

STAFF REPORT

DATE: February 27, 2023
TO: Sacramento Regional Transit Board of Directors
FROM: Devra Selenis, VP, Communications and Partnerships
SUBJ: DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AUTHORIZE UP TO 10 FREE RIDE DAYS PER CALENDAR YEAR ON BUS AND/OR LIGHT RAIL TO ENCOURAGE RIDERSHIP

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approving this action will grant the General Manager/CEO authority to approve up to 10 “Free Ride” days each calendar year, which will help build awareness and encourage ridership of SacRT’s fixed-route, paratransit, and/or microtransit services in the Sacramento region.

FISCAL IMPACT

Staff analysis of the fiscal impact for 10 Free Ride days per calendar year is estimated to cost up to approximately \$202,290 based on current fare revenue. The cost will vary depending on which transit services (e.g., fixed-route bus, microtransit, light rail, and/or SacRT GO paratransit service) are included in the Free Ride day event. The estimated cost breakdown is shown below per service and day of the week:

Days of the Week	Daily Fare Revenue Impact	Estimated Number of Days	Total
<u>SacRT Fixed-Route Bus/ Light Rail/SmaRT Ride</u>			
Weekday (Mon-Fri)	\$22,500	6	\$135,000
Saturday	\$12,500	2	\$ 25,000
Sunday	\$12,500	2	\$ 25,000
<u>SacRT GO Paratransit Service</u>			
Weekday (Mon-Fri)	\$ 2,223	6	\$ 13,338
Saturday	\$ 988	2	\$ 1,976
Sunday	\$ 988	2	\$ 1,976
TOTAL:		10	\$202,290

The estimated reduction in fare revenue will be absorbed in the Operating Budget each Fiscal Year for each Free Ride day offered. The fare revenue projections included in each

Fiscal Year Operating Budget will account for the projected reduction in fare revenue due to assumed Free Ride days; a similar reduction in fare revenue is assumed for distribution of complimentary tickets and passes under Resolution No. 19-07-0084. The actual impact on each Fiscal Year will depend upon how the Free Ride days are allocated by service, and the proposed day of the week (weekday or weekend) offered.

DISCUSSION

SacRT Staff is requesting that the Board authorize the General Manager/CEO to declare up to 10 Free Ride days each calendar year, which will include a mix of weekdays and weekend days. The Free Ride days will be selected in advance and tied with a major occurrence, such as a holiday, rider appreciation, or action that benefits the Sacramento region (e.g., Clean Air Day or Election Day), allowing time for promotional opportunity and leveraging partnerships to generate the most impact.

The SacRT Board provided the General Manager/CEO authority to offer up to 10 free ride days for each of the last two calendar years (2021: Resolution No. 21-06-0065 and 2022: Resolution No. 22-02-0003). Adoption of this resolution will give the General Manager/CEO authority to offer up to 10 Free Ride days per calendar year until such time as the Board revokes the resolution.

Ridership patterns changed as a result of the pandemic. Staff believes that offering Free Ride promotions throughout the year is a great way to encourage more people to try transit and/or return to transit. For example, in 2022 SacRT experienced a 16% systemwide ridership increase (20% on bus, 12% on light rail) during the Free Ride day offered on Tuesday, November 8 (Election Day).

Staff anticipates that any new riders gained from the promotion would help pay for the cost of free rides long-term, as well as promote the many benefits of SacRT's transit services and its value in the Sacramento community.

RESOLUTION NO. 2023-02-017

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

February 27, 2023

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AUTHORIZE UP TO 10 FREE RIDE DAYS PER CALENDAR YEAR ON BUS AND/OR LIGHT RAIL TO ENCOURAGE RIDERSHIP

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, to encourage ridership, the General Manager/CEO is hereby authorized to approve up to 10 free ride days each calendar year on one or more types of SacRT service.

THAT, the General Manager/CEO, in their discretion, will determine which SacRT services are included in each free ride day, which may include any combination of light rail, fixed-route, SmarT Ride (microtransit), and SacRT GO paratransit service and will specify the eligible services in establishing and marketing each free ride day. .

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary