

February 5, 2023

**Subject: Follow-up to Board Questions Regarding Free Fares for All
Marin Transit Fixed Route Riders**

In November 2023, staff estimated that Marin Transit collects approximately \$2.5 million annually in fixed route fare revenue.¹ Marin Transit's farebox recovery ratio for fixed route is currently 8.7%². Thus, \$2.5 million is the amount of revenue loss Marin Transit would sustain if free fares were offered on fixed route buses (does not include Marin Access impacts).

This memo provides more information on examples of the scale of service decrease that \$2.5M loss in fare revenue represents. Other questions posed in that meeting will be addressed at future meetings.

Service Implications of Fare Revenue Loss

In response to questions from your Board, staff estimated what a loss of \$2.5 million in revenue means for service. Each of the following service cuts represents approximately \$2.5 million:

- Cancel one of our 30-minute frequency local routes (Route 17, 23, 36). These are 3 out of the 5 highest ridership routes.
- Reduce 30-minute frequency on routes 17, 22, 23, and 49 to every 60 minutes.
- Reduce 15-minute Canal frequency on Route 35 to every 60 minutes.
- Cut the whole stagecoach program plus all rural shuttles .
- Cut all school programs including the Supplemental school, Yellow Bus, and all Measure AA subsidy distributed to the other four yellow bus programs.

A key conclusion of fare assessments conducted by staff was that Marin Transit should not eliminate fares unless a secure ongoing source of funding were identified to backfill and avoid these types of service cuts. Thus, staff also explored the reverse of the question -- if Marin Transit had the good fortune to identify an additional \$2.5 million more for service provision, what would that represent in terms of service increases:

- Double the whole Stagecoach program (Routes 61 & 68)
- Change all 60-minute frequency service on Community Shuttle routes (the four 200 series routes – 219, 228, 233, 245) to 30-minute frequency
- Take 30-minute frequency service on Route 17 (Mill Valley) to every 15 minutes
- Reduce 30-minute frequency on Route 36 (Canal) to every 15 minutes
- Make all existing yellow bus service in the County free, double the Ross Valley Yellow Bus program and add another 5 yellow buses to other schools countywide
- Buy 2 new electric buses (expansion), per year (fully locally funded) or provide the local match to replace up to 10 retired buses with new electric buses, per year (with federal match)

¹ Staff further estimated that the District spends approximately 10-15% of this revenue on fare collection.

² Marin Transit FY 2022/23 Annual Performance Report.