

## Metro's Fareless System Initiative (FSI)

Fareless System Initiative (FSI) Update  
Executive Management Committee  
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# Implementation Team

FSI Implementation is an agency-wide initiative and will require support from every department.

- CEO appointed Devon Deming as Interim DEO on June 1
- FSI Implementation reports to OCEO

## Phase 1 Implementation Team Includes:

- Operations (including Service Planning)
- Finance (OMB and TAP)
- Communications (Reduced Fare/Customer Care, Community Relations, Marketing, Government Relations, and Public Relations)

# Program Goals (Phase 1)

- Phase 1 (K-14)
  - To make access to transit fareless for all K-12 and community college students in LA County through cost-sharing partnerships with districts (school and community college) and transit agencies.
  - Feasible funding plan for Phase 1
  - Program could start as early as August 2021 for at least 18-month pilot

# K-12 District Partnerships: Status

Proposed cost-sharing for District K-12 Partnerships would be \$3 per student per year for all students in district and would include:

- Distribution of free TAP Cards through District
- Unlimited rides on all participating transit agencies in LA County

We are surveying districts, conducting online information sessions, and one-on-one meetings to reach as many districts as possible quickly. In preliminary meetings with school districts, this \$3 proposal has been well-received.

# K-12 Launch

- K-12 Pilot (Preliminary)
  - All K-12 TAP cards (rider class) would be recognized by the Metro system to allow students to board without requiring fare to be loaded on the card (same as LADOT DASH to Class)
  - 40,000 existing K-12 TAP cards would automatically be eligible
  - 500,000 additional K-12 cards available for distribution through Districts and more on order
  - Schools would be required to track distribution for school purposes, but not share any student information with Metro
  - Simple online registration process for performance data

# Community College Launch

- Community College Launch (Preliminary)
  - Currently, 18 out of 20 Community Colleges have existing cost-sharing agreements with transit agencies
    - Cerritos College has verbally agreed to participate
    - College of the Canyons pending meeting
  - Proposed cost sharing is based on the muni/college agreements already in place
  - Metro's U-Pass program would need to transition from "Opt-In" to "Opt-Out", which would require contract amendments for existing schools. This is recommended to streamline the programs and to be consistent with the muni/college agreements

# Status of Phase 1 Funding Plan

- Three school districts interested in cost-sharing
- \$100,000 funding from already-planned CARB STEP mobility grant benefits FSI with same technical infrastructure.
- Evaluating if \$80 Million to defease bonds can be shifted to Phase 2
- Calculating lost fare revenue estimate for Metro
- Evaluating financial impact of LACMOA/LTSS request to cost-share 50% of lost fare revenue up to 2019 NTD Ridership levels
- Currently evaluating the use of Federal ARPA funds, and any other funding



# Next Steps

- Continued outreach to all stakeholders and finalization of Phase 1 funding plan
- If key deal terms are finalized per May Board Motion, then a written board report will be agendaized for full Board consideration at its meeting on June 24<sup>th</sup>



## Fareless System Initiative

Fact Sheet  
April 2021