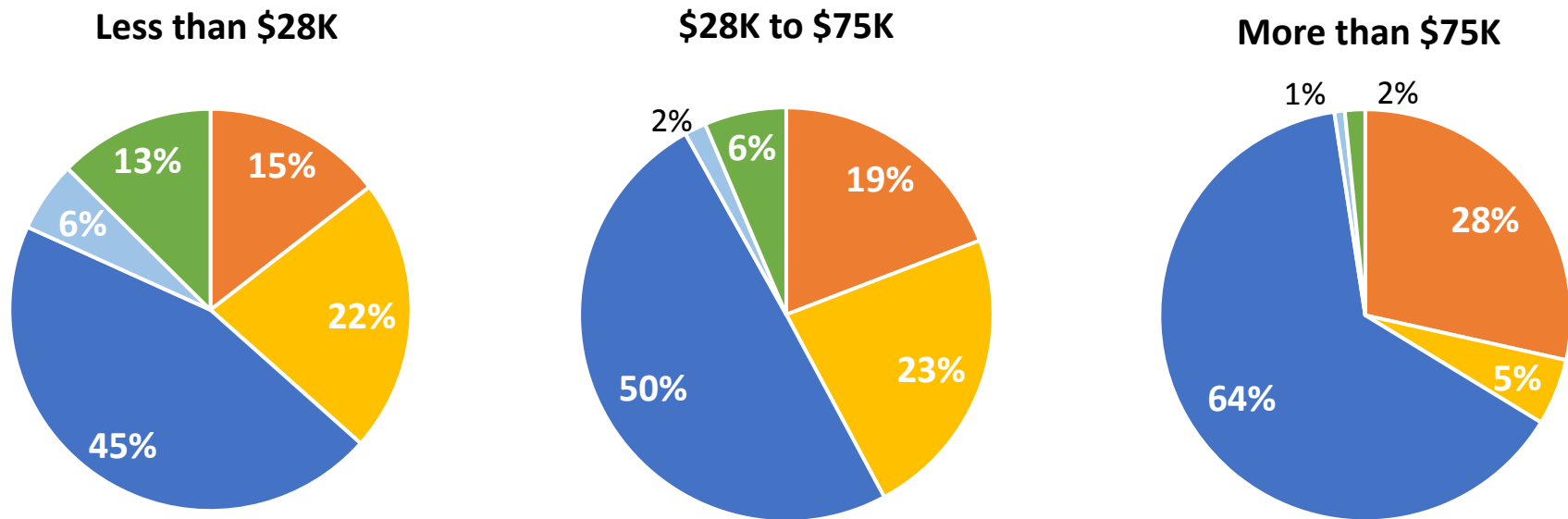
- Passes used by most frequent riders
- Bonus MetroCard used by all types of riders



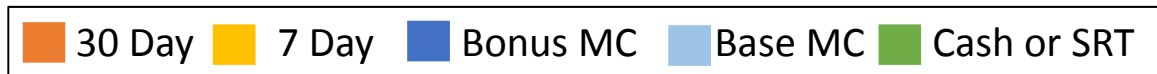
Source: MTA New York City Transit Preliminary 2016 Customer Satisfaction Survey

Majority of all income groups use Pass or Bonus PPR MetroCards

Customer Fare Product by Household Income, 2016



- Low and middle income customers most likely to use 7-Day pass



Source: MTA New York City Transit Preliminary 2016 Customer Satisfaction Survey

NYCT: Two options proposed, both limit increase for pass users

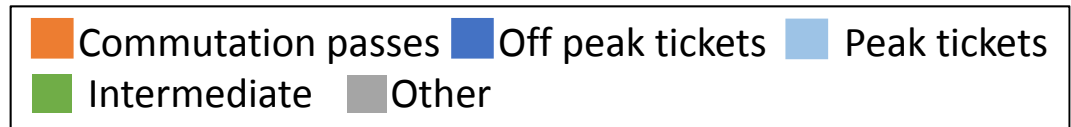
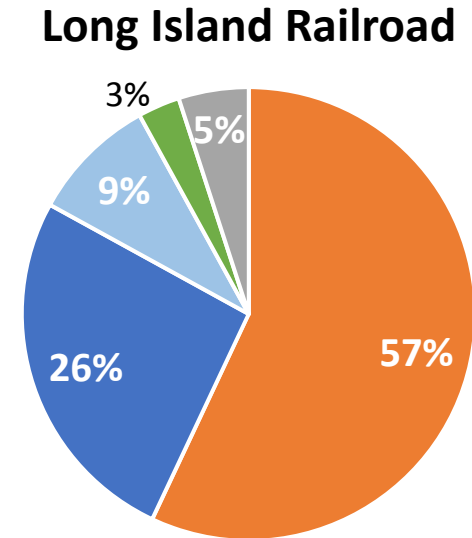
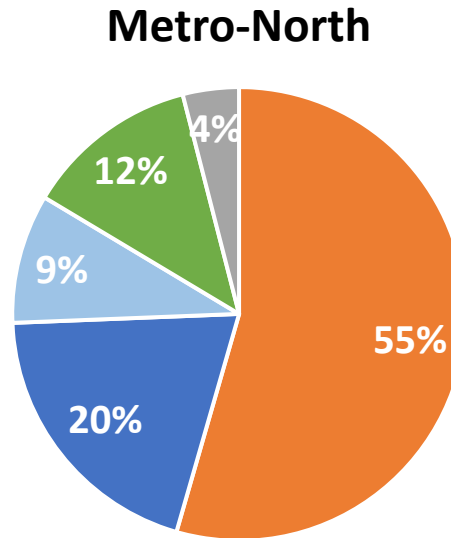
- In both proposals, most frequent customers, and especially those with low incomes, have smallest increase
- Variation in Pay-Per-Ride fares:
 - Base fare must increase in 25¢ increments
 - Bonus buy-in stays at round-trip price
 - Two options tradeoff between increases in base fare and bonus



Fare Types	Market Shares	Current	No Base Fare	Base Fare
30 Day Pass	30%	\$116.50	\$121.00 (3.9%)	
7 Day Pass	22%	\$31	\$32.00 (3.2%)	
Base MetroCard /coin on bus	7%	\$2.75	\$2.75 (0%)	\$3.00 (9.1%)
Metro Card w Bonus Value		11% with \$5.50 purchase	5% with \$5.50 purchase	16% with \$6.00 purchase
Bonus Value Added with RT purchase	40%	\$.61	\$.28	\$.96
PPR with Bonus		\$2.48	\$2.62 (5.7%)	\$2.59 (4.4%)
Single Ride Ticket	1%	\$3.00	\$3.00 (0%)	\$3.25 (8.3%)
<u>Express Bus</u>				
Cash	<0.1%	\$6.50	\$6.50	\$7.00
MetroCard Fare	0.4%	\$5.86	\$6.19 (5.7%)	\$6.03 (3.1%)
7-Day Express Bus Plus	0.1%	\$57.25	\$59.50 (3.9%)	\$59.50 (3.9%)

Current Railroad Fare Structure and Ridership

- Commutation Fares are Monthly and Weekly
 - Used by regular commuters traveling during the peaks
 - Price is heavily discounted off the one-way peak fare.
 - Both railroads back to 2008 ridership levels
- Non-Commutation are peak and off-peak one-way tickets
 - Off-peak discounted from peak price
- MNR's Intermediate market continuing to grow
 - Trips taken entirely outside of Manhattan
 - Serves job centers such as White Plains



Only includes NYS ridership
 Other includes Senior and disabled half fares, child fares, special discounts
 Source: LIRR OMB, MNR Operations Planning & Analysis

Max of 3.75% increase for commuters, while keeping to 4% increase for other riders

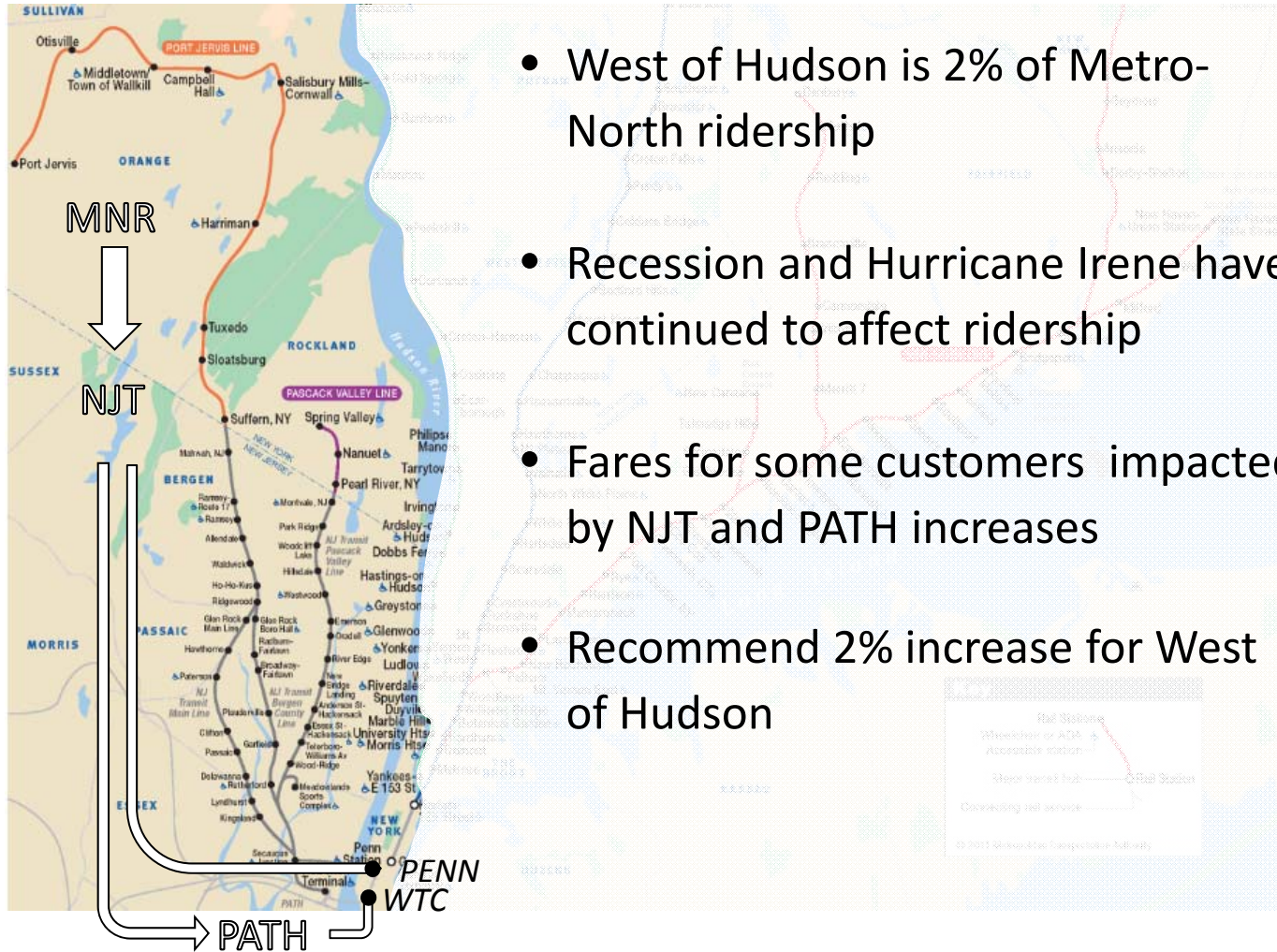
- All monthly and weekly tickets capped at 3.75% and not more than \$15
 - Increase reduced by \$1-\$6 for monthly riders
 - Intermediate tickets also capped at 3.75%
- One Way tickets to City terminals increase up to 6.06%, any increase larger than 6% is \$0.50 or less
 - Ranges due to requirement that one-way fares in 25¢
 - City Ticket remaining unchanged at \$4.25

Tickets to Zone 1 / City Terminals	Range of dollar increase
LIRR	
Monthly	\$6.00 - \$15.00
Weekly	\$2.00 - \$6.00
Peak tickets	\$0.25 - \$1.00
Off peak tickets	\$0.25 - \$0.75
MNR	
Monthly	\$6.00 - \$15.00
Weekly	\$2.25 - \$6.75
Peak tickets	\$0.25 - \$1.00
Off peak tickets	\$0.25 - \$0.75

Source: LIRR OMB, MNR Operations Planning & Analysis



West of Hudson is a small but unique market



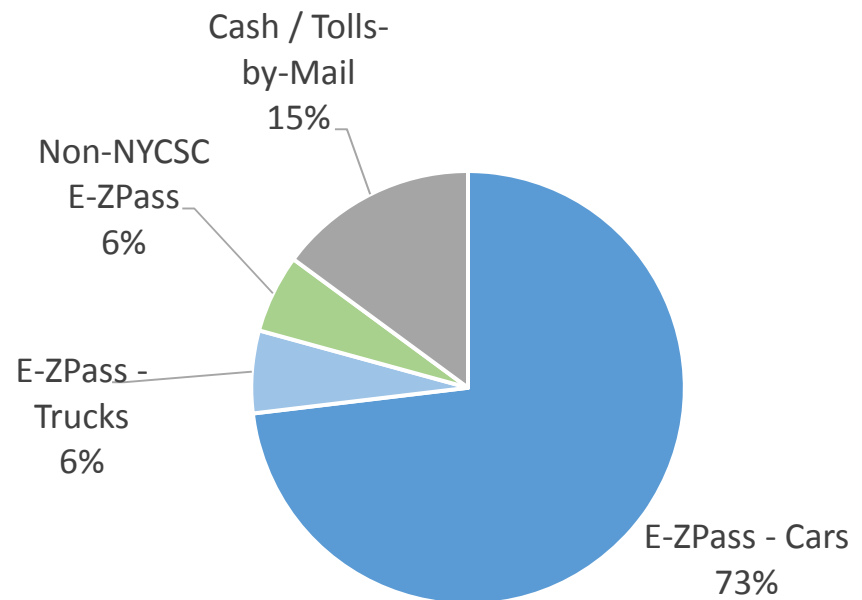
- West of Hudson is 2% of Metro-North ridership
- Recession and Hurricane Irene have continued to affect ridership
- Fares for some customers impacted by NJT and PATH increases
- Recommend 2% increase for West of Hudson



B&T Toll Structure Overview

- 79 % of crossings pay discounted E-ZPass Toll
 - NYCSC EZ-Pass is ~30% discount off cash
 - Greater discount at Henry Hudson Bridge, Minor crossings
 - Additional discounts and rebates provided to Staten Island, Rockaway residents
- E-ZPass market share has increased by 10% since 2010
- Non- NYCSC customers pay cash/toll by mail amount

Distribution of Crossings, 2015



Source: B & T Budget Office



Increase for NYCSC E-ZPass customers is less than 25¢

Crossing	Current	4% Base	% Change
Major (non-VNB)	\$5.54	\$5.76	4.0%
Henry Hudson	\$2.54	\$2.64	3.9%
Cross Bay & Marine Parkway	\$2.08	\$2.16	3.8%
Rockaway Resident	\$1.36	\$1.41	3.7%
VNB – Toll collected in one direction only			
Non-Resident	\$11.08	\$11.52	4.0%
SI Resident - Less than 3 trips	\$6.60 \$5.50 w rebate	\$6.84	3.6%
SI Resident - More than 2 trips	\$6.24 \$5.50 w rebate	\$6.48	3.8%

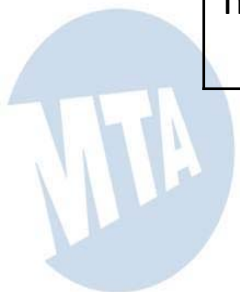
- Resident tokens, trucks also increase approximately 4%
- Only three crossings have any significant volume of commuter traffic; existing rebate programs target these customers
 - Cross-Bay and Rockaway Resident Rebate programs remain unchanged
 - State determines change to VNB Resident rebates
 - With subsidy held constant rebated toll increases to \$5.74, increase of 4.4%, but still less than 25¢
 - Funding would have to increase by \$3.5M to maintain \$5.50 effective toll



Higher increase for Cash, Tolls by Mail and non-NYCSC E-ZPass customers

- Applies to 15% of B&T customers paying cash and 7% using a Non-NYCSC E-ZPass tag

Vehicle	Crossing	Current	Proposed	% Change
Cars	Majors (non-VNB)	\$8.00	\$8.50	6.3%
	Henry Hudson	\$5.50	\$6.00	9.1%
	Verrazano Narrows (toll collected in one direction only)	\$16.00	\$17.00	6.3%
	Cross Bay & Marine Parkway	\$4.00	\$4.25	6.3%
Trucks (Majors, non-VNB)	2-Axle	\$16.00	\$17.00	6.3%
	5-Axle	\$43.00	\$46.00	7.0%
	7-Axle	\$62.00	\$66.00	6.5%



A number of different special pricing ideas have been proposed by various constituencies

- Proposals considered include
 - Half fare for low income New Yorkers
 - Subsidized fare for college and university students
 - “Freedom” ticket
 - Suburban weekend ticket
- Each proposal has merits and challenges that require further review against key policy questions
 - Mobility/capacity
 - Affordability
 - Cost
 - Operations
- Continuing to review major issues: funding, administration and operations



Next steps

- November 16 – Board authorizes start of process
- November and December – Elicit public comment
 - Information made available on MTA website
 - Public Hearings held December 5-20
 - Comments submitted in writing via website, mail
- January – Board review public comments and votes on a final proposal
- March – Fare/Toll Change implemented



Lowest increase for MTA customers since beginning biennial fare/toll increases in 2009

- MTA's focus on cost reduction and efficiencies has enabled us to maintain affordability for all customers
- November plan reduces impact of fare/toll increases on customers
 - Changing to 4% increase in price, rather than the planned 4% increase in revenue, results in
 - \$26 million less annual revenue to MTA
 - Smaller increases for our customers
- Average increase of approximately 3.5% for MTA's most frequent riders
 - 53% of NYC Transit trips are made with unlimited ride passes
 - 30-day increases 3.9%
 - 7-day even less, 3.2%
 - Railroads –Monthly and weekly passes increase up to 3.75%, and no monthly increases more than \$15
- Tolls for NYCSC E-ZPass customers increase 4% or less, no more than 25¢

