Subject: DES - ART Study

# FY 2022 Proposed Budget Budget Work Session Follow-up

#### 4/14/2021

The following information is provided in response to a request made by Mr. Dorsey and Ms. Garvey at the work session on 3/4/2021, regarding the following question:

Is there a cost/benefit or value to implementing reduced or free ART fares in order to help us get closer to our CEP goals? Are we able to do a pilot study on providing free transportation?

### Working on a regional basis to study fare-free transit and impacts on the environment

- Because of Arlington's unique position in the region of having the majority of Northern Virginia transit services beginning or ending within our borders, we believe a successful long-term reduced or free fare program should be a regional approach with agreement and participation among Northern Virginia transit systems.
- To that end, Arlington Transit is actively supporting the Northern Virginia Transportation Commission's (NVTC) study of a collaborative and regional approach to this topic.
  - The goal of NVTC's study is to identify factors that inform policy and technical decisions regarding implementing fare-free transit, and inform regional partners on costs, benefits, and funding considerations. It will inform transit agencies on the feasibility of implementing fare-free transit and provide an overview of the continuum of fare-free policies.
  - A regional approach offers a greater opportunity to impact Arlington's Community Energy Plan (CEP) goals. At the request of Arlington Transit staff, NVTC's effort will include linking transit ridership, fare policy and our region's climate change response. NVTC already plans to connect with the Metropolitan Washington Council of Government (COG) Transportation Planning Board regional mobility emissions modelling for air quality compliance, capturing the role of increased transit ridership on meeting the region's air quality targets.
  - NVTC's study, being conducted by Kimley-Horn/IBI, will start the first week of April and is expected to take 14 weeks to complete.

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## Making the connection between transit ridership, fare policy and local/regional climate change goals

- Public transit plays a major role in promoting a more sustainable future for Arlington and the region by greatly reducing the impact of the transportation sector on the environment.
- Arlington's approach to multimodal transportation, transit-oriented development and transportation demand management has consistently yielded the lowest use of private vehicle trips per unit of development of any jurisdiction in the National Capital Region outside of the District of Columbia, and that trend-line continued down until the beginning of the pandemic.

#### ART currently uses free transit promotions to attract transit riders

- Arlington Transit currently uses free transit promotions as a short-term strategy – for example, to attract riders to a new route. This targeted approach isolates revenue loss to Arlington and fits within ART's fleet capacity.
- As we emerge from the COVID-19 pandemic, Arlington Transit will continue to pursue promotional opportunities, in partnership with Arlington County Commuter Services (ACCS), to increase current rider trips and attract new users to the system.
- In the County's comments to WMATA on its proposed FY 2022 budget, we requested WMATA implement a reduced-price unlimited ride pass in FY 2022 as a way to encourage additional ridership.
  - Arlington Transit will advance proposals for the adoption of compatible pass products for ART service.

Given that Arlington Transit carries approximately 4% of all transit trips (bus and rail) in the County on an average weekday (pre-pandemic), Transit believes a longer-term reduced or free fare program would be the most successful on a regional basis.

- Of that 4% of daily transit ridership, 40% of Arlington Transit riders transfer to/from other systems, predominantly to/from Metrobus and Metrorail.
- The region's fare system is structured to allow seamless movement for riders, and these transfers and the use of SmarTrip cards generate a significant amount of revenue for Arlington Transit.
  - In FY 2019, ART received \$1.15m in direct farebox revenue and \$2.15m for transfers and SmarTrip card usage on ART.
  - In FY 2019, ART received \$3.4m in state operating assistance, which is based on performance indicators including ridership productivity and fare box recovery.