



BOARD OF DIRECTORS REPORT

MEETING DATE: MARCH 4, 2025 **AGENDA ITEM #:** 11

TYPE: ACTION ITEM

PREPARED BY: DIRECTOR OF FINANCE & ADMINISTRATION NANCY TILLIE
PLANNING & MARKETING MANAGER HILLARY BLACKERBY

REVIEWED BY: GENERAL MANAGER JERRY ESTRADA

SUBJECT: **2025 FARE STRUCTURE ADJUSTMENT AND EQUITY ANALYSIS**

RECOMMENDATION:

Staff recommends that the Board receive a report on the fare structure adjustment outreach process and survey results, and adopt fare structure Alternative 2. Additionally, staff recommends raising the age of eligibility for the senior fare to 65 from 62, in order to bring the cash and pass fare in line with Tap2Ride senior eligibility.

DISCUSSION:

MTD is facing a significant budget deficit in future years as costs have increased over the past 16 years. Additionally, as result of the population growth in South Santa Barbara County as reported through the 2020 Census, eligibility for access to a major source of funding from the federal government has been eliminated. To address this budget deficit, MTD is evaluating potential sources of increased revenue, including a potential fare increase that would allow MTD to recover an estimated \$1.3 to \$1.5 million dollars to be put towards operations. Two alternatives to the fare rates are under consideration.

MTD conducted a robust public outreach process in January and February 2025, which included a survey of our riders. This survey gathered demographic information, preference between fare alternatives, and the likelihood of ridership continuing following a fare change. Over 420 individuals responded to the survey. In addition to learning about rider preferences, through the survey, MTD was able to ascertain whether the proposed changes were in alignment with FTA Title VI guidelines and policies as adopted by MTD's Board of Directors.

MTD found that riders were divided 51%-49% on their preference between the proposed alternative fare rates, representing nearly identical sentiment between the two fare scenarios. Both potential fare scenarios would be in accordance with MTD's adopted

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Title VI policy, and neither alternative would result in a disparate impact on minority groups or a disproportionate burden on low-income populations. Analyses determined that increased costs of riding MTD buses would be approximately equal for all demographic groups of riders.

Budget projections suggest that, if riders continue paying bus fares in the manner they currently do (e.g., with cash, prepaid cards, Tap2Ride, etc.) revenue will increase slightly more in fare Alternative 2 than would be expected in fare Alternative 1.

Based on these results and projections, and the nearly even split in the preference of those riders have regarding the proposed fare structure alternatives, staff recommends that the Board adopt fare structure Alternative 2, which is projected to provide increased revenue and allow for the most frequent riders to ride the bus at a lower average rate should they purchase prepaid bus passes or utilize fare capping via the Tap2Ride contactless payment system.

Additionally, as part of the fare structure adjustment, staff recommends harmonizing the age for senior eligibility to 65, up from the current 62 and older threshold for cash and passes. The State and Federal definitions of “senior” are 65 years of age and older, and the configuration of contactless payment discounts for seniors is set at 65 plus for that reason. Age 65 is standard at other transit agencies in our region—SLORTA, Gold Coast Transit, City of Lompoc Transit, Monterey-Salinas Transit, and VCTC all use the 65+ rule.

ATTACHMENTS:

- Report on Survey Responses Regarding the 2025 Proposed Fare Structure Adjustment Bilingual Paper Survey
- Bilingual Paper Survey

**Report on Survey Responses
Regarding the 2025 Proposed Fare Structure Adjustment**

February 2025

Prepared by the

Santa Barbara Metropolitan Transit District





Report on Survey Responses
Regarding the 2025 Proposed Fare Structure Adjustment
February 2025

Introduction

The Santa Barbara Metropolitan Transit District (MTD) provides safe, appealing, equitable, environmentally responsible, and fiscally sound public transit service for residents and visitors of the South Coast of Santa Barbara County. Continuing to provide this service to Santa Barbara requires careful consideration of both the current and projected costs associated with providing this service. During the 2024 Fiscal Year (FY24) alone (July 1st, 2023 to June 30th 2024), MTD provided 4,684,415 rides totaling 17,466,538 miles traveled for passengers. This represented a massive turnaround with ridership that is now approaching pre-COVID-19 pandemic levels of community use, as measured by passengers per revenue hour. In order to operate this service, MTD relies on funding from a variety of sources, shown below.

MTD Budget Revenue Sources (FY 23-24)	%
Cash Fares	5.3%
Prepaid Tickets and Tokens	5.7%
Contracts with Local Universities and Agencies	6.2%
Federal Assistance	23.8%
State and Local Subsidies	50.4%
Property Taxes	6.2%
Other Revenue	2.4%
Total	100%

With dwindling federal subsidy, based on current operating costs, MTD faces upcoming budget constraints that threaten the ability for MTD to continue to provide its present level of service to the community. Most notably, due to the rising population in the service area, MTD no longer qualifies for funding from the Federal Transit Administration's Small Transit Intensive Cities program. As a result, MTD must make up a difference of \$3 million in lost funding annually from the federal government. In the present year, these losses have been offset by funding approved in the Coronavirus Aid, Relief, and Economic Security Act (CARES), the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) and the American Rescue Plan Act (ARPA). However, funds from CARES, CRRSAA, and ARPA are projected to be exhausted by FY 2028-29, requiring MTD to find alternative modes of funding to maintain service at its present level.

Five-Year Operating Forecast (\$ thousands)					
	FY 25-26 Budget	FY 26-27 Forecast	FY 27-28 Forecast	FY 28-29 Forecast	FY 29-30 Forecast
Operating Surplus/(Deficit)	(\$5,758)	(\$6,889)	(\$7,755)	(\$8,248)	(\$8,796)
Federal Funds	\$5,758	\$6,889	\$7,755	\$5,042	\$0
Balanced	\$0	\$0	\$0	(\$3,207)	(\$8,796)

In order to make up projected budget deficits, MTD is investigating opportunities to increase revenue from the federal, state, and local governments, but must also consider future contract agreements and current costs for riding the bus. Fare structure and fare policy are in the direct control of MTD. Therefore, at the November 19, 2024, Board of Directors meeting, staff recommended and received approval to conduct an initial outreach process to gather public feedback on proposed fare structure adjustments. The remainder of this report serves to update the Board of Directors and the general public on the results of the outreach effort, which informed MTD management's recommendation for the future MTD fare structure.

Proposed Fare Structure

In order to generate increased revenue that will assist MTD in maintaining service near present levels, staff proposed two alternative fare scenarios. These scenarios are illustrated in the table below. As shown, Alternative 1 proposes a \$0.50—or 29%—increase in the full fare per trip along with 62-63% increases in the cost of prepaid passes. Alternative 2 proposes a \$0.75—or 43%—increase in the full cash fare along with 53-54% increases in the cost of prepaid passes. These scenarios were each estimated to generate approximately \$1.3 to \$1.5 million in increased revenue annually.

Fare Structure		Current	Alternative 1	Alternative 2
Cash Fares	Regular Fare	\$1.75	\$2.25	\$2.50
	Youth	\$1.75	\$2.25	\$2.50
	Senior/Disabled	\$0.85	\$1.00	\$1.25
Day Pass		\$6.00	\$6.00	\$6.00
10-Ride Pass	Adult	\$11.50	\$18.50	\$17.50
	Youth	\$8.25	\$13.50	\$12.50
	Senior/Disabled	\$5.50	\$9.00	\$8.50
30-Day Pass	Adult	\$52.00	\$85.00	\$80.00
	Youth	\$42.00	\$68.00	\$65.00
	Senior/Disabled	\$20.00	\$32.00	\$30.00

Outreach Efforts

MTD staff set out to engage with riders and allow for public input through a number of outreach efforts. These steps are outlined below.

- Dedicated Page on MTD Website**

MTD added a page to its website detailing the proposed alternative fares, why the change would be necessary, potential budget scenarios, and soliciting community feedback. The dedicated page is available here: <https://sbmtd.gov/farechange>

- Bilingual Online and Paper Surveys**

MTD provided online surveys that were accessible through QR codes posted on buses, in the Transit Center, and at bus stops, and at the website mentioned above. For riders who were unable to access online links or preferred to answer on a physical sheet of paper, the survey was also available in paper form, with English on one side and Spanish on the other. The paper surveys were available at the Transit Center and on board every bus. In total, these surveys resulted in over 420 responses in English and Spanish combined, with 15% of responses coming from a paper survey.

- Bus Stop Flyers**

Flyers were posted at every active bus stop, and were bilingual in English and Spanish. The flyer including a brief description of the proposed fare changes, the table with the two alternatives (as pictured on the previous page), information on in-person public meetings, and QR codes that allowed community members direct access to the dedicated webpage and online survey regarding the proposed fare change. This allowed riders to learn more as they waited for buses or passed by stops on foot. The Transit Center also had several posters with this information.

- Onboard Flyers and Paper Surveys**

The same flyer mentioned above (in a larger 11x17 format) was installed towards the front of all MTD buses, with paper surveys available. Each bus also had a plastic box where riders could return their completed surveys.

- Community Open-House Style Meetings**

MTD staff hosted four community meetings across our service region over the course of three weeks, one each at the Goleta Valley Community Center, the Eastside Santa Barbara Public Library, the Central Santa Barbara Public Library, and the Carpinteria Library. Each event was attended by multiple members of MTD leadership and staff and interpretation services were available. English/Spanish interpretation was used at 3 of the 4 meetings. Instead of the traditional presentation and public comment format, these meetings had staffed display boards that members of the public could read and then converse with MTD staff to better understand the proposal and share their input. These events led to direct contact with approximately 35 community members in total.

- Social Media and Traditional Media Campaign**

At the beginning of the outreach process, staff sent out a press release in English and Spanish to local media outlets announcing the meetings and survey in an effort to boost the visibility of the fare change process. Several local media outlets covered the process.

MTD maintains accounts on several social media platforms, including Instagram, Facebook, X (formerly Twitter), and TikTok. For the month and a half of the outreach campaign, staff posted a combined 50 times about the fare changes across the platforms.

MTD also maintains a monthly e-newsletter and sent two messages to that list of over 600 individuals with information on the process and links to take the survey.

Survey Design

Surveys were designed to both inform the public of the proposed fare scenarios and gain key information about ridership and their preferences. Thus, all paper and online surveys provided explanations of the proposed fare structures and why MTD feels it is necessary to restructure fare costs prior to asking questions. The questionnaire was designed to be efficient so as to increase the number of respondents while allowing MTD to gauge the desires of passengers and complete required analyses under Title VI of the Civil Rights Act of 1964 as instructed by the Federal Transit Administration. Thus, 12 questions were asked about rider habits, preferences, and demographics. A copy of the paper survey in English and Spanish is attached.

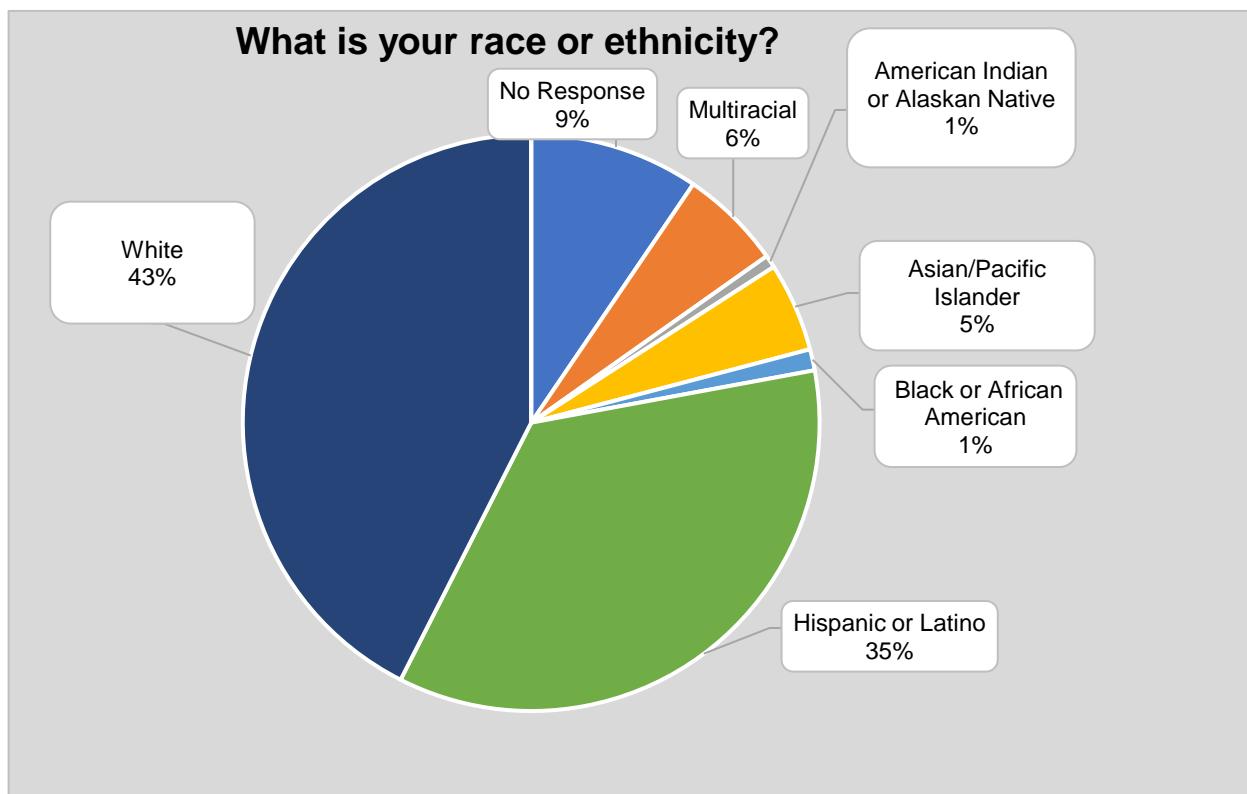
The questions are as follows:

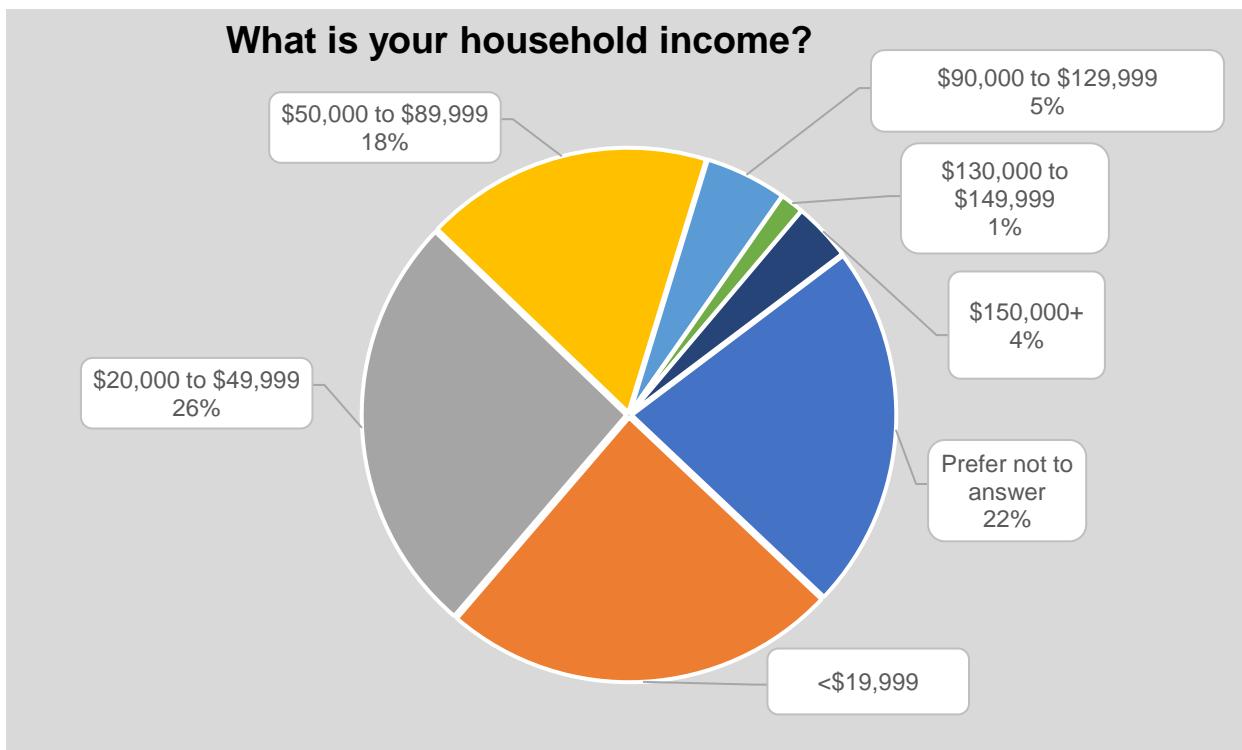
1. How often do you ride MTD buses?
2. How reasonable is a \$2.25 bus fare?
3. How reasonable is a \$2.50 bus fare?
4. Between Alternative 1 and Alternative 2, which would you like to see implemented?
5. How do you currently pay your fare?
6. If you haven't used [Tap2Ride], why not?
7. How would you prefer to pay for your fare?
8. How likely are you to continue using MTD transit services if the proposed fare increase is approved?
9. What is your household income?
10. Which race or ethnicity best describes you?
11. Please write your home zip code.
12. Do you have any other comments concerning MTD's proposed fare adjustment?

Survey Responses

Demographic Data

The responses MTD received from riders were generally representative of the South Santa Barbara County region as a whole. Forty-three percent (43%) of respondents identified themselves as White/Caucasian, 35% as Hispanic or Latino, 6% as multiracial, 5% as Asian/Pacific Islander, 1% as American Indian or Native Alaskan, and 1% as Black or African American. Respondents also came from a variety of economic backgrounds, though most respondents were lower income, including 50% of respondents who said their household income was at or below \$49,999. More details are provided in the figure below.

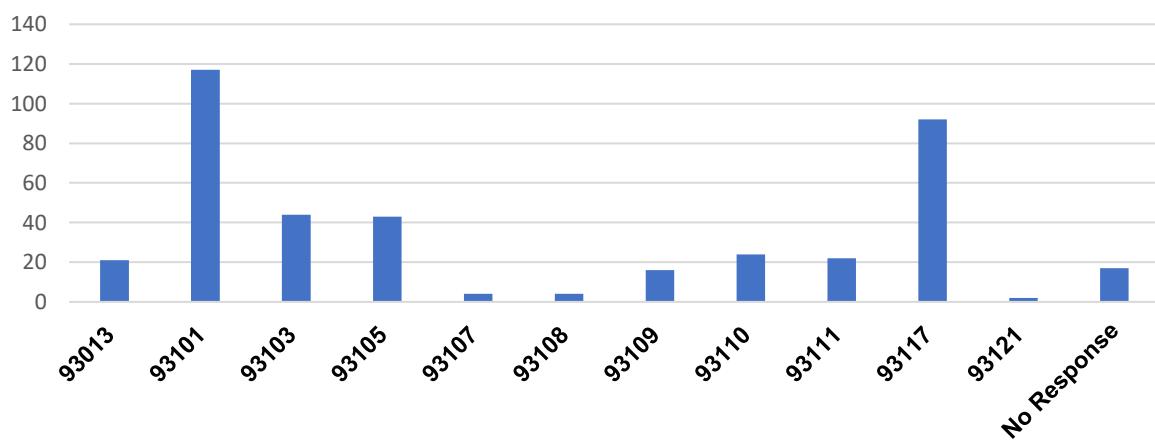




In addition to considering race/ethnicity and income, a third demographic characteristic was the respondents home zip code. The survey gathered information from 22 different zip codes across the service area. The distribution of responses across zip codes is shown below for zip codes with multiple respondents.

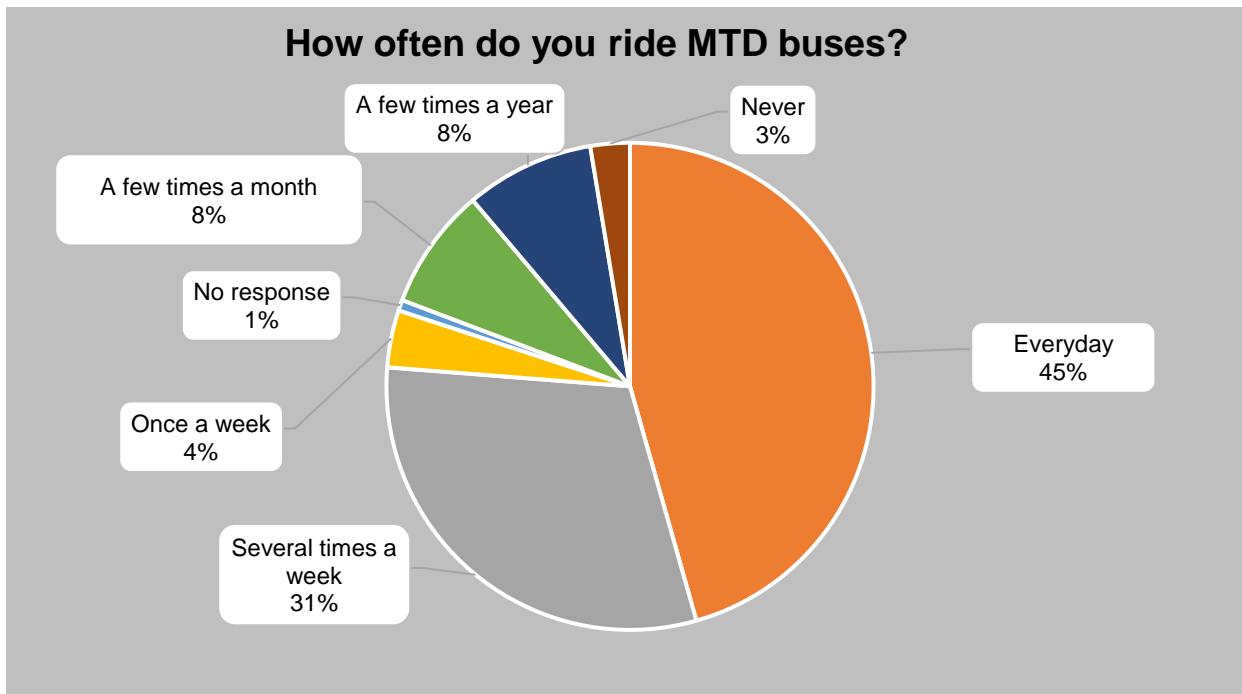
Number of Responses by Zip Code

(at least 2 surveys completed)

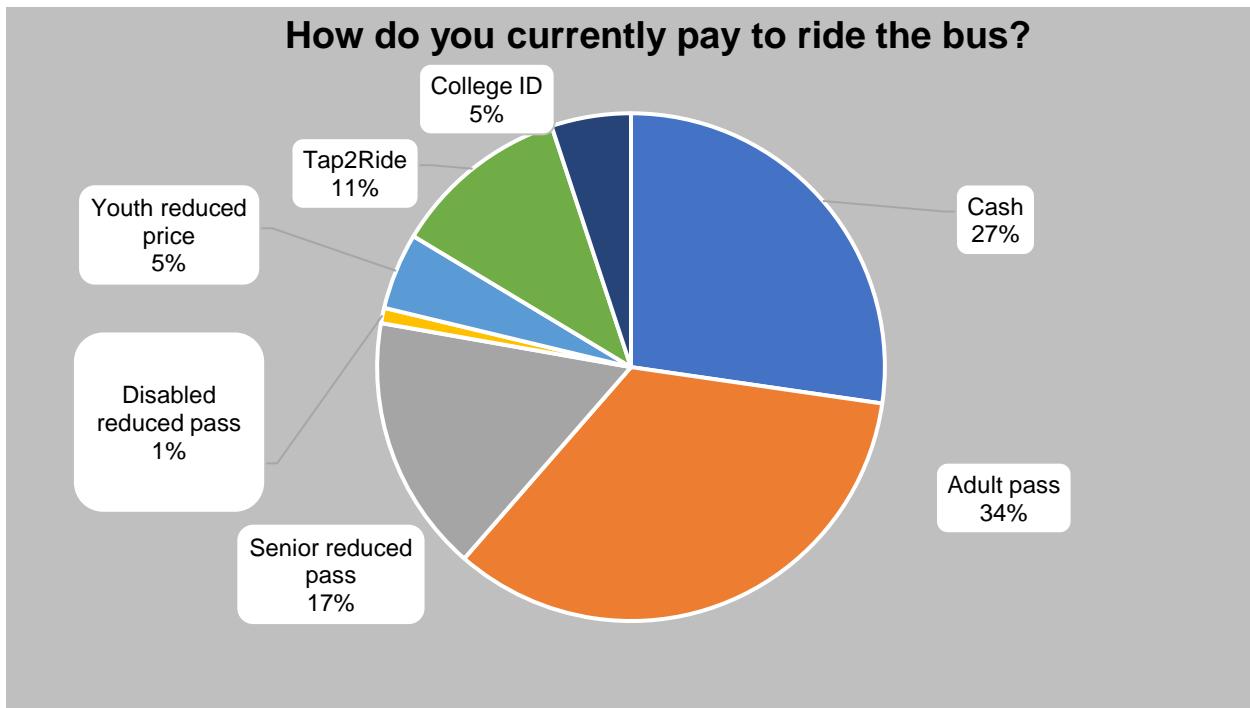


Ridership Habits

Of critical importance to ensuring the future of MTD's effectiveness is knowing about our rider's habits and how they will be impacted by changes to the fare structure. To that end, riders were asked to report how often they ride the bus. Most respondents were frequent riders, including 45% who said they ride the bus every day, and another 31% who said they ride the bus several times a week. Still, a sizeable number of responses were received from less frequent riders, and even some from community members who said they never ride the bus.



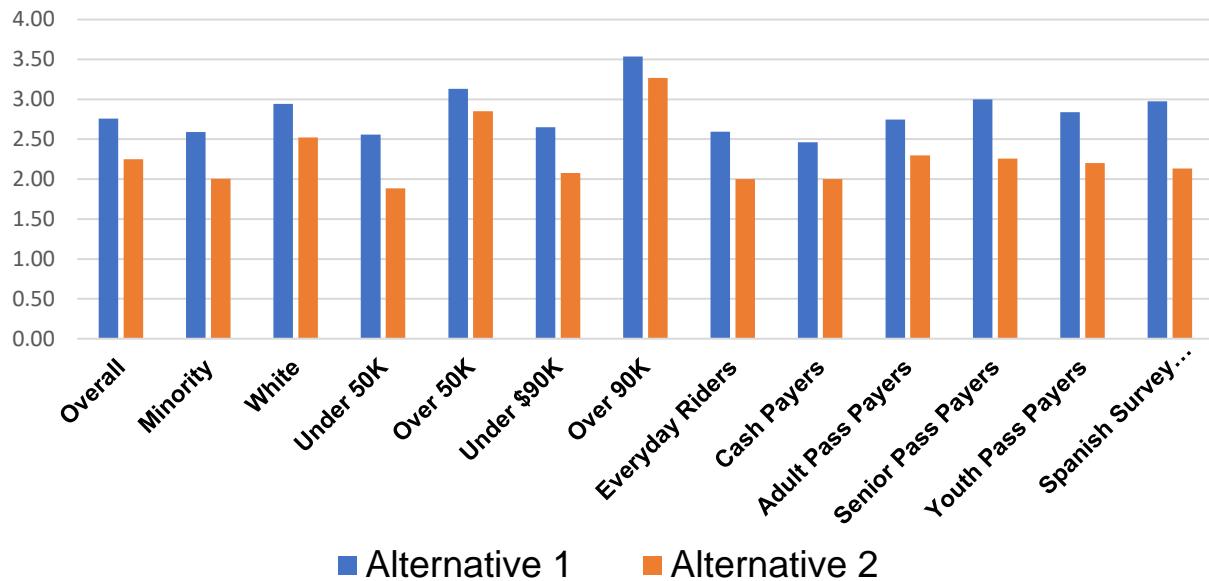
Given the different changes in fare levels, it was also important to gauge how respondents preferred to pay their fare when riding the bus. Survey respondents, like ridership on the whole, pay their fare in a number of different ways, including prepaid cards (34% adult prepaid, 17% senior prepaid, 5% youth prepaid, 56% overall), cash (27%), Tap2Ride (11%), and College IDs (5%). These numbers are closely aligned with ridership overall, though with fewer college ID users than in the ridership MTD typically reports. That is appropriate given that college ID users pay through their tuition process and may be less concerned or inclined to complete a survey about fare changes.



Rider Preferences

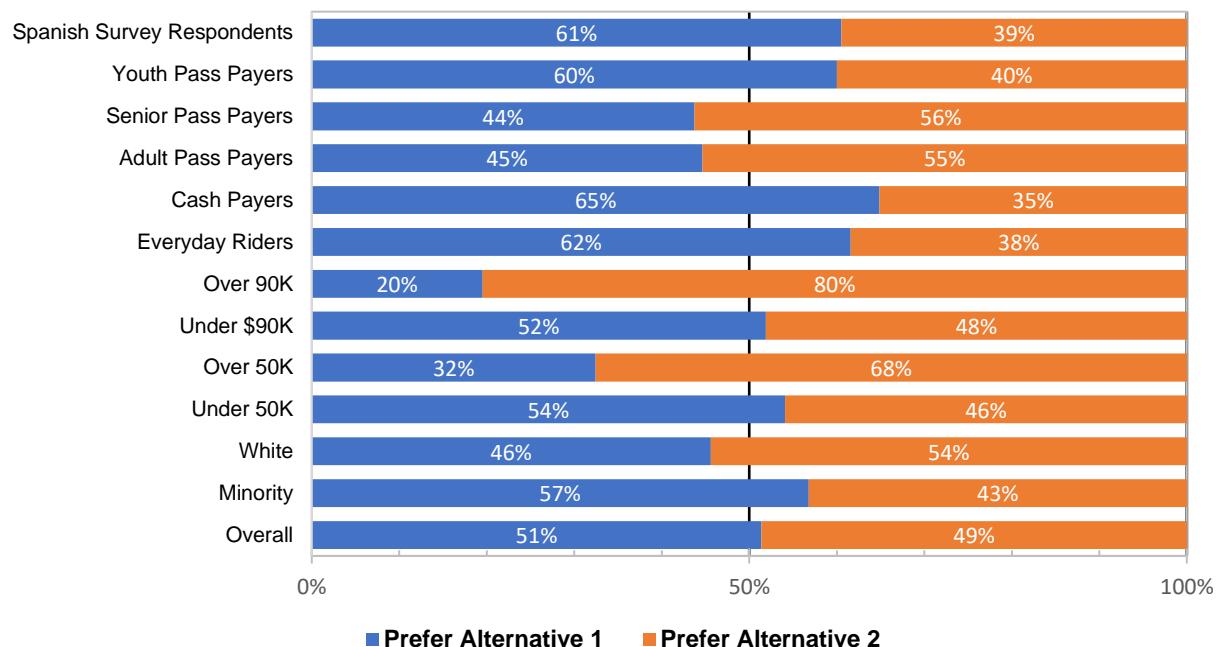
A key component of the survey was the opportunity to discern which alternative riders would prefer and how ridership would be affected by changes to the fare structure. To that end, respondents were asked on a scale of 1 to 5 how reasonable they felt each fare alternative was, and which alternative they would prefer to see implemented. Overall, respondents found Alternative 1 to be more reasonable than Alternative 2; the average rating for Alternative 1 was 2.8 compared to an average rating of 2.3 for Alternative 2. Though the exact averages varied, this pattern was observed across a number of different demographic and ridership groups, including minority, White, low-income, higher-income, everyday riders, cash payers and even those who currently pay with an adult senior or youth pass.

How reasonable do you find the proposed fare alternatives?



Relatedly, among the full sample of respondents, riders tended to prefer Alternative 1 to Alternative 2, though only by a slight amount, with 51% of all respondents saying they preferred Alternative 1 and 49% saying they preferred Alternative 2. There was also variance across different groups of riders. Several groups said they preferred Alternative

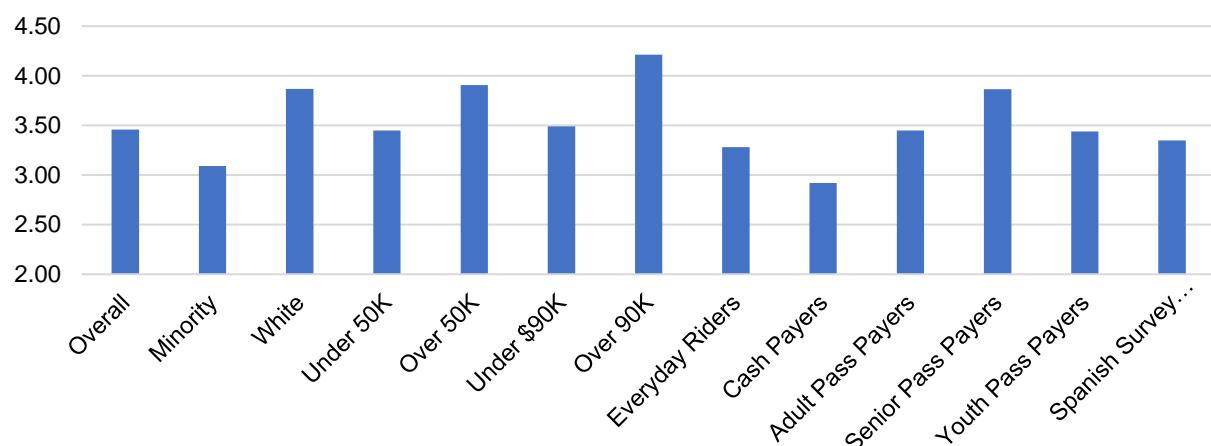
Which fare alternative do you prefer?



1, including: minority (57%), low-income (54%), everyday (62%) cash paying riders (65%), and youth prepaid pass users (60%). Other groups, however, said they preferred Alternative 2, including: White (54%), higher income (80%), adult prepaid pass users (56%), and senior prepaid pass users (55%).

Finally, we remain aware that if a fare increase is instituted, current riders may reevaluate their transportation options. Thus, riders were asked how likely they were to continue riding MTD buses if a fare increase was instituted. Overall, riders said they were likely to continue to use MTD buses following a fare increase. Nonetheless, there was variance in how likely they were to continue using the bus across groups. Cash payers had the reported the lowest likelihood of continuing to ride MTD buses, while higher income, White, and senior pass payers were reported the highest likelihood of continuing to ride the bus.

On a scale of 1-5, how likely are you to continue using MTD transit services if the proposed fare increase is approved?



Title VI

Under the authority of Title VI of the Civil Rights Act of 1964 (Title VI), Federal Transit Administration (FTA) Circular 4702.1B directs transit providers to define and set standards for analyzing the potential adverse effects of proposed major service changes and all proposed fare changes on protected populations. An equity analysis is conducted prior to implementing any such service or fare change to evaluate whether the proposed change is likely to have a disparate impact on populations protected under Title VI, or place a disproportionate burden on low-income populations.

The Santa Barbara Metropolitan Transit District (SBMTD) follows this Service and Fare Change Equity Policy (Policy) in accordance with Chapter IV, Section 7 of Circular 4702.1B to assist with equitable and transparent decision-making and with the goal of fairly distributing the adverse impacts of and any burdens associated with fare and major service changes.

In correspondence with this policy, before implementing a fare change, SBMTD has conducted an equity analysis to determine whether the effects of the proposed change will impose a disparate impact on populations protected under Title VI or a disproportionate burden on low-income populations. Here, we outline the present policy as it relates to fare changes and the results of our survey as they relate to impacts on protected populations.

MTD Service and Fare Equity Policy

The following paragraphs are excerpts from MTD's Service and Fare Equity Policy, adopted by the MTD Board of Directors in October 2024.

Fare Changes

A disparate impact or disproportionate burden will be deemed to have occurred if the difference between the percentage change in fares for protected riders and non-protected riders is greater than 15%. For example, if a fare change yields a 25% increase in fares for protected riders and a 5% increase in fares for non-protected riders, the difference in impact between the two populations would be 20%. This would result in a disparate impact and/or disproportionate burden finding, because the difference in impact between protected and non-protected riders is greater than 15%.

Defining Disparate Impact

Consistent with the FTA Circular, if the proposed change will have a disparate impact on riders or potential riders who are protected on the basis of race or ethnicity, SBMTD may only adopt the change upon demonstrating: 1) a substantial legitimate justification for the proposed change; and 2) there are no alternatives that would have a less disparate impact on minority riders but would still accomplish the agency's legitimate program goals.

Defining Disproportionate Burden

If the proposed change will disproportionately affect low-income populations, whether by benefit or burden, SBMTD may only adopt the change if further mitigation measures or alternatives that would reduce the disproportionately high and adverse effects are not practicable. In determining whether a mitigation measure or alternative is practicable, the social, economic, and environmental effects of avoiding or mitigating the adverse effects shall be taken into account.

Fare Equity Analysis Process

SBMTD will conduct a fare equity analysis before implementing any proposed change that would increase or decrease individual or system-wide fares or fares by fare payment type or fare media. For a fare increase or decrease, SBMTD will assess whether protected riders are more likely than non-protected riders to use the affected fare type, and what the potential cost impact would be to these riders. Concurrently-proposed fare changes are considered in the aggregate.

Results of Fare Equity Analyses

Analyses were conducted to determine if each of the proposed fare alternatives is acceptable under SBMTD's adopted Title VI guidelines. To that end, the tables below show that no disparate impacts or disproportionate burdens were identified for either of the proposed alternative fare structures, based on the 15 percent difference threshold. An additional set of analyses show that expected fare increases are nearly identical for all focal groups, with slightly lower increases in fare costs for minority and low-income riders compared to White or higher income riders, respectively.

Fare Equity Analysis Tables Based on Survey Results

Fare Type	Cost		Change		Impact by Usage by Group						
	Existing	Proposed	Increase Amount	Percent	Under 50K	50K-90K	Under 90K	Over 90K	Minority	White	Overall
Currently pays with cash	\$1.75	\$2.25	\$0.50	28.6%	31.0%	22.5%	29.3%	17.4%	32.8%	23.0%	28.7%
Currently pays with adult pass	\$1.04	\$1.68	\$0.64	62.0%	34.3%	39.4%	34.9%	45.7%	37.3%	34.0%	35.9%
Currently pays with senior reduced pass	\$0.51	\$0.83	\$0.32	62.0%	18.4%	17.6%	18.5%	15.2%	9.4%	28.5%	17.2%
Currently pays with disabled reduced pass	\$0.51	\$0.83	\$0.32	62.0%	2.0%	0.0%	1.5%	0.0%	1.7%	0.0%	1.0%
Currently pays with youth reduced pass	\$0.87	\$1.42	\$0.55	63.0%	4.1%	3.5%	4.1%	2.2%	4.5%	6.0%	5.1%
Currently pays with Tap2Ride	\$1.75	\$2.25	\$0.50	28.6%	10.2%	16.9%	11.7%	19.6%	14.3%	8.5%	11.9%

The fare equity analysis of Alternative 1 demonstrates no disparate impact or disproportionate burden.

Fare Type	Cost		Change		Impact by Usage by Group						
	Existing	Proposed	Increase Amount	Percent	Under 50K	50K-90K	Under 90K	Over 90K	Minority	White	Overall
Currently pays with cash	\$1.75	\$2.50	\$0.75	42.9%	31.0%	22.5%	29.3%	17.4%	32.8%	23.0%	28.7%
Currently pays with adult pass	\$1.04	\$1.59	\$0.55	53.0%	34.3%	39.4%	34.9%	45.7%	37.3%	34.0%	35.9%
Currently pays with senior reduced pass	\$0.51	\$0.78	\$0.27	52.5%	18.4%	17.6%	18.5%	15.2%	9.4%	28.5%	17.2%
Currently pays with disabled reduced pass	\$0.51	\$0.78	\$0.27	52.5%	2.0%	0.0%	1.5%	0.0%	1.7%	0.0%	1.0%
Currently pays with youth reduced pass	\$0.87	\$1.34	\$0.47	53.5%	4.1%	3.5%	4.1%	2.2%	4.5%	6.0%	5.1%
Currently pays with Tap2Ride	\$1.75	\$2.50	\$0.75	42.9%	10.2%	16.9%	11.7%	19.6%	14.3%	8.5%	11.9%

The fare equity analysis of Alternative 2 demonstrates no disparate impact or disproportionate burden.

Alternative 1 Disparate Impact and Disproportionate Burden Analysis

Disparate Impact on Minority Groups Analysis for Alternative 1						
Fare Type	Existing Cost	Proposed Cost	Increase Amount	Percent Change	Minority Impact	Overall Impact
Currently pays with cash	\$ 1.75	\$ 2.25	\$ 0.50	28.6%	32.8%	28.7%
Currently pays with adult pass	\$ 1.04	\$ 1.68	\$ 0.64	62.0%	37.3%	35.9%
Currently pays with senior reduced pass	\$ 0.51	\$ 0.83	\$ 0.32	62.0%	9.4%	17.2%
Currently pays with disabled reduced pass	\$ 0.51	\$ 0.83	\$ 0.32	62.0%	1.7%	1.0%
Currently pays with youth reduced pass	\$ 0.87	\$ 1.42	\$ 0.55	63.0%	4.5%	5.1%
Currently pays with Tap2Ride	\$ 1.75	\$ 2.25	\$ 0.50	28.6%	14.3%	11.9%

Because the percentage difference between the impact on minorities and the overall population is less than 15%, there would be no disparate impact on minority groups if Alternative 1 were implemented.

Disproportionate Burden on Low-Income Groups Analysis for Alternative 1						
Fare Type	Existing Cost	Proposed Cost	Increase Amount	Percent Change	Low-Income Impact	Overall Impact
Currently pays with cash	\$ 1.75	\$ 2.25	\$ 0.50	28.6%	29.3%	28.7%
Currently pays with adult pass	\$ 1.04	\$ 1.68	\$ 0.64	62.0%	34.9%	35.9%
Currently pays with senior reduced pass	\$ 0.51	\$ 0.83	\$ 0.32	62.0%	18.5%	17.2%
Currently pays with disabled reduced pass	\$ 0.51	\$ 0.83	\$ 0.32	62.0%	1.5%	1.0%
Currently pays with youth reduced pass	\$ 0.87	\$ 1.42	\$ 0.55	63.0%	4.1%	5.1%
Currently pays with Tap2Ride	\$ 1.75	\$ 2.25	\$ 0.50	28.6%	11.7%	11.9%

Because the percentage difference between the impact on low-income populations and the overall population is less than 15%, there would be no disparate impact on low-income populations if Alternative 1 were implemented.

Alternative 2 Disparate Impact and Disproportionate Burden Analysis

Disparate Impact on Minority Groups Analysis for Alternative 2

Fare Type	Existing Cost	Proposed Cost	Increase Amount	Percent Change	Minority Impact	Overall Impact	% Difference between Minority and Overall
Currently pays with cash	\$ 1.75	\$ 2.50	\$ 0.75	42.9%	32.8%	28.7%	4.1%
Currently pays with adult pass	\$ 1.04	\$ 1.59	\$ 0.55	53.0%	37.3%	35.9%	1.4%
Currently pays with senior reduced pass	\$ 0.51	\$ 0.78	\$ 0.27	52.5%	9.4%	17.2%	7.8%
Currently pays with disabled reduced pass	\$ 0.51	\$ 0.78	\$ 0.27	52.5%	1.7%	1.0%	0.7%
Currently pays with youth reduced pass	\$ 0.87	\$ 1.34	\$ 0.47	53.5%	4.5%	5.1%	0.6%
Currently pays with Tap2Ride	\$ 1.75	\$ 2.50	\$ 0.75	42.9%	14.3%	11.9%	2.4%

Because the percentage difference between the impact on minorities and the overall population is less than 15%, there would be no disparate impact on minority groups if Alternative 2 were implemented.

Disproportionate Burden on Low-Income Groups Analysis for Alternative 2

Fare Type	Existing Cost	Proposed Cost	Increase Amount	Percent Change	Low-Income Impact	Overall Impact	% Difference between Low-Income and Overall
Currently pays with cash	\$ 1.75	\$ 2.50	\$ 0.75	42.9%	29.3%	28.7%	0.6%
Currently pays with adult pass	\$ 1.04	\$ 1.59	\$ 0.55	53.0%	34.9%	35.9%	1%
Currently pays with senior reduced pass	\$ 0.51	\$ 0.78	\$ 0.27	52.5%	18.5%	17.2%	1.3%
Currently pays with disabled reduced pass	\$ 0.51	\$ 0.78	\$ 0.27	52.5%	1.5%	1.0%	0.5%
Currently pays with youth reduced pass	\$ 0.87	\$ 1.34	\$ 0.47	53.5%	4.1%	5.1%	1%
Currently pays with Tap2Ride	\$ 1.75	\$ 2.50	\$ 0.75	42.9%	11.7%	11.9%	0.2%

Because the percentage difference between the impact on low-income populations and the overall population is less than 15%, there would be no disproportionate burden on low-income populations if Alternative 2 were implemented.

Budget Projection

A focus of this report is to determine how revenue would increase if MTD institutes a fare change. To that end, we considered the potential fare revenue for each fare scenario according to three patterns of payment among our riders. In the first, we estimated future revenues if ridership and form of payment align with those from the 2024 Fiscal Year. If riders continue to board the bus paying in the same manner they did in FY 2024, MTD would add \$1.37 million following the institution of Alternative 2, slightly more than the \$1.29 million increase that would be gained by instituting the fares in Alternative 1. We also considered how revenue would change if fare preference aligned with responses in the survey we conducted regarding how respondents currently pay to ride the bus. These results also favored instituting Alternative 2, with an estimated \$1.46 million dollar increase for Alternative 2 compared to \$1.32 million for Alternative 1. Finally, we considered how revenue would change based on how survey respondents said they would prefer to pay to ride the bus. Again, we found that the revenue would be increased more by instituting Alternative 2 (\$1.44 million) than by instituting Alternative 1 (\$1.35 million).

Projected Revenue Based on Ridership and Survey Responses			
	FY 24 Ridership	Respondents Paying Habits	Respondents Preferred Way to Pay in the Future
Current Fares	\$ 2,824,371.64	\$ 3,087,004.24	\$ 2,997,727.56
Alternative 1	\$ 4,118,209.57	\$ 4,405,025.05	\$ 4,348,775.99
Alternative 2	\$ 4,189,918.27	\$ 4,548,949.04	\$ 4,434,885.21



Fare Structure Alternatives

We remain committed to offering affordable transportation options for all community members, which is why MTD is considering two different fare adjustment scenarios which can be reviewed down below.

Proposed Fare Adjustment

Santa Barbara MTD is considering a fare increase for its fixed route bus service. To understand how the proposed changes will impact the community we serve, MTD wants to hear from you. Your input is valuable to us.

You can take the survey online by scanning the QR code down below, or by completing the physical survey on this pamphlet. Paper surveys can be turned in at the Transit Center or onboard the bus.

TO LEARN MORE AND TAKE THE SURVEY, SCAN THE QR CODE!



Why a Fare Adjustment?

While our services are primarily government-funded, fares make up roughly 20% of our annual operating budget and are vital to ensuring MTD can continue delivering high-quality service.

Here are the key reasons behind a fare adjustment:

Operational Cost

MTD has worked to keep fares low, avoiding a fare increase since 2009. However, the cost of fuel, labor, and maintenance have all increased substantially in the past 16 years. The proposed fare adjustment will help offset these operational expenses and ensure the continued sustainable operations of our services.

Service Quality

Connecting people to opportunity by providing high-quality service is one of our top priorities. How and when fares are paid impacts the quality of service. Paying cash takes time and slows down trips for everyone. The proposed fare adjustment offers discounts for pre-paid or Tap2Ride fares to keep your bus moving.

6. Riders now have the ability to pay-as-you-go with the Tap2Ride contactless payment system, with costs capped at the same amount of a discounted pass. If you haven't used it yet, why not?

I haven't used it, but I plan to do so

I can't because I don't have a contactless-enabled bank card or smart device

I can't because I don't have a bank account

I ride the bus as a UCSB/SBCC student

I didn't know about it

Other: _____

7. How would you prefer to pay for your fare?

MTD bus pass (Day Pass, 10-Ride or 30-Day Pass)

Cash

Tap2Ride contactless payment with daily and monthly fare costs capped

Other: _____

8. How likely are you to continue using MTD transit services if the proposed fare increase is approved?

Very Likely

Not Very Likely

1 2 3 4 5

9. What is your household income?

\$0 to \$19,999

\$20,000-\$49,999

\$50,000-\$89,999

\$90,000-\$129,999

\$130,000-\$149,000

\$150,000+

Prefer not to answer

10. Which race or ethnicity best describes you?

American Indian or Alaskan Native

Asian / Pacific Islander

Black or African American

Hispanic or Latino

White / Caucasian

Multiple ethnicity/ Other (please specify) _____

11. Please write your home zip code: _____

12. Do you have any other comments concerning MTD's proposed fare adjustment?

5. How do you currently pay your fare? (Check all that apply.)

Cash

Adult Pass

Senior Reduced Pass

Disabled Reduced Pass

Youth Reduced Pass

Tap2Ride Contactless

None, I'm a UCSB/SBCC student

Thank you for participatinging!

Contact us to learn more about these changes:
805.963.3366 | sbmtd.gov/farechange

Alternativas de tarifas propuestas

6. Los pasajeros ahorra tienen la posibilidad de pagar por uso con el sistema de pago sin contacto Tap2Ride, con costos limitados al mismo monto de un pase con descuento. Si aún no lo has usado, ¿por qué no?

Ajuste de Tarifas Propuesto

Santa Barbara MTD está considerando un aumento de tarifa para su servicio de autobús de ruta fija. Para comprender cómo los cambios propuestos afectarán a la comunidad a la que servimos, MTD quiere saber de usted. Su opinión es valiosa para nosotros.

Puede realizar la encuesta en línea escaneando el código QR que aparece a continuación o completando la encuesta física en este folleto. Las encuestas en papel se pueden entregar en el Centro de Tránsito o a bordo del autobús.

**¡PARA OBTENER MÁS
INFORMACIÓN Y
COMPLETAR LA ENCUESTA,
ESCANEE EL CÓDIGO QR!!**



¿Por qué un ajuste de tarifas?

Si bien nuestros servicios están financiados principalmente por el gobierno, las tarifas representan aproximadamente el 20 % de nuestro presupuesto operativo anual y son vitales para garantizar que MTD pueda continuar brindando un servicio de alta calidad.

Estas son las razones clave detrás de un ajuste de tarifas:

Costo operacional

MTD ha trabajado para mantener las tarifas bajas, evitando un aumento de tarifas desde 2009. Sin embargo, el costo del combustible, la mano de obra y el mantenimiento han aumentado sustancialmente en los últimos 16 años. El ajuste de tarifas propuesto ayudará a compensar estos gastos operativos y garantizará la continuidad de las operaciones sostenibles de nuestros servicios.

Calidad de servicio

Conectar a las personas con oportunidades brindándoles un servicio de alta calidad es una de nuestras principales prioridades. Cómo y cuándo se pagan las tarifas influye en la calidad del servicio. Pagar en efectivo lleva tiempo y restringe los viajes para todos. El ajuste de tarifa propuesto ofrece descuentos para tarifas prepago o Tap2Ride para mantener su autobús en movimiento.

¡Gracias por participar!

Contáctenos para obtener más información sobre estos cambios:
805.963.3366 | sbmtd.gov/farechange

Estructura de tarifas	Actual	Alternativa 1	Alternativa 2
Tarifa Regular	\$1.75	\$2.25	\$2.50
Juventud	\$1.75	\$2.25	\$2.50
Senior/ Discapacitado	\$0.85	\$1.00	\$1.25
Pase de un día	\$6.00	\$6.00	\$6.00
Adulto	\$11.50	\$18.50	\$17.50
Juventud	\$8.25	\$13.50	\$12.50
Senior/ Discapacitado	\$5.50	\$9.00	\$8.50
Adulto	\$52.00	\$85.00	\$80.00
Juventud	\$42.00	\$68.00	\$65.00
Senior/ Discapacitado	\$20.00	\$32.00	\$30.00

Encuesta de ajuste de tarifas

1. ¿Con qué frecuencia viaja en los autobuses de MTD?

Cada día
 Varias veces a la semana
 Una vez a la semana
 Nunca

Algunas veces al mes
 Algunas veces al año

2. ¿Qué tan razonable es una tarifa de autobús de \$2.25?

No muy razonable
 Muy razonable

1 2 3 4 5

3. ¿Qué tan razonable es una tarifa de autobús de \$2.50?

No muy razonable
 Muy razonable

1 2 3 4 5

4. Entre la Alternativa 1 y la Alternativa 2, ¿cuál le gustaría que se implementara?

Alternativa 1 (tarifa base de \$2.25 y menos descuento en pases prepago)
 Alternativa 2 (\$2.50 tarifa base y mayores descuentos en pases prepago)

Efectivo
 Pase Adulto
 Pase Reducido Senior
 Pase reducido para discapacitados

5. ¿Cómo paga actualmente su tarifa? (Marque todo lo que corresponda).

Efectivo
 Pase Adulto
 Pase Reducido Senior
 Ninguno, soy estudiante de UCSB/SBC

6. Los pasajeros ahorra tienen la posibilidad de pagar por uso con el sistema de pago sin contacto Tap2Ride, con costos limitados al mismo monto de un pase con descuento. Si aún no lo has usado, ¿por qué no?

No lo he usado, pero planeo hacerlo.
 No puedo porque no tengo una tarjeta bancaria sin contacto o un dispositivo inteligente
 No lo sabía
 Otro: _____

No lo puedo porque no tengo porque no tengo una tarjeta bancaria sin contacto o un dispositivo inteligente
 No lo he usado, pero planeo hacerlo.
 No lo sabía
 Otro: _____

7. ¿Cómo preferirías pagar tu tarifa?

Efectivo
 Pago sin contacto
 Tap2Ride con tarifas diarias y mensuales limitadas
 Otro: _____

8. ¿Qué Probabilidades hay de que continúe utilizando los servicios de tránsito de MTD si se aprueba el aumento de tarifa propuesto?

No muy probable
 1 2 3 4 5
 Muy probable

9. ¿Cuál es el ingreso de su hogar?

\$0 to \$19,999
 \$20,000-\$49,999
 \$50,000-\$89,999
 \$90,000-\$129,999
 \$130,000-\$149,000
 \$150,000+
 Prefiero no responder

10. ¿Qué raza o etnia te describe mejor?

Indio americano o nativo de Alaska
 Asiático/Isleño del Pacífico
 Negro o afroamericano
 Hispano o latino
 Blanco / Caucásico
 Múltiples etnias/Otro (especifique) _____

11. Por favor escriba el código postal de su domicilio:

12. ¿Tiene algún otro comentario sobre el ajuste de tarifas propuesto por MTD?
