



# Fare Free Pilot Program 2023

## Third Quarter Report

### Background and Report Purpose

In June 2022, the City of Lawrence Public Transit Advisory Committee recommended a Fare Free Pilot Program from January 1, 2023 through December 31, 2023. As part of this pilot program, transit staff committed to providing quarterly reports to evaluate the impacts of fare free service and help determine the feasibility of extending the program.

Transit staff and advisory committee members discussed a number of considerations for fare free service that could experience either positive or negative impacts. This third quarter report, and those that follow, will aim to evaluate the impacts on considerations below.

When completing this third quarter report, staff concluded that it is feasible to extend the Fare Free Pilot Program through December 31, 2024.

### Strategic Plan Connection

From the 14 Strategic Plan Performance Indicators in the Connected City outcome area, four are likely to be impacted by the Fare Free Pilot Program, shown below in orange.

Connected City Performance Indicators <b>Impacted by Fare Free Pilot Program</b>	
CC-1: Percent of residents satisfied or very satisfied with the condition of major city streets	CC-8: Cost per lane mile (includes street maintenance and reconstruction costs)
<b>CC-2: Percent of residents satisfied or very satisfied with their transportation experiences</b>	<b>CC-9: Cost per fixed route passenger trip on Lawrence Transit</b>
CC-3: Months per year the City is in compliance with minimum water & wastewater discharge standards	CC-10: Employee Engagement Index for Municipal Services & Operations employees
<b>CC-4: Percent of goals met for reliability of water, wastewater, transit, fleet, traffic signals, information technology systems, Pavement Condition Index, and Fire Medical/Police</b>	<b>CC-11: Percent of trips not taken in automobile (driven-alone)</b>
CC-5: Percent of sidewalks and shared use paths in compliance with the Americans with Disabilities Act (ADA) and deflection minimum standards	CC-12: Percent of City-used energy (electric, natural gas, fuel) that is renewable



CC-6: Percent of residential units in the Environmental Justice Zone within a quarter mile of a transit stop or on-demand transit zone	CC-13: Miles of trails
CC-7: Cost per gallon of clean and wastewater treated	CC-14: Number of public infrastructure projects that account for climate adaptation

## Justification

- CC-2: Staff anticipates that riders will be more satisfied with their transit experience with the elimination of fares.
- CC-4: Fare free service is anticipated to reduce boarding time, since riders no longer have to pause to pay upon entry and drivers do not have to verify pass eligibility.
- CC-9: The cost of fixed route service is relatively constant. As ridership increases, the cost per ride would decrease. It is possible that increased use of paratransit and Night Line service could increase costs, but staff anticipates larger ridership increases on fixed route services than demand response services.
- CC-11: Fare free transit service may result in some riders using transit instead of taking automobile trips.

## Impacts: Ridership

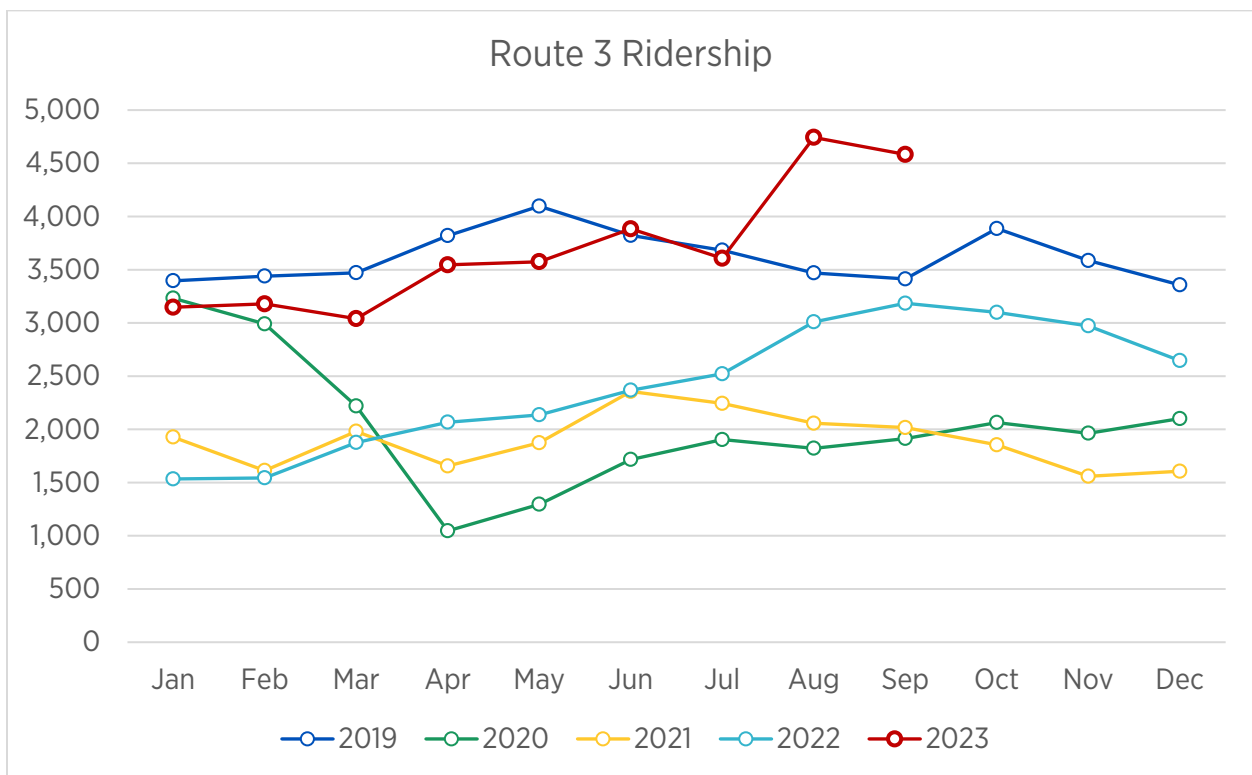
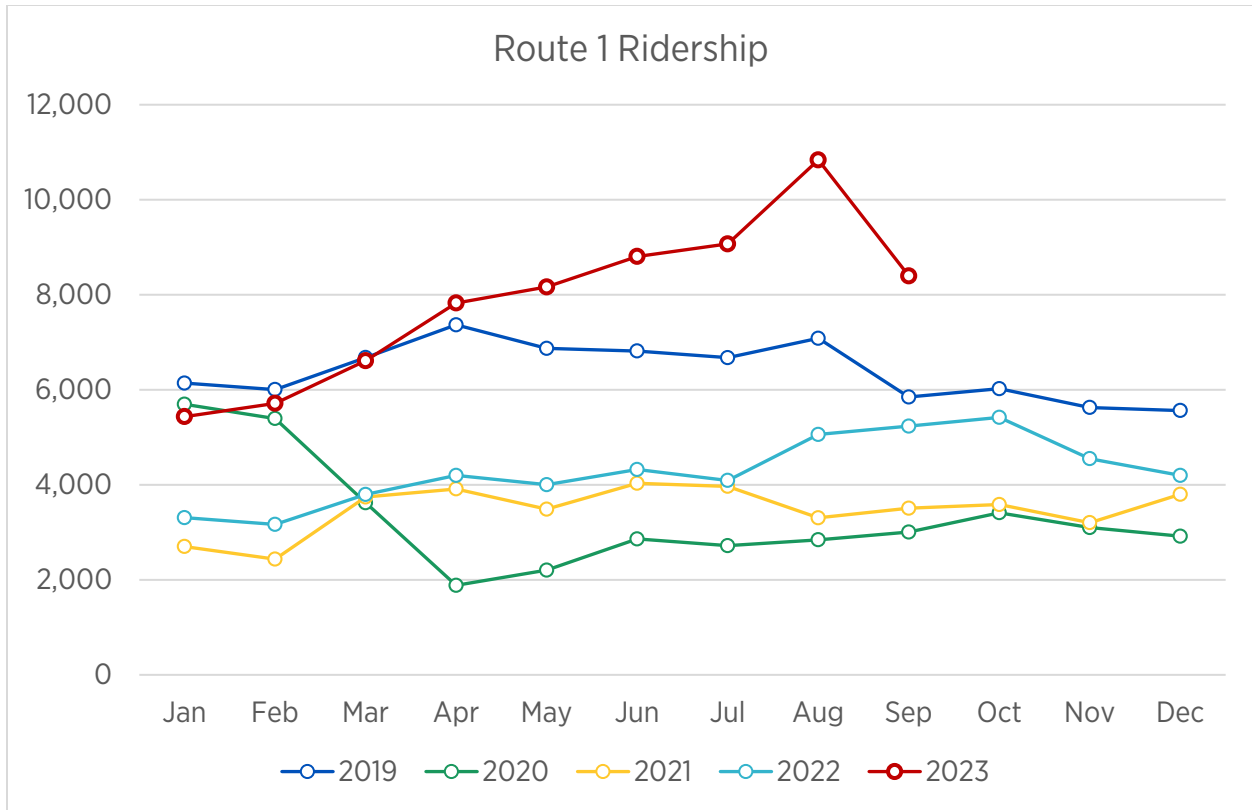
After the first nine months of 2023, ridership on City-funded routes is 13% higher year-to-date than prior to pandemic impacts that began in March 2020. Year-to-date ridership in 2023 compared to 2022 shows an increase of 49%. Fare free programs in other communities have resulted in ridership increases of 20% to 60%.

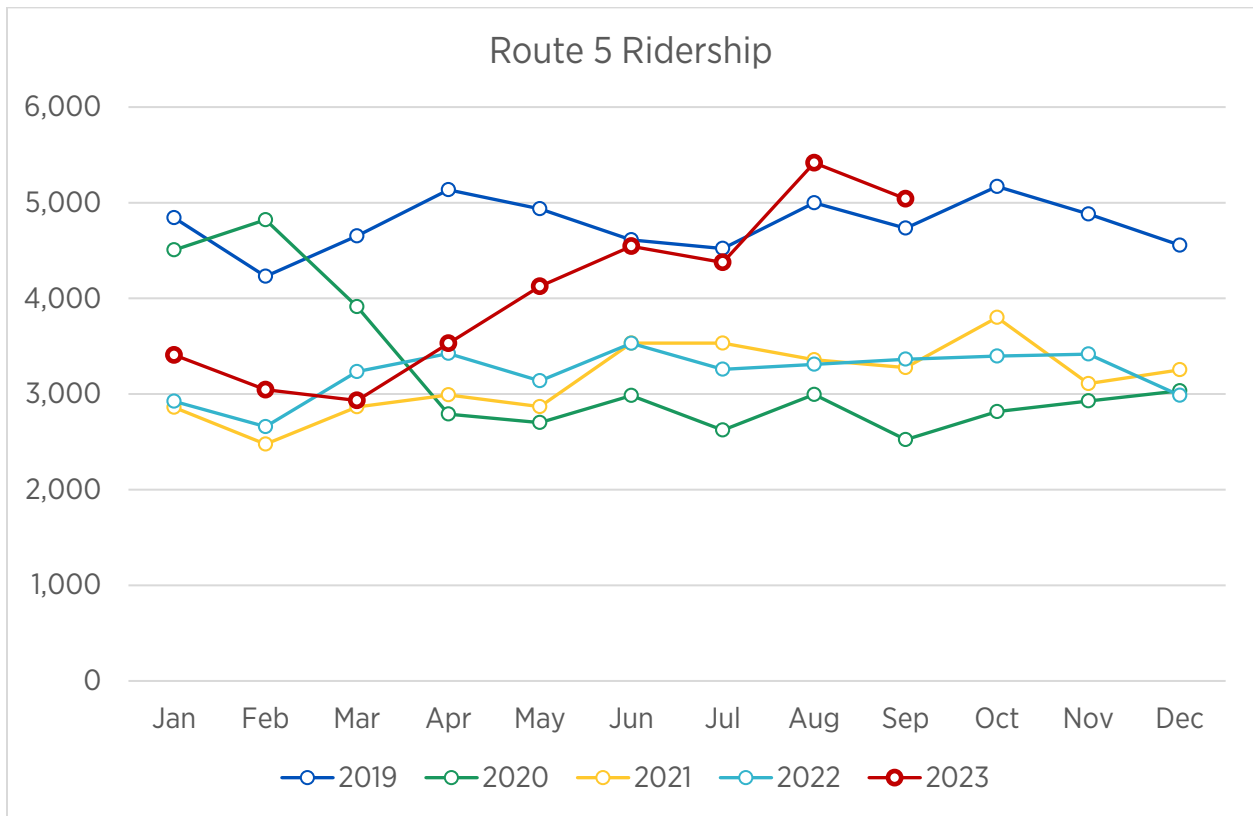
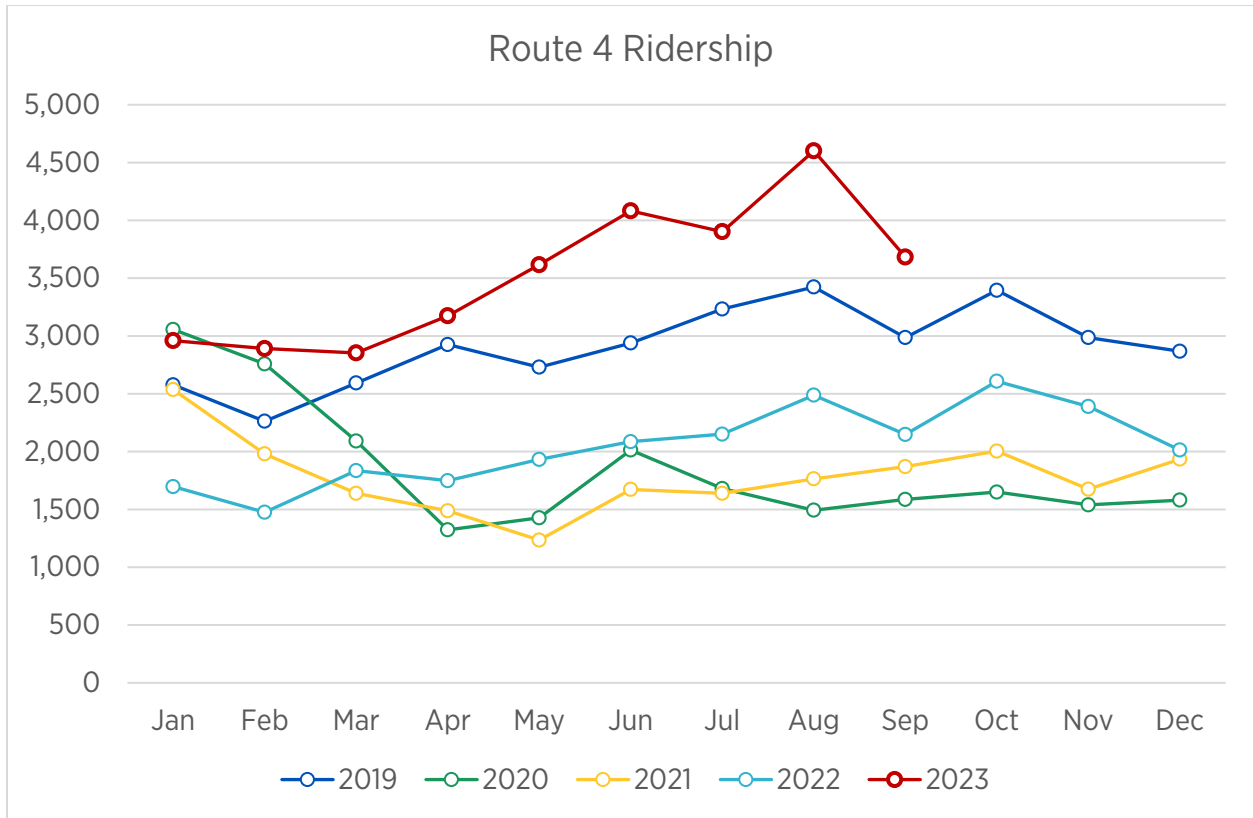
## Evaluation Method

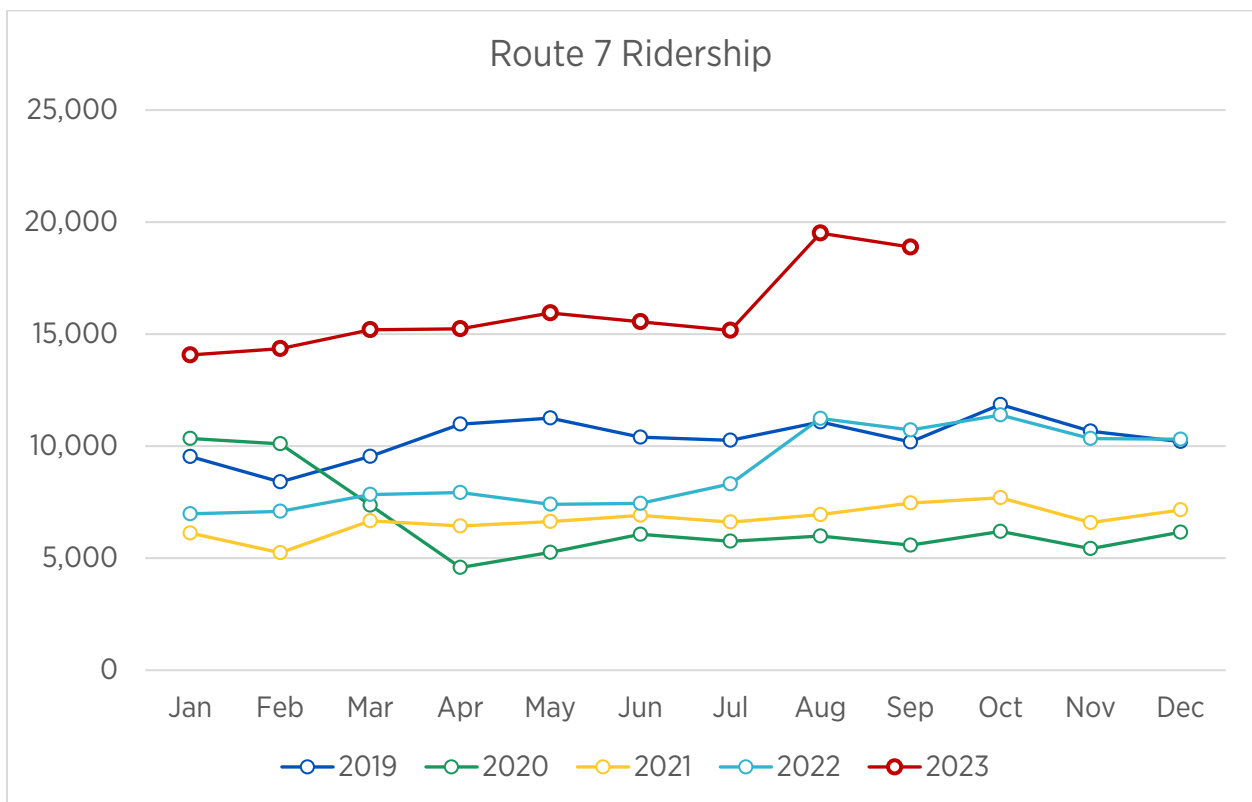
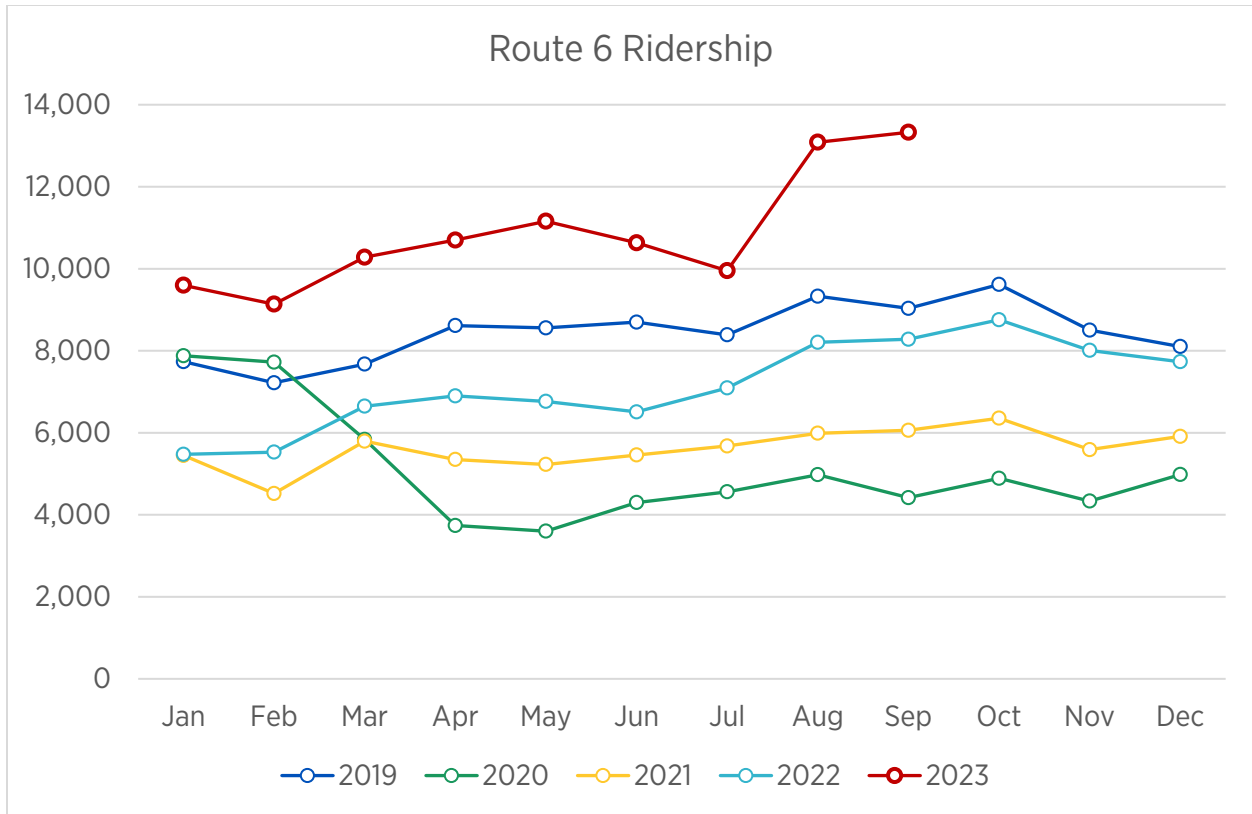
Ridership is measured and reported by route each month by the City’s transit service provider, using driver counts validated by automated passenger counting technology.

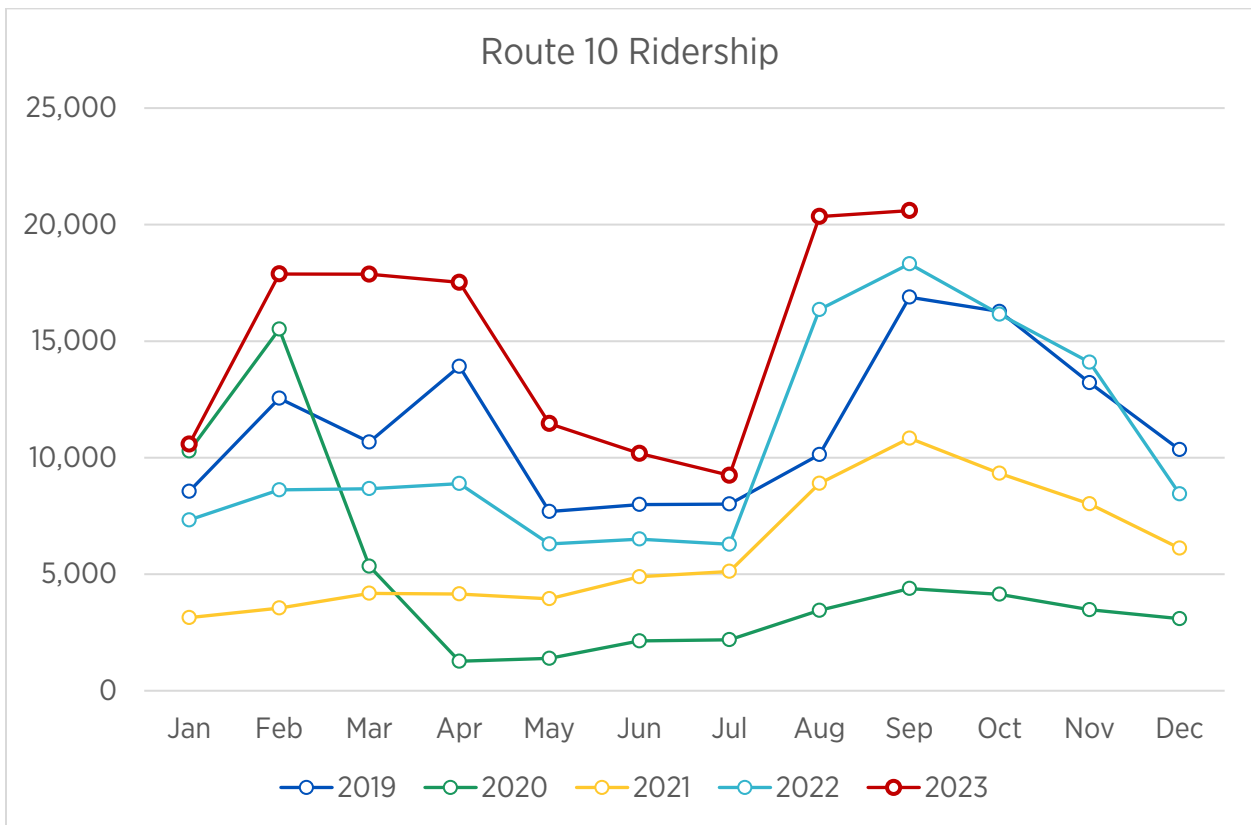
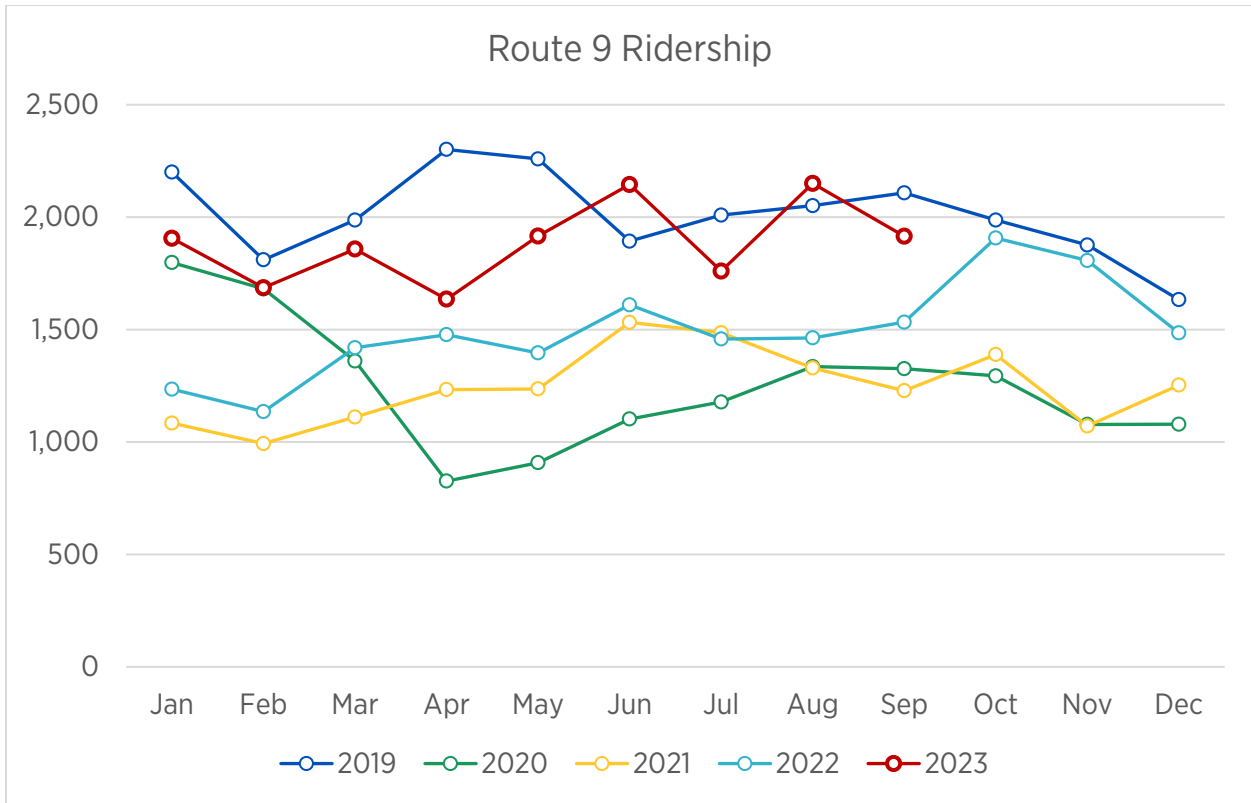
## Results

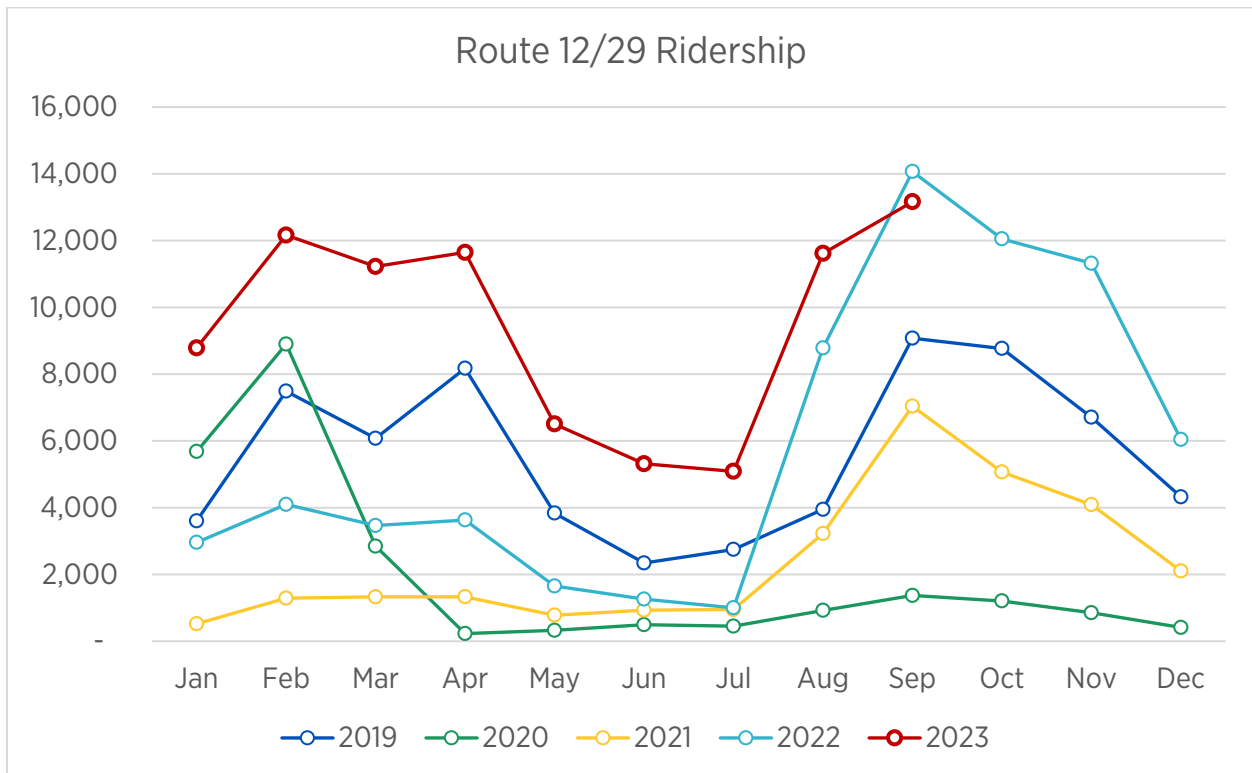
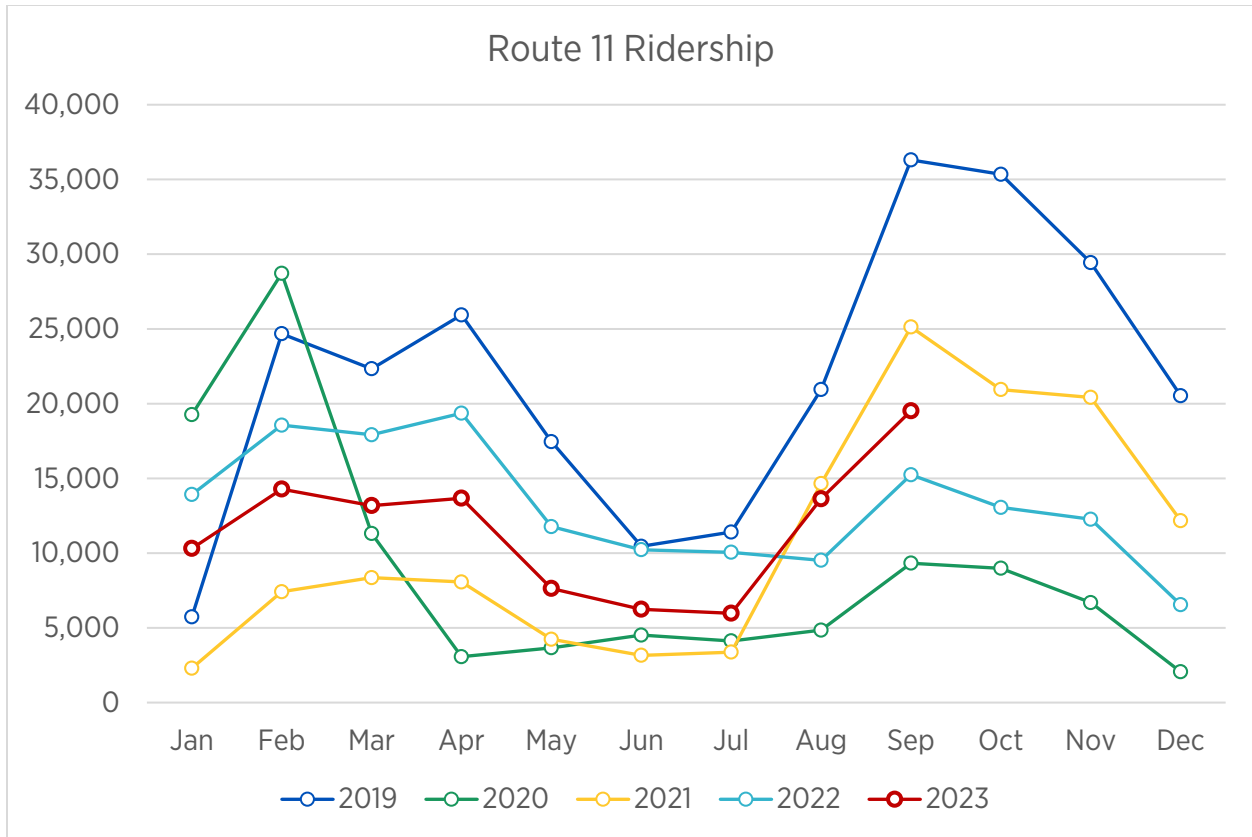
The following charts show ridership by route from January 2019 through September 2023.

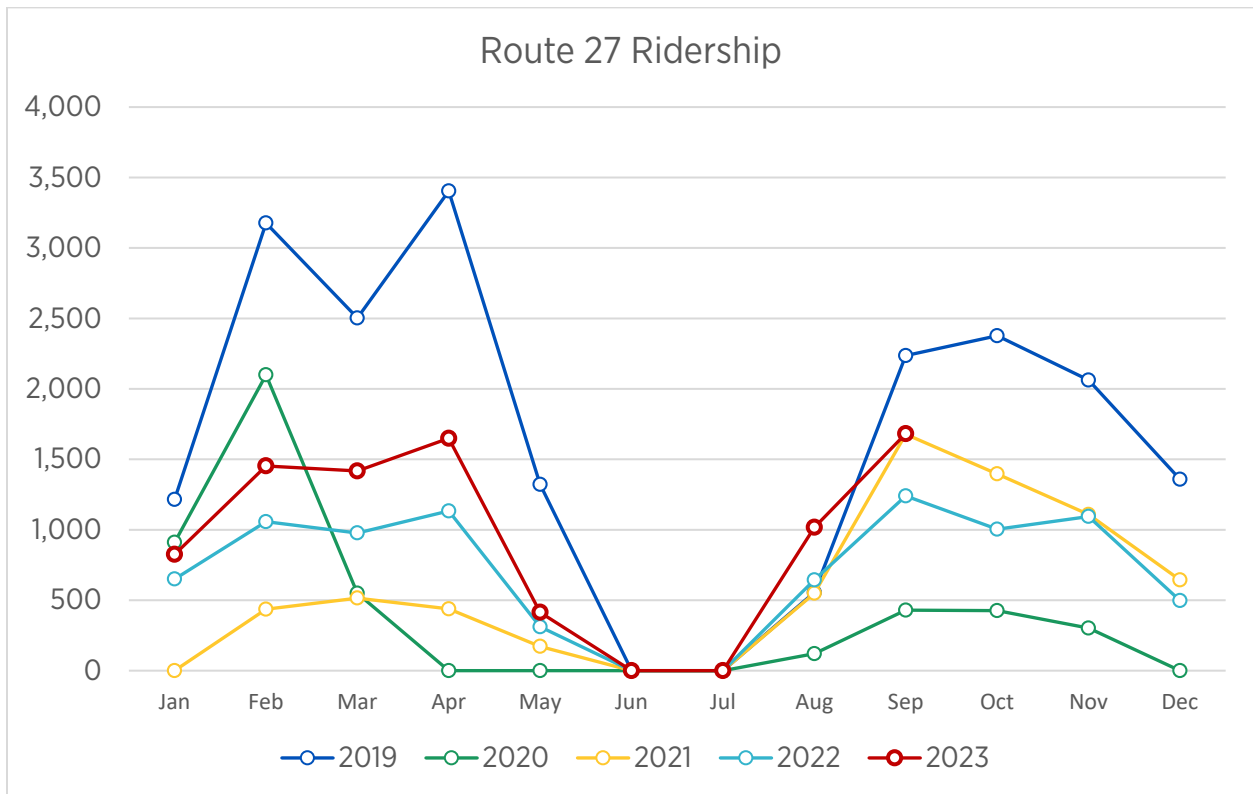
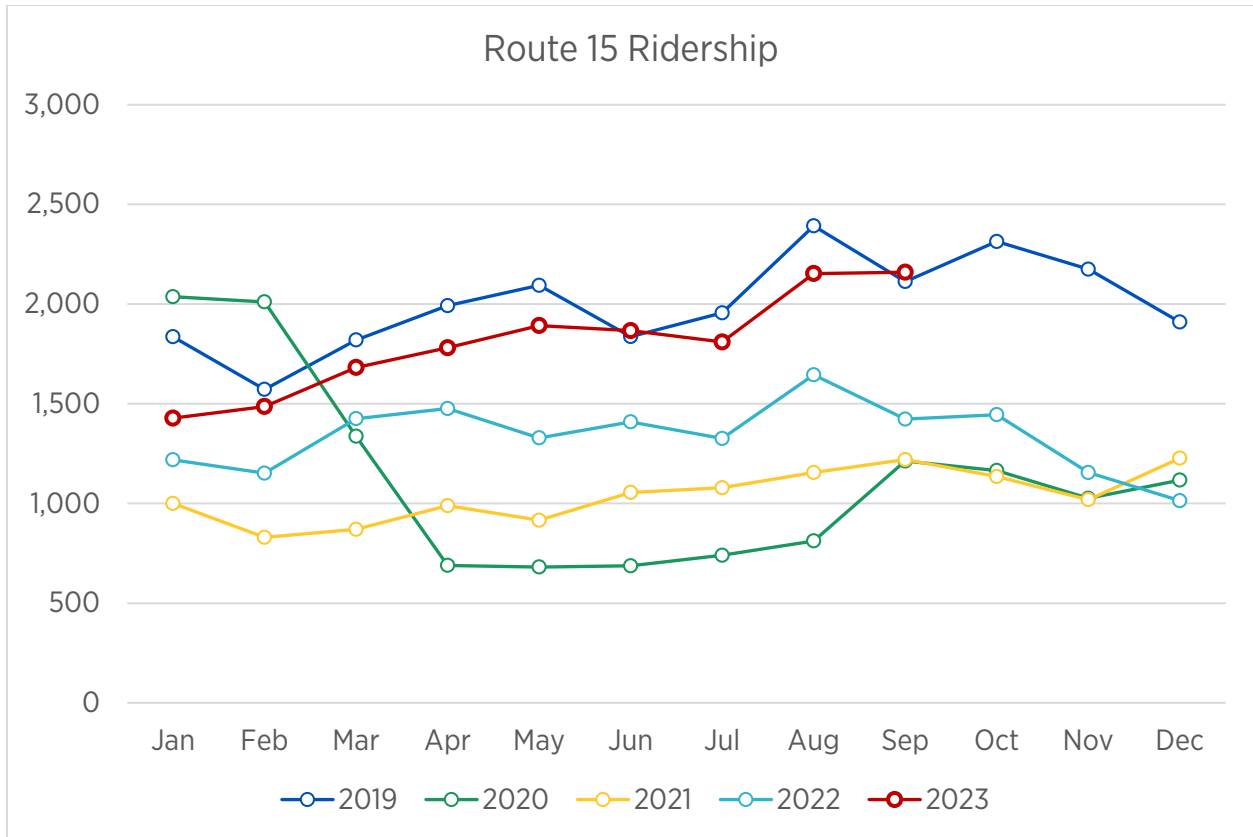




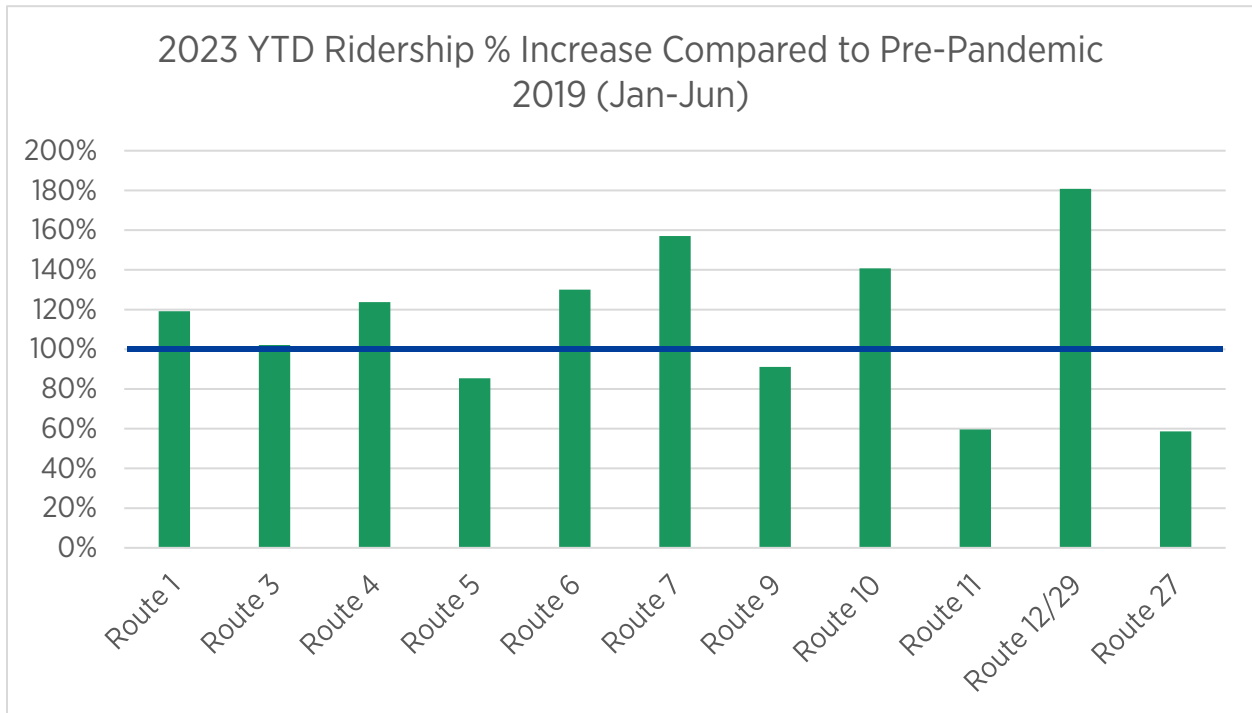












## Summary/Next Steps

Routes 1, 3, 4, 6, 7, 10, and 12 are exceeding pre-pandemic ridership. Routes 5 and 9 are at 85% or greater of pre-pandemic year-to-date ridership and may exceed 2019 ridership numbers by the end of 2023. City and coordinated route ridership is up 13% overall compared to 2019 pre-pandemic ridership.

## Impacts: On-Time Performance

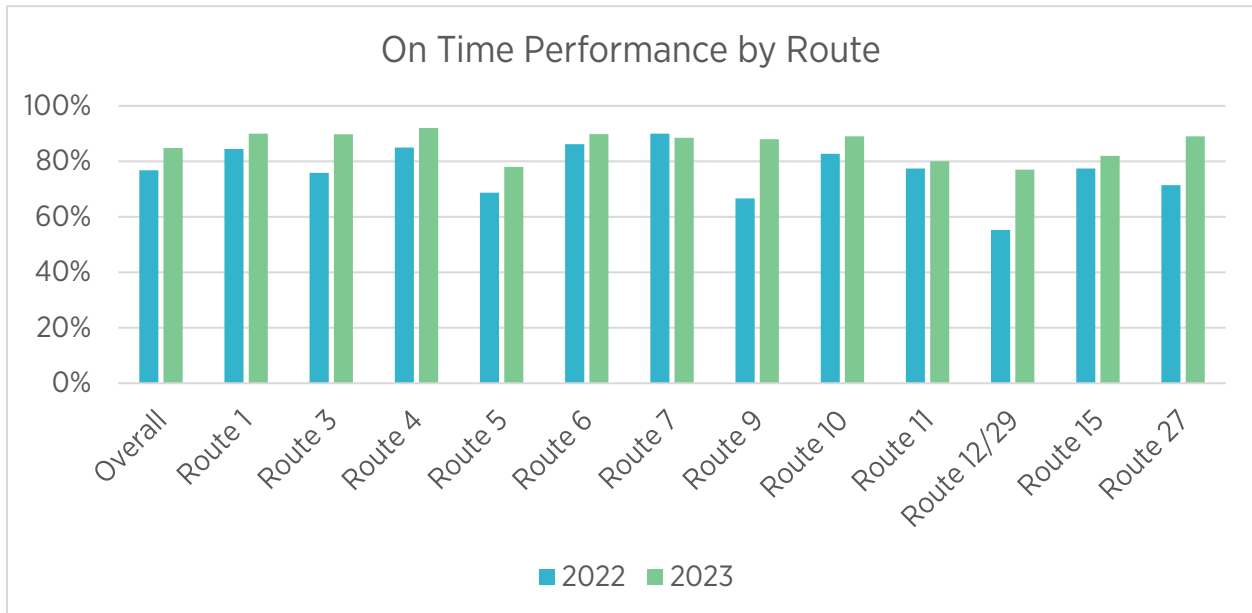
Without fares, bus drivers can speed up service without pausing to verify reduced fare eligibility, fill out transfer slips, or manage conflicts that can result from issues at the fare box.

## Evaluation Method

On-time performance is measured and reported each month by the City’s transit service provider, using on-board GPS bus tracking data that compares scheduled time at certain bus stops against actual time.

## Results

The following chart shows on-time performance by route comparing 12 months of 2022 data with the first 9 months of 2023 data. On-time performance has improved in 11 out of 12 City and Coordinated routes, and has increased by 8% overall.



## Summary/Next Steps

Routes 7 is the only route that has not experienced improved on-time performance. It is possible that large increases in ridership are affecting that route, but more evaluation is necessary to understand the factors that may be contributing to lower on-time performance.

## Impacts: Equity

Fare free has a greater impact on people in our community who have less income. To advance community goals around equity, eliminating bus fare can make a tangible difference for many riders.

## Evaluation Method

Equity is measured through rider survey data that evaluates changes in transit use by low-income riders. KU Urban Planning students began conducting intercept surveys with transit riders on 4/10/23, and 206 surveys were collected by 6/3/23 for use in the analysis below.

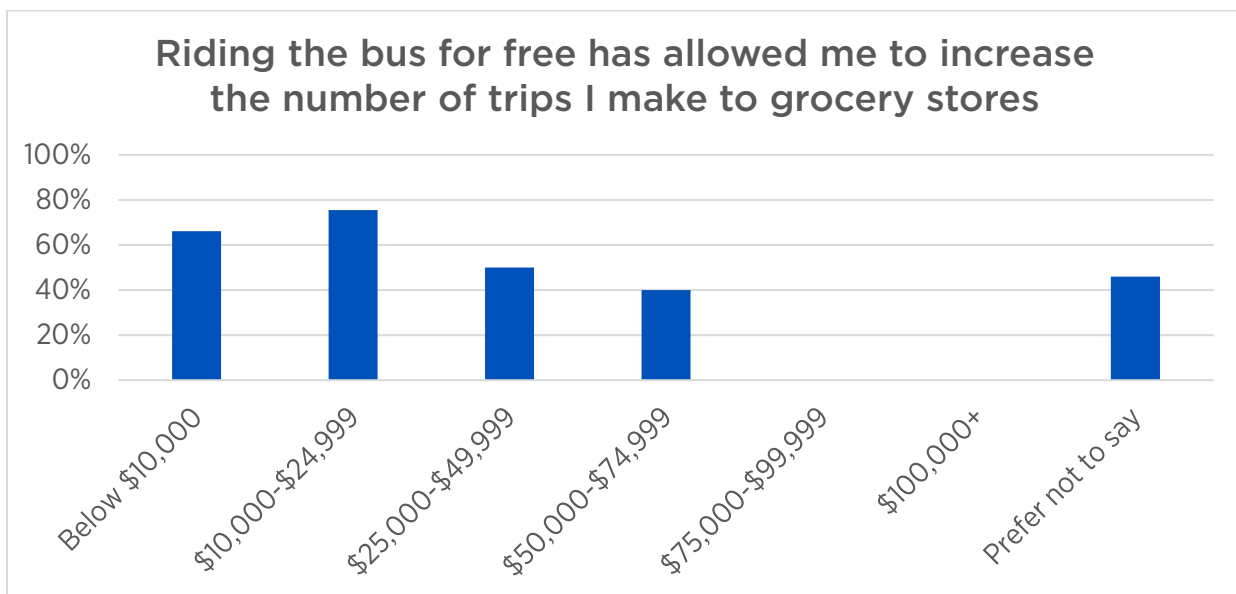
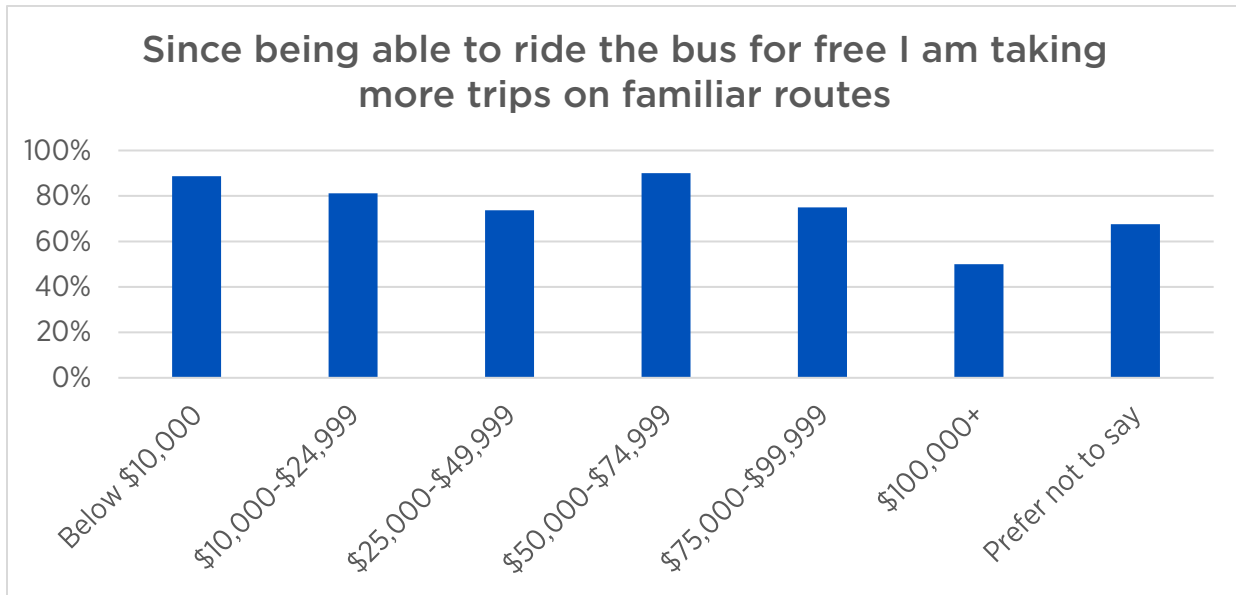
## Results

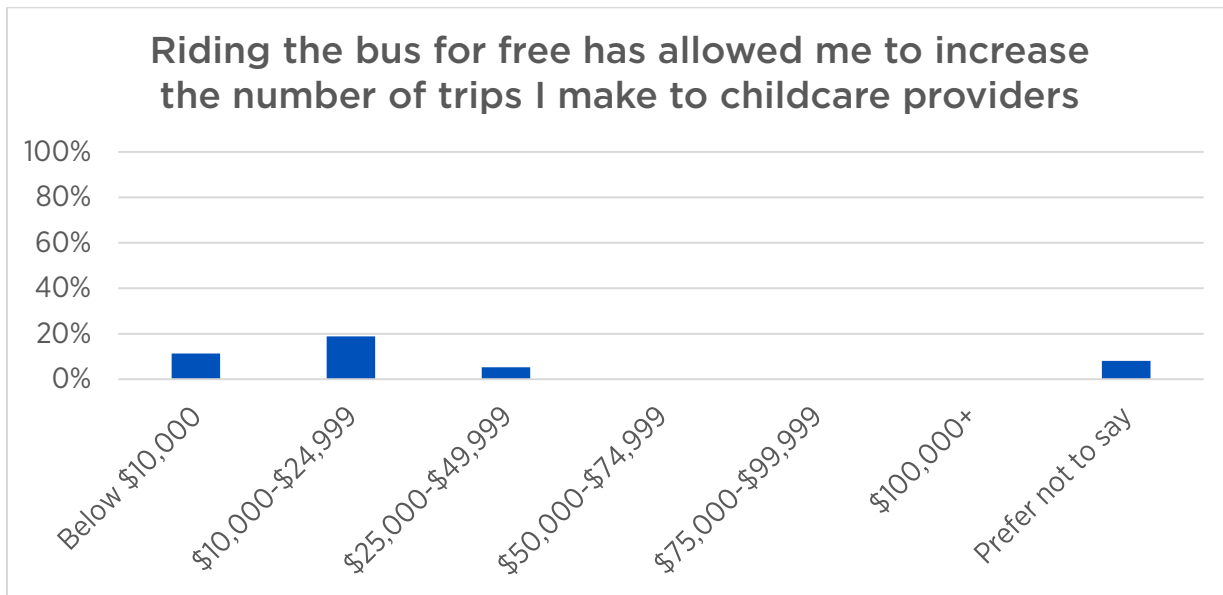
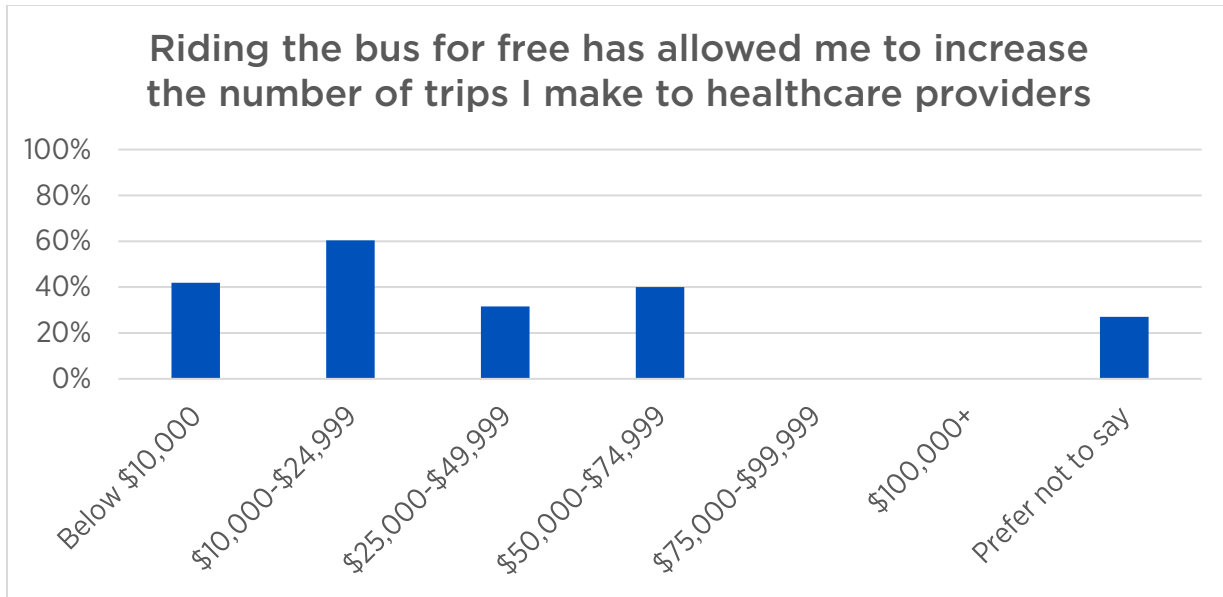
Through a number of questions, the survey aimed to explore two main ideas: By income level, are riders:

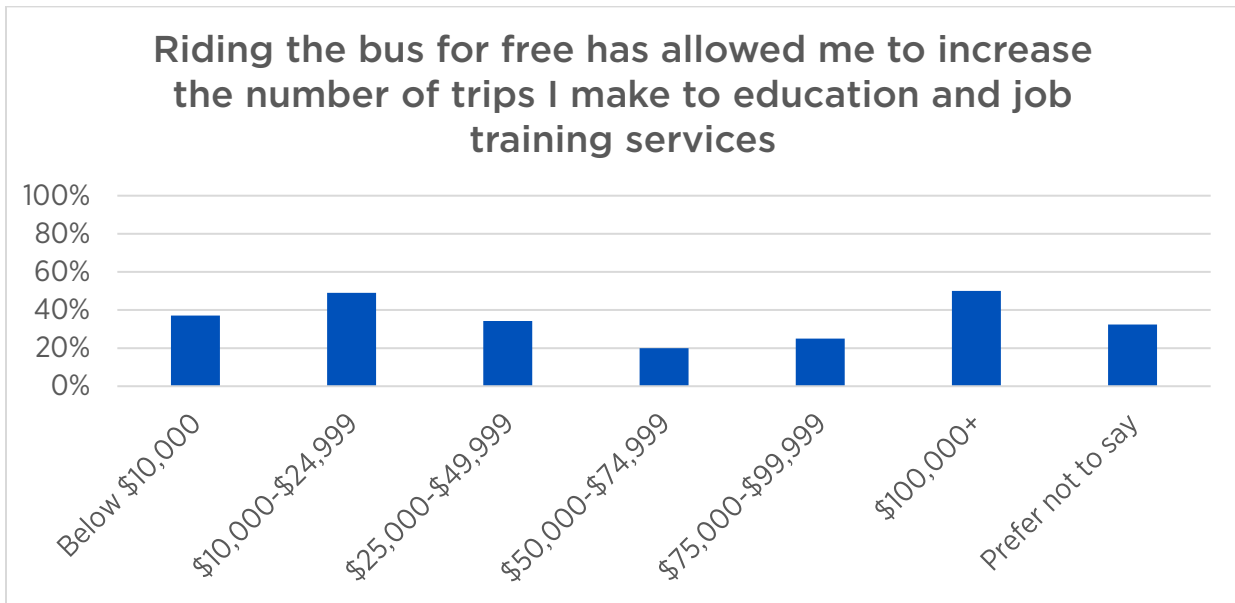
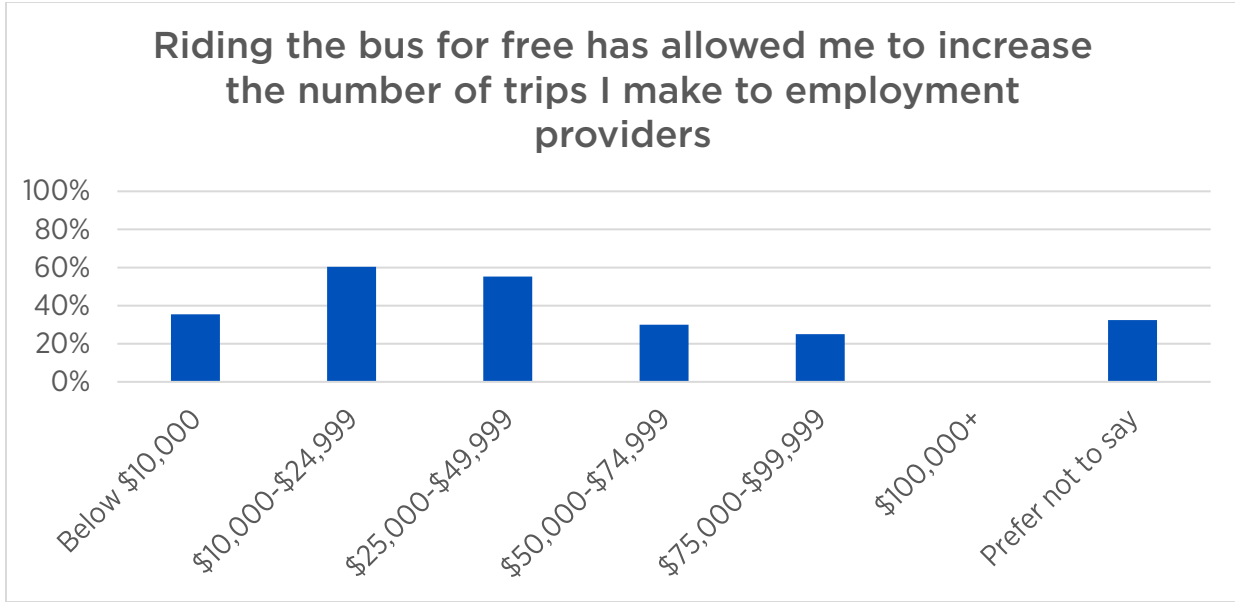
1. Traveling to familiar routes/destinations more often?
2. Accessing new routes/destinations?

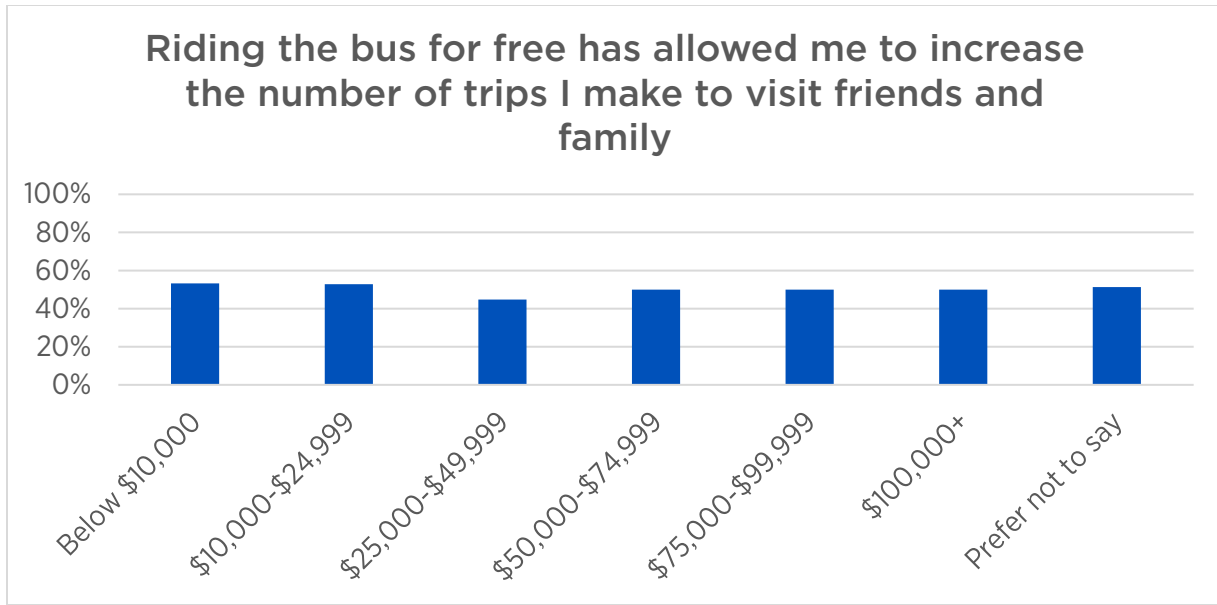


The following charts reveal survey responses related to the first main idea: Are riders traveling more often along familiar routes and to familiar destinations?

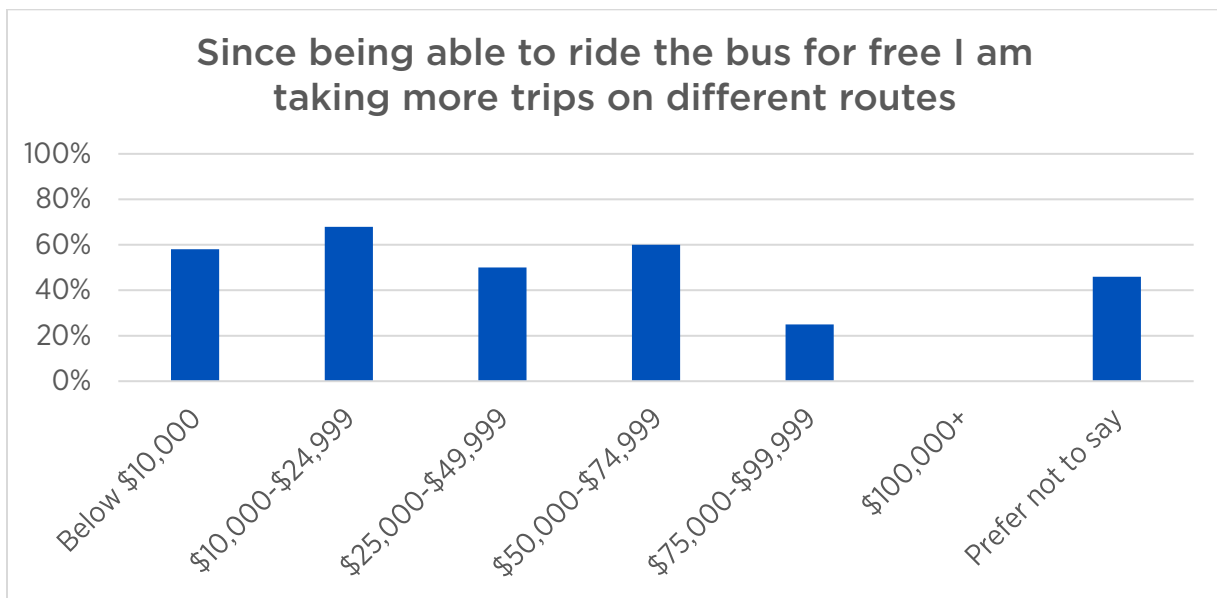


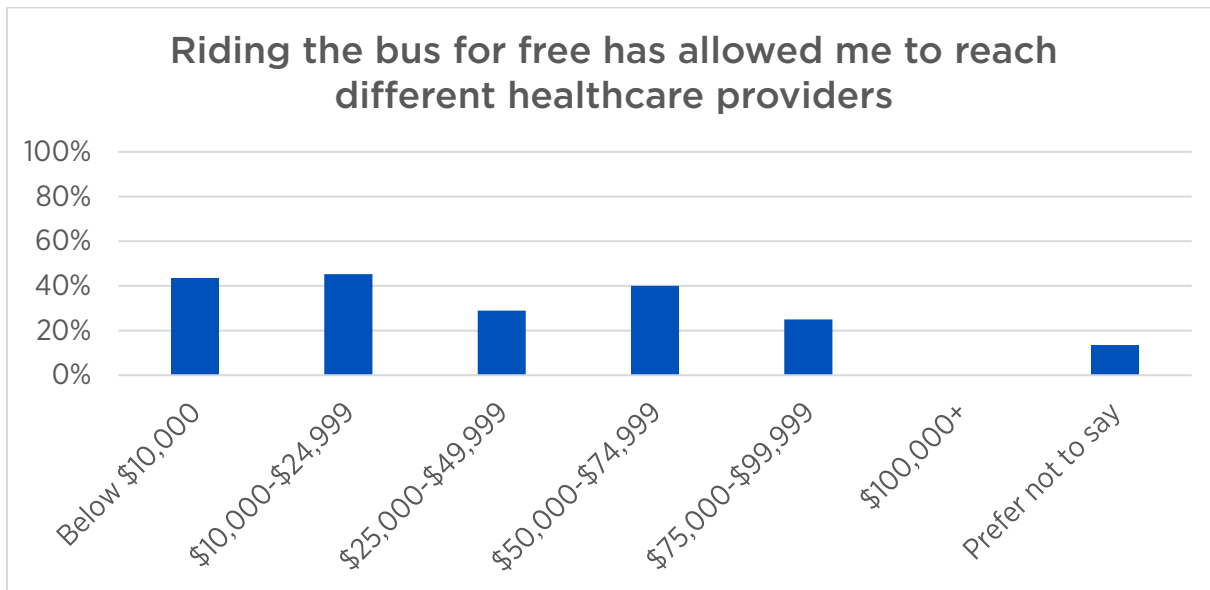
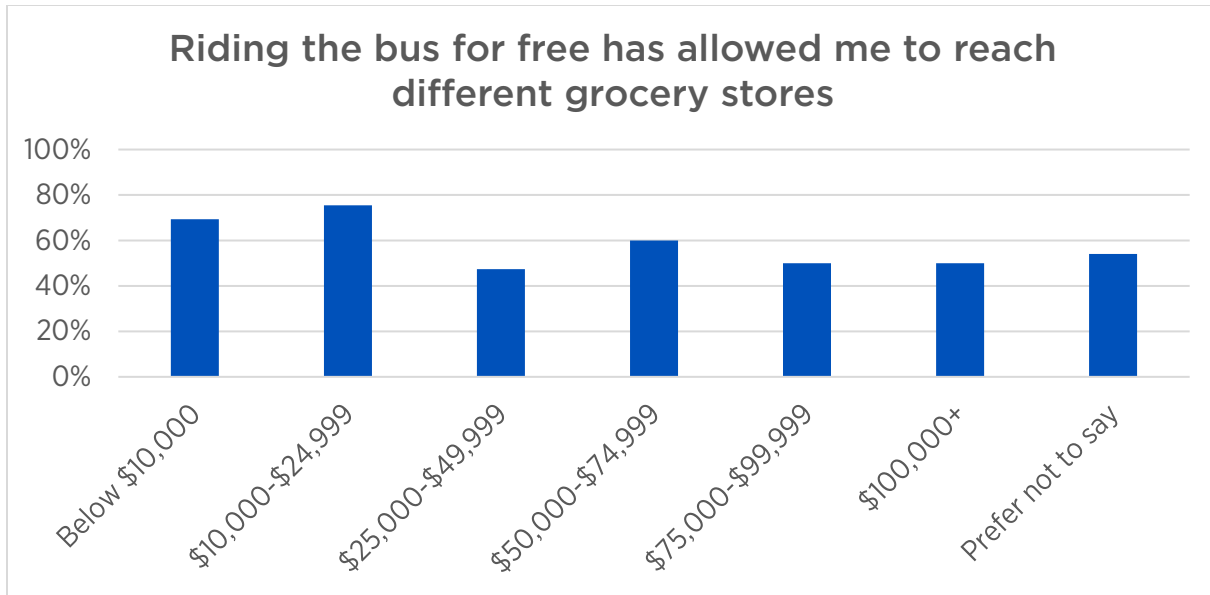


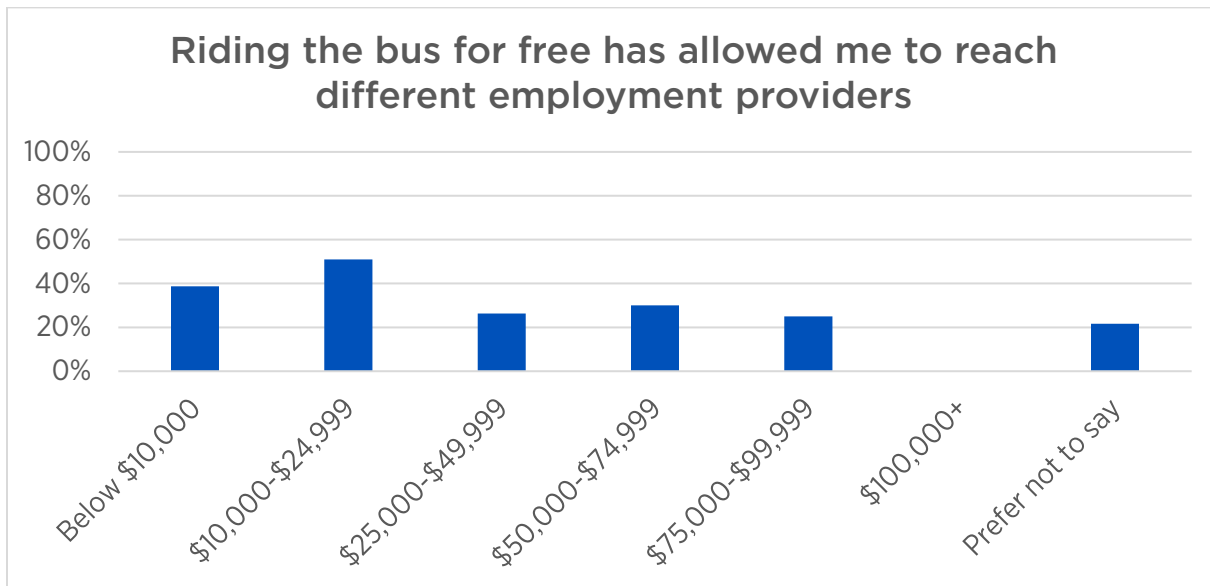
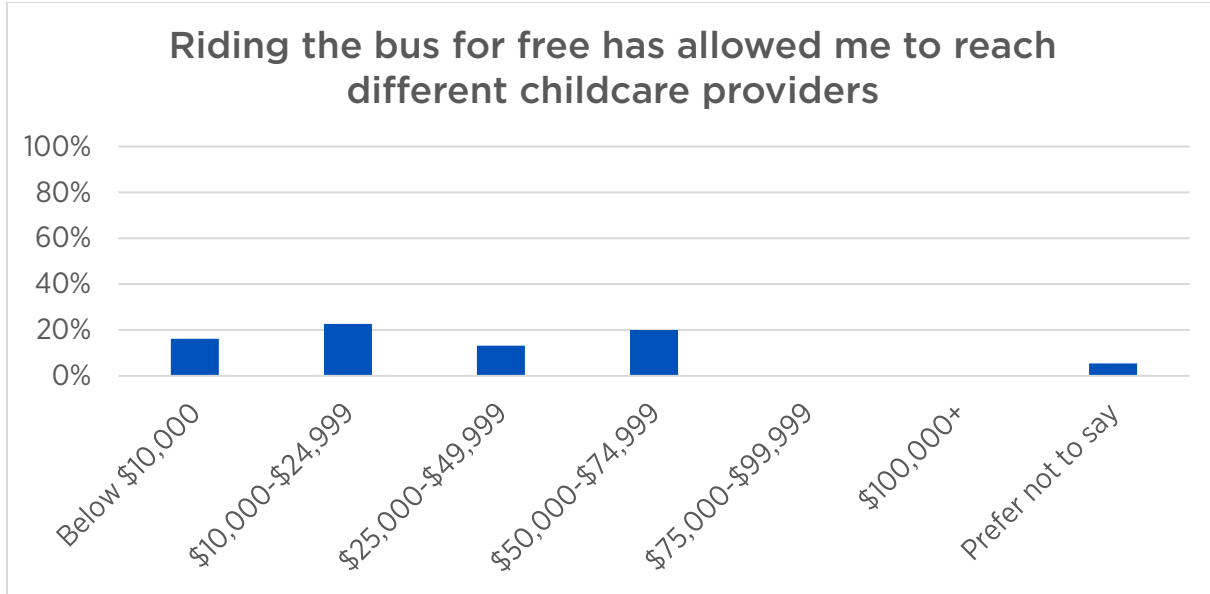




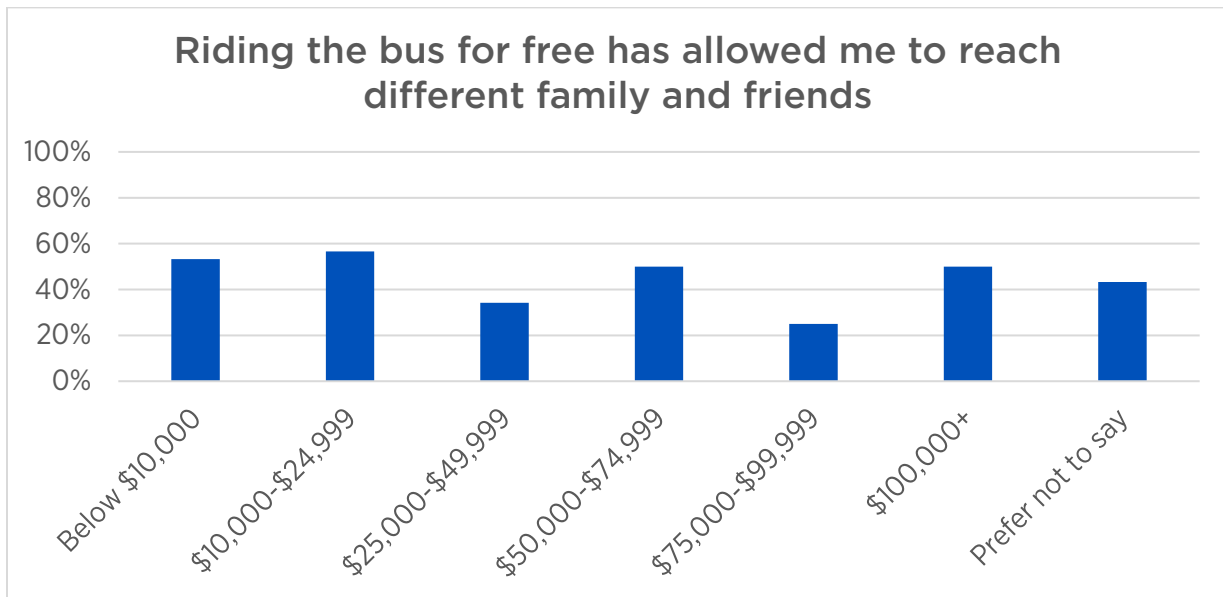
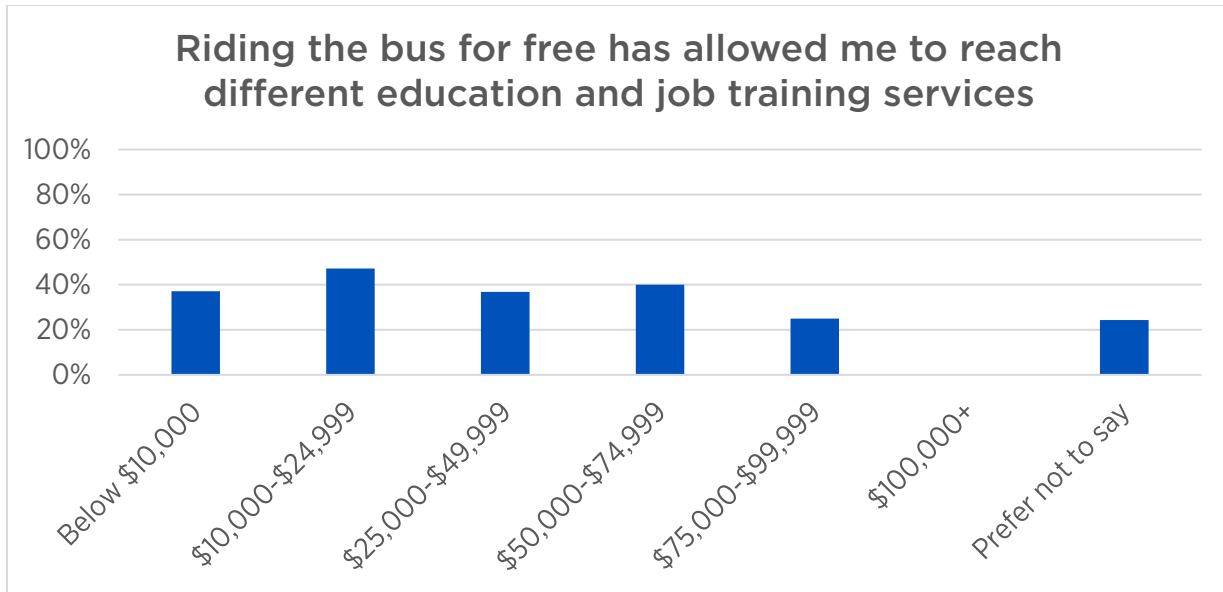
The following charts reveal survey responses related to the second main idea: Are riders traveling on new routes and to new destinations?











## Summary/Next Steps

Overall, riders are riding familiar routes more often (80%) and trying new routes (56%). Out of 153 surveyed riders making less than \$50,000 per year, 126 people (82%) are riding familiar routes more often and 91 people (59%) are using new routes to reach new destinations. Access to grocery, employment, education, and family & friends stand out as areas that have seen the largest increase in traveling behavior.

## Impacts: Staff Time



The cost and time investment from staff to process fares limits the ability to adequately resource other priorities.

## Evaluation Method

Staff time is measured through a survey of transit administrative staff to understand any time savings associated with fare free service and any new unanticipated time costs.

## Results

The following table shows the anticipated time savings and costs associated with fare free service.

Title	Time savings/costs	Description
Coordination with Brink's	~60 hrs/year time savings	Staff no longer coordinate with armored car service on pick up and delivery logistics between the maintenance facility and the bank.
Grocery store pass sales	~180 hrs/year time savings	Staff no longer coordinate bus pass delivery to 6 local grocery stores.
Lawrence Community Shelter fare donation coordination	~50 hrs/year time savings	Staff no longer develop annual City Commission action or coordinate logistics of multiple pass deliveries.
Bulk pass sales, fare-related customer service	~120 hrs/year time savings	Staff no longer work directly with organizations or individuals to sell bulk or individual passes, or troubleshoot fare-related issues.
Financial processing	~30 hrs/year time savings	Staff no longer process cash and digital revenues related to fares.
Paper pass printing, procurement, QA/QC	~40 hrs/year time savings	Staff no longer develop graphics, print, procure, or perform quality control checks on paper bus passes.

## Summary/Next Steps

These time savings are estimated to continue to be accurate. No new staff time savings or time costs have been identified through the second quarter of fare free service.

## Impacts: Rider Economics



Eliminating bus fares is anticipated to add money back into the local economy. Riders spending \$400 to \$1,000 per year on bus fare today can instead invest those dollars back into their family, their homes, food, health care, and retail in Lawrence.

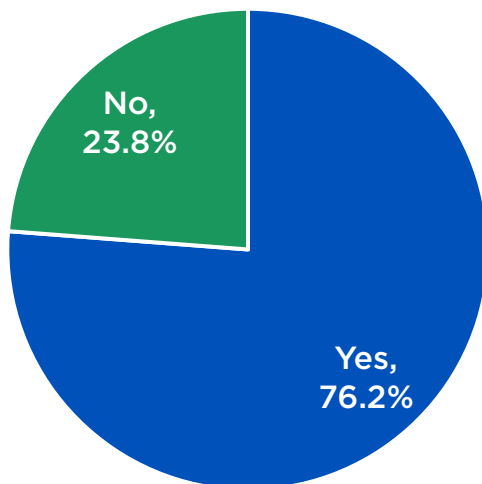
## Evaluation Method

Rider economic impact is measured through rider survey data that evaluates changes in rider spending that used to go toward transit. KU Urban Planning students began conducting intercept surveys with transit riders on 4/10/23, and 206 surveys were collected by 6/3/23 for use in the analysis below. Through the survey, riders were asked two questions about how their former transit budget is now being spent.

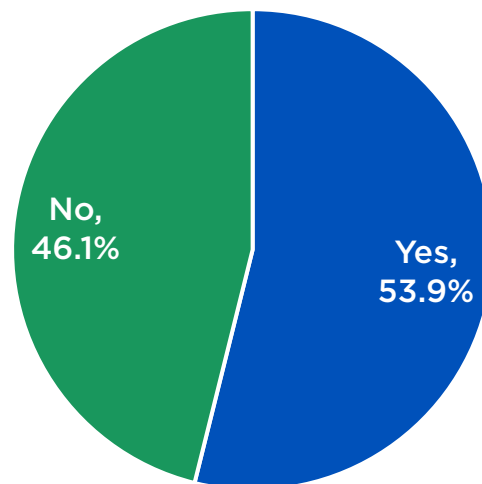
## Results

Surveyed riders were asked two questions that relate to their spending habits since fare free service began. The results are shown below.

**Riding the bus for free has allowed me to spend more on housing, food, healthcare, local businesses etc.**



**Riding the bus for free has allowed me to save more**



## Summary/Next Steps

Survey responses indicate that fare free transit service is leading to riders spending money in the community that used to be spent on transit fares, and also allowing riders to save more money.



# Impacts: Service Capacity & Budget

Eliminating bus fares has the potential to stretch the limits of service capacity in a couple of ways. For fixed route service, if ridership increases lead to full buses that cannot accommodate more riders, more buses would need to be added to routes, increasing operational costs. For paratransit and Night Line services, service levels must rise to meet the demand, as it is not permissible or equitable with federal funding to have high denial rates of service. If more riders were to seek these demand-response services, then more drivers and buses would need to be added to accommodate this increase.

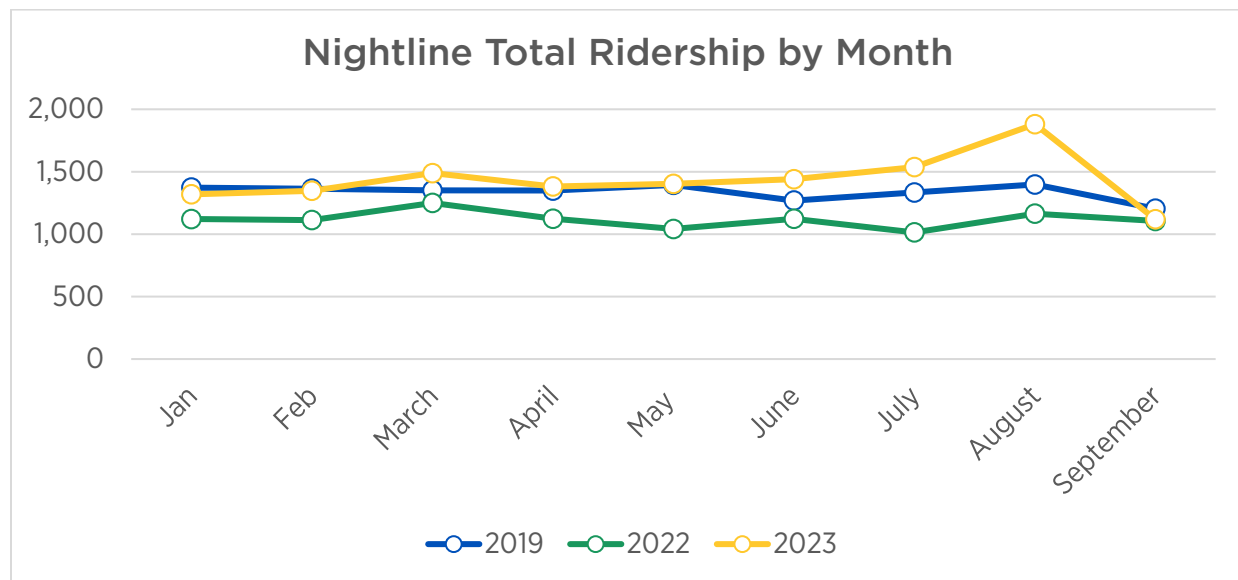
## Evaluation Method

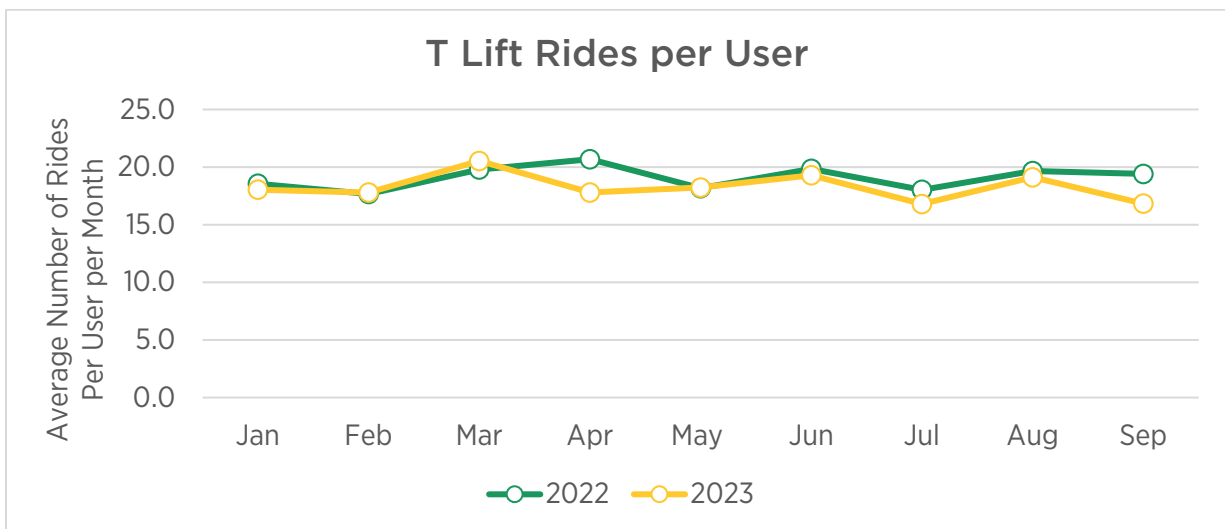
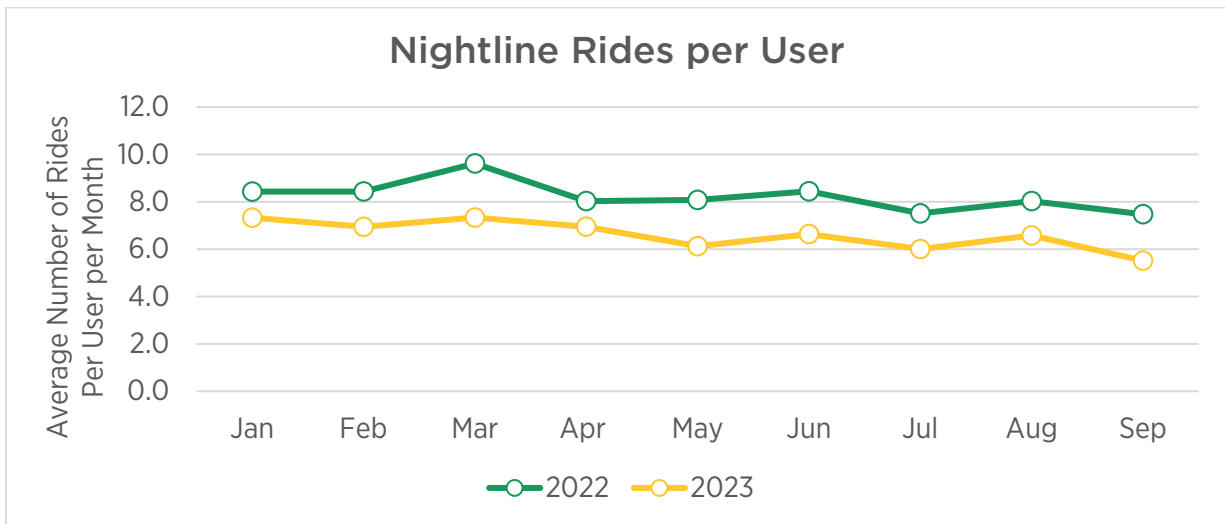
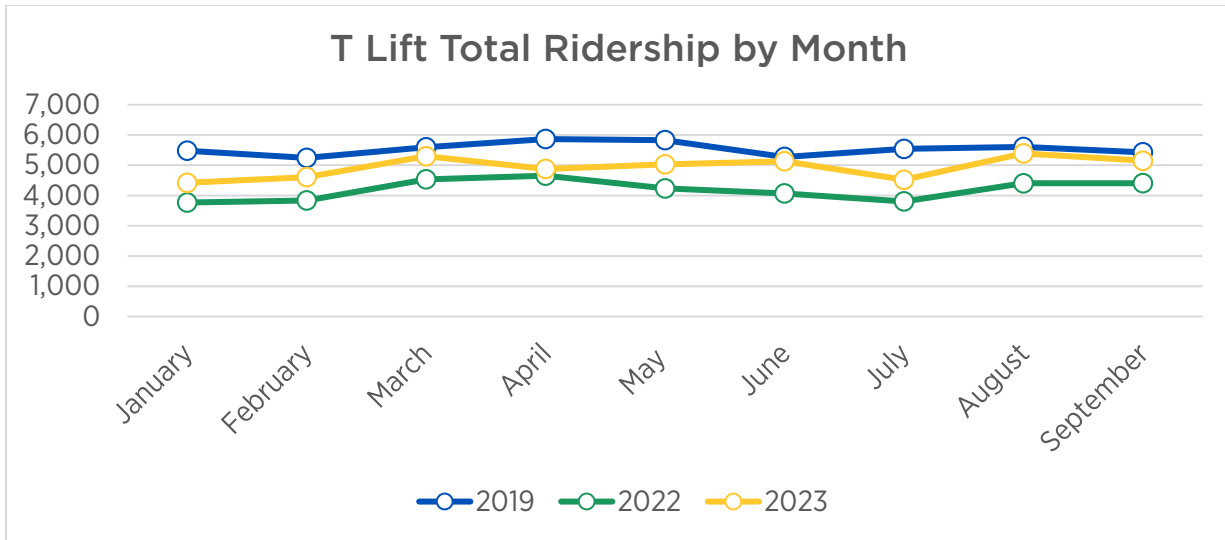
Revenue hours for fixed route, paratransit, and Night Line services are measured and reported monthly by the City’s service provider. In addition, paratransit and Night Line services maintain active user databases that are tracked for any changes in the number of individuals accessing those services monthly.

## Results

The following charts show total monthly ridership for paratransit and Night Line, as well as average monthly rides per user for January through September in 2022 and 2023 for both services.

Total ridership for Night Line is exceeding pre-pandemic ridership, and T Lift is approaching pre-pandemic ridership as well. The average number of monthly rides each Night Line user is taking has been taking is fewer in 2023 than 2022. T Lift riders are taking more monthly rides on average in 2023 than in the same months of 2022, but have not yet exceeded 2019 numbers.







## Summary/Next Steps

To ensure fair accessibility on paratransit (T Lift), Lawrence Transit cannot cap the number of vehicles or drivers available for T Lift service, or deny rides to limit capacity. Capacity of T Lift must rise to meet the demand, which could present budgetary challenges in the future if the total number of rides and monthly rides per user increases over 2019 numbers.

Night Line service capacity can be capped if needed, which would result in longer wait times for rides during periods of high demand, but would allow greater control over budgetary impacts.

Through the first 9 months of 2023, use and costs have not risen on paratransit or on demand service, which is critical to the ability to extend the fare free program through December 2024.