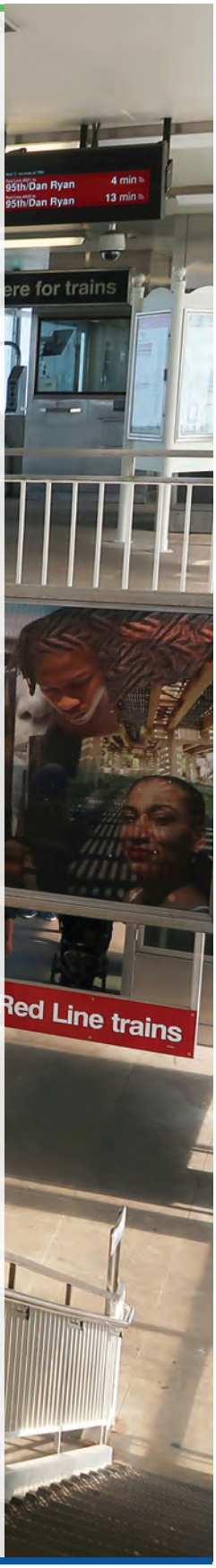
FAIR FARES CHICAGOLAND

RECOMMENDATIONS FOR A MORE EQUITABLE TRANSIT SYSTEM

November 2019

ACTIVE TRANSPORTATION ALLIANCE

TABLE OF CONTENTS



FAIR FARES CHICAGOLAND

EXECUTIVE SUMMARY

Low-income residents of Chicagoland rely heavily on public transit. While they rely on it as their lifeblood, they also struggle to pay for it, which limits their ability to get medical care and look for — or take — jobs in places further away. The reduced-fare programs that currently exist in our region are only available to seniors and people with disabilities and are often not accessible to the neediest families in our region. With other cities already offering reduced fares to low-income residents, there is no need to start from scratch with a "Fair Fares" program for Chicagoland.

To create a transportation system that allows everyone to freely move around our region, elected officials and transit agency leaders must act now to create a more equitable fare structure. The benefits of accessible, affordable public transportation cannot be ignored, and we believe there is a great need for even more public subsidies to provide equitable fares and increased service to combat some of the biggest issues facing society — from climate change to segregation and institutionalized racism and income inequality.

Barriers to accessing transportation are detrimental to our region. The more interconnected we are, the more prosperous our region becomes. Our research found that the current cost of transit discourages transit usage and keeps people from looking for work, accessing medical care, and attending social events.

In this report, we argue that the current fare structure is not equitable. People who have historically been most marginalized by systemic racism and income inequality and most likely to rely on transit are those most burdened by the fare structure, policies, and fees currently in place.

Reducing fares for low-income residents would allow for more freedom of movement that would in turn work towards combatting segregation and creating a more equitable distribution of resources and opportunities in our region. When people with low incomes — often people of color living in segregated communities — are better able to get around, they can access jobs, educational opportunities, and basic services and goods like groceries that are not always readily available in under-resourced communities.

Earlier this year, MIT researchers released preliminary results from a study of the transit usage of low-income riders with a 50 percent discounted transit pass vs a control group without a discount. The participants receiving a 50 percent discount took about 30 percent more trips and more trips to health care and social services.[1]

Our report explores the many avenues to create a more equitable fare structure, including a reduced transit fare program for low-income residents, fare capping, and integrating transfers from the Chicago Transit Authority (CTA), Pace Suburban Bus (Pace), and Metra Commuter Rail (Metra). We also look at case studies from other cities, make the case for free youth fares, outline the reasons to decriminalize fare evasion, and take a broad look at transit usage in the region and how discounted fares would be beneficial. By creating a more equitable fare structure, we can invest in transit riders and by doing so invest in our region.

A 50 percent reduced fare on CTA could put $630 dollars back in the pockets of low-income Chicagoans over the course of a year. A 50 percent reduced fare on Pace fixed route service could put between $630 and $840 back in the pockets of low-income residents of suburban Chicagoland over the course of a year. A 50 percent reduced fare on Metra could put between $696 and $1,650 back in the pockets of low-income residents of suburban Chicagoland over the course of a year. As of 2016, 40 percent of Americans don't have $400 for a financial crisis, and this would put that money back in the pockets of those who need it most.[2]

We look forward to working with the local transit agencies, which all operate under the parent agency of the Regional Transit Authority (RTA), and local elected officials to implement the following recommendations and find sustainable dedicated revenue streams to support the costs of implementation.

[1] http://equitytransit.mit.edu/wp-content/uploads/2019/06/whitepaper_v8.pdf

[2] Federal Reserve report on the Economic Well-Being of U.S. Households in 2016

FAIR FARES CHICAGOLAND RECOMMENDATIONS

Create a reduced transit fare program:

Illinois State Legislature works with CTA, Pace, and Metra boards to create a 50 percent reduced transit fare program for CTA, Pace, and Metra for residents of Cook, Lake, McHenry, DuPage, Will, Kane, and eventually Kendall counties living at or below 200 percent of federal poverty level.

- Create a taskforce with representatives of social service agencies, low-income residents, transit agency staff to further explore implementation of reduced fare program and conduct a pilot program.

Reassess the farebox recovery ratio:

Illinois State Legislature and RTA, CTA, Pace, and Metra service boards reassess the farebox recovery ratio with goal to lower it if necessary, in order to implement Fair Fares Chicagoland recommendations.

Integrate fare collection:

Illinois State Legislature works with RTA, CTA, Pace, and Metra service boards to integrate fare collection and incentivizes transfers between CTA, Pace, and Metra.

Test the South Cook (Metra Electric and Rock Island) Fair Transit Pilot:

Cook County, CTA, Metra, and Pace implement the South Cook Fair Transit Pilot, also known as the Metra Electric and Rock Island Pilot, to learn from the effects of increased frequency, reduced fares, and free transfers to CTA and Pace.

Decriminalize fare evasion:

Chicago City Council decriminalizes fare evasion on CTA; Pace and Metra boards decriminalize fare evasion on their service; all three agencies provide alternatives such as enrollment in a reduced fare program and community service hours.

Implement fare capping:

CTA, as the holder of the Ventra contract, with support of Illinois State Legislature, implements fare capping for riders on CTA, Pace, and Metra so that those who cannot afford to pay for a multiday pass up front will not be penalized.

Free fares for youth:

CTA and Chicago City Council implement free year-round transit for youth living in the city of Chicago who qualify for free or reduced lunch program until the age of 19.

INTRODUCTION

In fall 2017, the Active Transportation Alliance released the *Back on the Bus* report, which offered an overview of trends in bus ridership in Chicago and recommendations to improve bus service. The report showcased the impact of declining bus ridership and its implications. In 2019, CTA released data that showed bus ridership had declined by 26 percent since 2008.[3] Some recommendations for improved bus service from our report included prepaid boarding, more bus lanes, and traffic signal improvements.

Through the Back on the Bus campaign, we partnered with community-based organizations, (Pilsen Alliance, Northwest Side Housing Center, Southwest Organizing Project, West Side Health Authority, and Six Corners Association), to learn more about the priorities of their community members for improving bus service and barriers for them accessing service. One of the key issues that came through was the cost of transit. With annual falling ridership, it is clear we need to do things differently and think critically about how to better serve transit riders.

Due to the feedback from the surveys, we started to explore how cost plays a role in limiting access for people. According to research by the Great Cities Institute at the University of Illinois at Chicago, approximately 20 percent of transit riders of working age made under $20,000 a year in Chicago. As of 2019, a 30-day CTA pass costs $105 or $1,260 a year. If a transit rider makes under $20,000, 6 percent or more of their yearly income would go towards CTA transit costs.

At the same time, we were learning about campaigns in other cities like New York and Seattle that won reduced fares for low-income residents. We were particularly inspired by the name of the New York campaign called Fair Fares NYC.

As a regional organization that works throughout Chicagoland and stays attuned to local trends of low-income residents being priced out of the city of Chicago, we decided to take a regional look at the fare structures of the Chicago Transit Authority (CTA), Pace Suburban Bus (Pace), and Metra Commuter Rail (Metra), which all operate under the parent agency of the Regional Transit Authority (RTA). The RTA regional system currently serves two million riders each weekday in six counties with 7,200 transit route miles throughout Northeastern Illinois. The seven counties we considered in our analysis were Cook, Lake, McHenry, DuPage, Will, Kane, and Kendall (Metra plans to eventually expand to Kendall County; the first step of the expansion was signaled by a recent $100 million appropriation from the 2019 Illinois capital bill for extending the BNSF Line).

This report is a compilation of research, organizing, and input from those most impacted by the current costs and fare structures. We offer an array of

recommendations and solutions that would create more equitable CTA, Pace, and Metra fare structures that would distribute the benefits and burdens of riding transit. We did have limitations in our capacity to thoroughly look at seven counties in their entirety. Our survey, for example, was only administered in Cook County and we considered only Chicago youth fares. We see our report as providing a foundation for further research.

Reduced fares for low-income residents are crucial to our vision where everyone has equitable, affordable, and easy access to public transportation. We believe reduced fares can increase ridership and help bring us closer to achieving transportation equity in our city. We urge the transit agencies and local elected officials to strongly consider all the major recommendations we outline in this report: fare capping, decriminalization of fare evasion, free transit for youth, fare integration between all three local agencies, and a reassessment of the RTA's farebox recovery ratio. We also see the current proposed South Cook Fair Transit Pilot, also known as the Metra Electric and Rock Island Pilot, as a great way to see what reduced fares, increased frequency, fare transfers between CTA and Metra could look like and what impacts it may have on ridership and revenue (with costs being offset by Cook County).

The recommendations are not intended to affect transit agency revenue to the point where they will have to choose between providing an equitable fare structure and reducing service or frequency, which, of course, would negatively impact the people who rely on transit the most. Fast, frequent, and reliable service are key to building and maintaining transit ridership. We believe that more public subsidies should be going towards public transportation and we hope this report helps make that case. This report outlines various funding options for our proposals. We look forward to working with transit agency employees and elected officials to identify dedicated sustainable funding streams to support our recommendations.

[3] https://chicago.suntimes.com/2019/1/4/18344855/cta-bus services-losing-riders-in-the-last-decade-data-shows

WHAT LOW-INCOME RIDERS ARE SAYING ABOUT TRANSIT COSTS

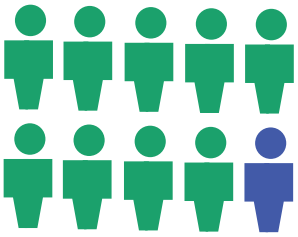
The results from our Fair Fares survey are clear: there are serious social, economic, and medical costs and barriers due to the high cost of transit for low-income residents of our region.

We wanted to hear directly from people who already carry the burden of transit costs. We surveyed nearly 700 low-income transit riders on the West and South sides of Chicago and in Southern Cook County. We hired a team of canvassers from the communities in which they canvassed, and they conducted outreach in both English and Spanish. The bulk of the surveys were collected by the canvassers. We also partnered with community-based organizations to collect survey responses from their members as well.

We received 654 responses; 147 responses were in Spanish and the rest in English. Out of the 654 respondents, 441 have an annual income of $25,000 or less.

The respondents making $25,000 or less per year are the ones we highlight below.

398
93%



said they would be more likely to use trains or buses if the cost was lower.

228
51%

pay for transit fares in cash or Ventra Pay as You Go, which likely means spending more money on fares if riding frequently.

85% said that in the last week they used at least one transfer.

60% said that in the past year they or a family member had been unable to afford train or bus fares.

80% of respondents said they have used transit to access their job.

Of the 100 respondents who have an annual income of $25,000 or less and indicated car as their primary mode of travel, 79% said they would be more likely to use the bus or train if the cost was lower.

The respondents making $25,000 or less per year are the ones we highlight below.

Penalties of transit costs:

19% shared that "very often" they were prevented from getting to medical care by the cost of train or bus fares.

19% indicated that they were "often" prevented from getting to medical care; 15 percent indicated that they were "occasionally" prevented them from getting to medical care.

27% indicated that they were "occasionally" prevented from getting to medical care.

16% shared that "very often" they were prevented from getting to social events by the cost of train or bus fares.

18% indicated they were "often" prevented from getting to social activities.

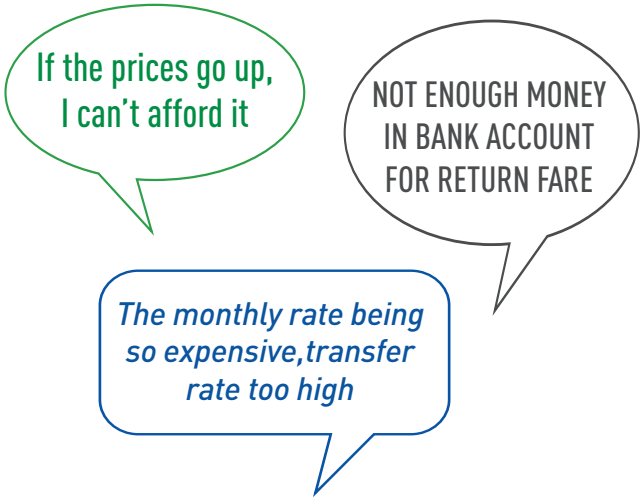
34% indicated that they were "occasionally" prevented from getting to social activities.

60% of survey respondents have not been able to look for or take a job further away from where they live because of the cost of train or bus fares.

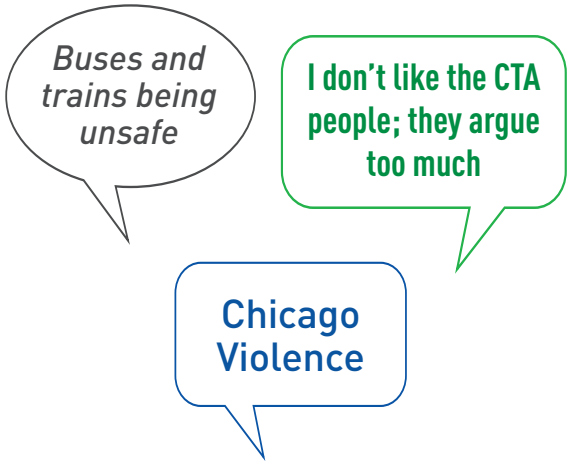
21% reported hopping the turnstile or asking a person to swipe them through at a CTA station.

The only open-ended question we asked on the survey was, **"What other issues prevent you from using the train or bus?"** We categorized the 293 responses of all income levels we received to this question and they fell into the following categories:

FINANCIAL ISSUES
85 responses including



SAFETY ISSUES
16 responses including



SERVICE ISSUES
105 responses including

OTHER ISSUES
87 responses including

- *I always drive*
- *Weather*
- *No money or babysitter*
- *I'm never on time for anything*
- *Running late*
- *Not clean*

FAIR FARES CHICAGOLAND: A PROPOSAL FOR A REDUCED TRANSIT FARE PROGRAM FOR LOW-INCOME RESIDENTS OF OUR REGION

Current context of RTA Reduced Fare and Ride Free programs

For the RTA Reduced Fare and Ride Free programs that currently exist for people with disabilities and seniors, the Illinois Agency on Aging handles the income verification process through the Benefit Access program. You can download the application online and mail it in or go to one of four sites in Chicago or 60 sites in the surrounding counties to get verified in person. The Agency on Aging runs the application through a database to check against a person's tax return. The transit rider whose eligibility has been verified is then issued an identification card which also has their photograph on it. Every individual must recertify their eligibility every two years.

Currently, seniors aged 65 or older already have access to a reduced fare program through the Regional Transit Authority. The RTA is federally mandated to require a reduced fare program for people ages 65 and older. During our outreach, residents described the difficulty of accessing the current senior reduced fare program and we believe that the barriers to access the program should be assessed and adjusted.

In the second quarter of 2019, for example, there were 205,000 seniors using the reduced fare option and 9,000 individuals using the disabled reduced fare option. For the Ride Free program, there were 90,000 senior users and 60,000 disabled users. Approximately 50 percent of those individuals use CTA, and the other 50 percent use Pace and Metra.

Our proposal for implementation

For the reduced fare program that we propose, we believe that the Illinois Department of Human Services or the Illinois Department of Public Health would be appropriate agencies to do the means testing for a regional reduced transit fare program for low-income individuals. These departments already have the internal infrastructure and expertise to verify income levels but might need to adjust capacity to make up for increase in volume of verification. Human services or public health agencies at the county level or any other county programs that already verify income-based eligibility could take on the responsibility for means testing.

We believe the barriers to apply should be low, meaning that it can be done online or at social service agencies in person throughout the region. The Fair Fares program will only be a success if it is easy to access and is broadly advertised. The barrier to entry should not turn low-income people away because then the program will not be serving those who need it the most. We also support eligibility renewal every two years because that allows for people whose income has increased to go back to paying full fare if they are able.

The eligibility process for SNAP or food stamps benefits could be a more streamlined option for income verification, as well. This verification process has been in use for years and there already have been lessons learned about how to make an accessible public benefits program.

We are also interested in exploring the student UPASS model, in which a university buys passes for all full-time students at an agreed upon price per student and then the price is incorporated into tuition costs for the student. The Chicago Housing Authority and other social service agencies could potentially operate a similar program. Ideally, this is a program that is subsidized by a dedicated revenue stream.

Federal poverty level guidelines by household size[4]

Household Size	200% of FPL	Federal Poverty Level
1	**$24,980**	$12,490
2	**$33,820**	$16,910
3	**$42,660**	$21,330
4	**$51,500**	$25,750
5	**$60,340**	$30,170
6	**$69,180**	$34,590
7	**$78,020**	$39,010
8	**$86,860**	$43,430

We propose that people living at or below 200 percent of the federal poverty level in our region should be eligible for a 50 percent reduced transit fare. It is well documented that the federal poverty level is not an adequate measure of poverty since it does not take into account the rapid rise in the cost of housing, health care, and child care, nor does it take into account the difference in the cost of living based on location. Urban centers like Chicago have much higher costs of living than rural areas and the income level we propose is considerate of those differences. The level we propose allows for someone who is making a slightly higher income but dealing with a higher cost of living to be eligible for the program. Our proposal for eligibility set at 200 percent of the FPL allows for an individual earning minimum wage ($12 an hour in Chicago and $8.25 elsewhere in Illinois) and working full time to receive the discount. Other cities that offer a reduced fare program also use 200 percent FPL as the income eligibility threshold.

[4] Source: U.S. Health and Human Services Department, 2019

Residents living at 200% or below poverty threshold

County	200% or Below
Cook County	**1,760,882**
DuPage County	**165,441**
Kane County	**135,630**
Kendall County	**22,136**
Lake County	**150,522**
McHenry County	**56,363**
Will County	**134,332**
Totals	**2,425,306**

Why 50 percent discount?

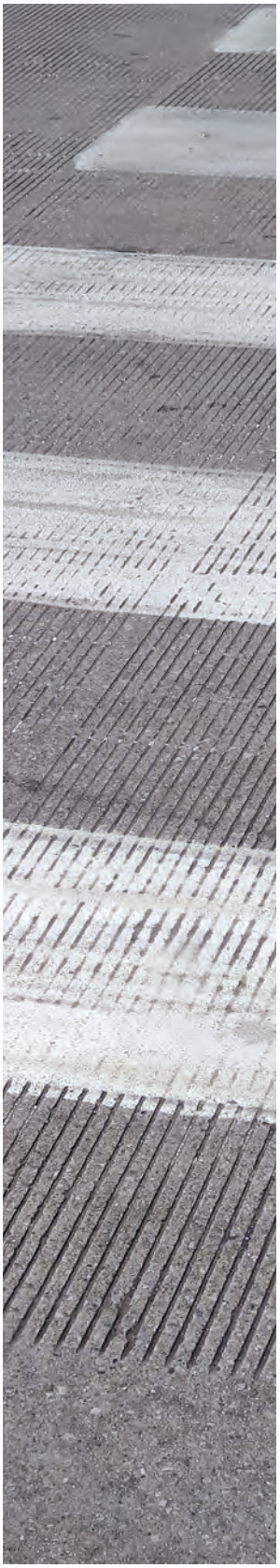
A 50 percent reduced fare on CTA could put $630 dollars back in the pockets of low-income Chicagoans over the course of a year. A 50 percent reduced fare on Pace fixed route service could put between $630 and $840 back in the pockets of low-income residents of suburban Chicagoland over the course of a year. A 50 percent reduced fare on Metra could put between $696 and $1650 back in the pockets of low-income residents of suburban Chicagoland over the course of a year.

We chose a discount level that would significantly ease the burden of transportation costs on low income residents. Our aim is to ease the burden of transportation costs so that low income residents are no longer suppressing trips and can afford access to groceries, jobs, medical appointments, and social gatherings. We believe the costs savings of a 50 percent discount are significant enough to change behavior. In our research of other cities that have implemented similar programs, 50 percent was a common threshold.

ACTION: **State legislature works with CTA, Pace, and Metra boards to create a 50 percent reduced transit fare program for CTA, Pace, and Metra for residents of Cook, Lake, McHenry, DuPage, Will, Kane, and eventually Kendall counties living at or below 200 percent of federal poverty level.**

- Create a taskforce with representatives of social service agencies, low-income residents, and transit agency staff to further explore implementation of reduced fare program.
- Conduct a pilot program.

Marisela Guerrero



Marisela Guerrero, 62, lives in Chicago's West Lawn neighborhood on the city's Southwest Side. Speaking in Spanish, she described her commute to work and shared her thoughts about transportation costs.

Marisela uses the bus to get to her part-time job at the Nabisco factory on Kedzie and 73rd Street. Since she usually takes the bus the opposite way most people take it during rush hour, she can't complain on the speed. In order to afford her fares, she is meticulous with her budget.

"Where I work, most people use the bus," she said. "In that work, there isn't enough money to own a car." Marisela says one of her coworkers sometimes doesn't go to work when he doesn't have enough money to take the bus.

To avoid the high cost of driving, Marisela's husband also uses the bus for commuting to his part-time job in Lincoln Park. Rather than buying a 30-day pass, he pays as he goes. "The 30-day pass isn't worth it," she said. "I don't know anyone that has the monthly pass. You have to work every day and then use it on weekends."

Marisela brought up a common concern of the 30-day pass being too costly for working people but says she would be interested if it was closer to $50 with a discount rather than $105.


ATTENTION
6
adidas

FAIR FARES IN SUBURBAN CHICAGOLAND

The transportation context in Chicagoland counties of Lake, McHenry, DuPage, Will, Kane, and Kendall is starkly different than in the city of Chicago and the rest of Cook County. While nearly all these counties have a few dense smaller-scale cities, the majority of these counties are rural or suburban with sprawling land use patterns. This makes public transportation difficult to coordinate. However, there are still low-income residents living in these areas who cannot afford the cost of a car, which the American Automobile Association estimates is close to $9,000 annually. As a result, they rely on the public transportation services offered.

Pace provides fixed route service, dial-a-ride service from curb-to-curb, and paratransit service for people with disabilities. These services are offered at varying levels depending on the location. Townships and municipalities and not for profits also run their own curb-to-curb and door-to-door dial-a-ride and paratransit services and some subsidize the Pace services as well.

Dial-a-ride service is particularly expensive both to operate and for the rider. In Kane County, for example, riders pay $4 for the first 10 miles and $1.50 for each subsequent mile. In a sprawling context, these costs can add up quickly. While it is extremely difficult to estimate the cost of providing a 50 percent discount on dial-a-ride trips for people with low incomes, there is a need for such a program. In places where fixed route service is not possible due to density, a program like dial-a-ride is needed to create a more interconnected region where residents are not suppressing trips based on tight budgets.

McHenry County only has three fixed routes in the county, for example, and one of those routes includes both Kane and McHenry Counties. More than 90 percent of their riders would qualify for a 50 percent fare reduction at a cost of approximately $50,000 for Pace. There are only about 115,000 rides per year with about 3,100 distinct riders.

While the number of people who would be eligible for our proposed reduced fare program are lower in the surrounding six counties, setting up a Fair Fares program for these residents would create a more thriving, interconnected region where everyone has access to the medical services, job opportunities, and social connections regardless of income.

Another consideration is for residents who are transferring between CTA, Pace, and Metra across our region. Currently there exist two options for residents in surrounding counties to connect between the three agencies: The **Metra Link-Up Pass**, which is available only to Metra monthly pass holders, is valid for unlimited travel on the CTA from 6 a.m. to 9:30 a.m. and 3:30 p.m. to 7 p.m. on weekdays, and on Pace at any time. Monthly pass holders can purchase a **PlusBus** pass for unlimited rides used in conjunction with their monthly pass for travel on all Pace suburban buses. Pace buses connect with Metra trains at many stations. Link-Up and PlusBus passes are available for purchase on the Ventra mobile app and wherever Metra passes are sold. One thing to note is that some Metra stations do not have ticket vending machines or station attendants. As a first step, these passes should also be offered at a reduced fare for people living at or below 200 percent of the federal poverty level. In addition to the discounted fares, the three agencies should evaluate how to better integrate the passes and offer a less restrictive schedule for their usage in order to incentivize ridership.

It's worth noting here that at $30 a month, current PlusBus prices are often more expensive than monthly parking passes at many suburban Metra stations (e.g., in Itasca permit parking for non-residents costs $75/quarter), which means there's already a financial disincentive for commuters of all income levels to use Pace to access Metra.

The South Cook Fair Transit Pilot is a great example of eliminating the cost of fare transfers that unfairly burdens low-income folks who cannot afford to live closer to other transit options.

ACTION: **Illinois State Legislature works with CTA, Pace, and Metra service boards to integrate fare collection and incentivizes transfers between CTA, Pace, and Metra.**

COST OF FAIR FARES CHICAGOLAND

Estimating the cost for a 50 percent discount on CTA, Pace, and Metra is extremely difficult due to the differing costs and pricing structure of the many service options from dial-a-ride to fixed route service to the tiered pricing of Metra zones. While about 2.4 million residents could qualify for Fair Fares Chicagoland based on income alone, not everyone will take advantage of the program.

Using the budget plans for CTA, Pace, and Metra on projected ridership and farebox revenue, we estimate that the program would cost $175 million annually. This estimate is based on projected ridership for 2020.

CTA identifies fare revenues in 2020 to be roughly $590 million. Estimating that one-third of individuals would qualify based on their income, approximately $196 million in revenue will be generated by individual fares and passes at current prices. A 50 percent discount would cost approximately $98 million for the CTA.[5]

For Pace, the total estimated operating revenue is about $72.9 million for 2020. The cost of the 50 percent discount would be about $12.15 million for Pace.[6]

Metra predicted generating $371 million in passenger revenue in 2019. The cost of the 50 percent discount for Metra would be about $62.16 million using the rough estimation that a third of individuals would qualify based on their income.[7]

This is a cursory look at how much it could potentially cost to institute the 50 percent fare discount. A deeper analysis of the populations that utilize CTA, Pace, and Metra would generate a more accurate estimate.

Currently the RTA spends about $500,000 for the administration of its Reduced Fare and Ride Free program. The cost of the contract for the identification cards is about $20,000 per year. Depending on which agency takes on verifying eligibility, if they are already doing means testing or will have to create that infrastructure from scratch, the cost for administering the program will vary greatly.

The Illinois state government has not been fully compensating the transit agencies for the current reduced fare programs. The lack of a budget under former Governor Rauner and lack of a capital bill for a decade left a deep mark on budgets, individuals, and institutional capacity. The federal context is also strained due to the current regime being less transit friendly. We must ensure that dedicated revenue streams are established to cover the costs of the Fair Fares recommendations, including the discounted transit fare program, in order to maintain current service levels.

[5] Page 23 https://www.transitchicago.com/assets/1/6/2018_Budget_Book_2017-11-21_FINAL_web_version.pdf
[6] Page 2 http://www.pacebus.com/pdf/Pace_Budget/2019_Final_Budget.pdf
[7] Page 27, https://metrarail.com/sites/default/files/assets/brochure_8.5x11_finalbudgetbook_2019_web.pdf

HOW TO PAY FOR FAIR FARES

Under the Regional Transit Authority Act[8], passed by the Illinois State Legislature in 1974 and amended by Illinois legislature in subsequent years, the Regional Transit Authority has the power to annually set target farebox recovery ratio requirements for the CTA, Pace, and Metra. In simple terms, the **farebox recovery ratio** is the percentage of operating revenue set to come from transit riders paying their fares. Balanced between the three transit agencies, the agencies are required to recover at least 50 percent of the operating revenue as part of the RTA Act requirement.

We understand that the three transit agencies rely on farebox revenue to cover operating expenses, and we have no interest in pressuring CTA, Pace, and Metra to cut service in order to fund a more equitable fare system. Instead, we are advocating for a reliable dedicated revenue stream to help cover the costs of a reduced fare program for low-income residents and youth. But at the same time, research should be done to assess whether the farebox recovery ratio is too high (it's currently one of the highest in the country). We should determine whether the current farebox ratio would be a barrier to implementing the reduced fare program as well as the other recommendations for a more equitable regional fare structure. For example, state funds currently subsidize the RTA Reduced Fare and Ride Free programs and are considered part of operating revenue. Because those state funds are essentially considered farebox revenue, this warrants further study as we call to expand the reduced fare offerings.

The recommendations we are calling for—to make fares more equitable—have implications for the budgets of the three agencies. Here are our suggestions for ways to compensate the lost revenue and potential dedicated revenue streams:

CONGESTION PRICING AND RIDE HAIL FEES

- Chicago's Office of Inspector General supported exploring congestion pricing — charging a fee for cars entering the central business district — as a potential dedicated revenue stream for transportation needs back in 2011.
- Mayor Lightfoot proposed congestion pricing for Uber and Lyft rides in her fall 2019 budget to help close the budget gap and to study a broad congestion pricing program. If fully implemented, the revenue should be used to pay for discounted transit fares for low income residents and other Fair Fares recommendations.

MUNICIPAL AND COUNTY BUDGETS

- The operating budgets of the counties or municipal level revenue streams should be explored to contribute to a reduced fare program.
- Cook County is currently offering to cover the lost revenue on the South Cook Fair Transit pilot. We commend their leadership to think boldly about equitable transportation and believe that other counties could follow in their footsteps.

STATE SUBSIDY

State legislation could be used to cover the cost of the program. State funds are currently used to subsidize the RTA Reduced Fare and Ride Free programs and could be expanded.

PAYROLL TAX

Portland, Oregon was able to increase the payroll tax at the state level to generate income for their reduced fares. Illinois should pursue a similar approach.

[8] http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=984&ChapterID=15

SALES TAX

Rather than raising the sales tax, which is seen as regressive, we could continue to broaden the sales tax base to include services as well as goods. The current RTA sales tax is 1.25 percent in Cook County and .25 percent in the surrounding collar counties. The RTA sales tax yielded $1.2 billion in 2017. The RTA is expected to see a boost in sales tax revenue as SB 690 takes effect next July.[9] RTA sales tax revenue would also increase if Kendall County joins as part of the Metra extension.

MOTOR FUEL TAX

The new capital bill gives counties the ability to raise additional motor fuel taxes.

LUXURY GOODS TAX

This could apply to jewelry, yachts, planes, and cars over $100,000. This has less of a direct connection to transportation so would be a harder sell with the general public.

Research shows that there may be increased ridership from implementation of the Fair Fares Chicagoland recommendations. The MIT study mentioned in the executive summary found that people with access to the discounted fare program took more transit trips. There is additional research that links fare costs to ridership, and this should not be forgotten in planning for the recommendations. In Minneapolis, which offers a reduced fare program for low income residents, one analysis found that the reduced fare riders were simply filling seats that would otherwise have been empty on trains and buses.

ACTION: **State legislature and CTA, Pace, and Metra service boards reassess the farebox recovery ratio with goal to lower it if necessary in order to implement Fair Fares Chicagoland recommendations.**

[9] https://capitolfax.com/2019/06/03/changes-are-coming-for-online-sellers-buyers

FARE CAPPING: A STEP TOWARDS FAIR FARES

During our research, we interviewed transit riders about their experiences riding transit. A frequent comment we heard was that the 30-day CTA pass is too expensive at $105. The high cost meant that buying weekly passes is a common alternative to paying more upfront for the 30-day pass, though weekly passes end up costing more over time.

In our Back on the Bus report, we offered fare-capping as a solution to increasing bus ridership. Having a fare-capping policy means that once a rider using a transit card taps enough times to reach the cost of a daily, weekly, or 30-day pass, they are no longer charged for any additional trips for the duration of the appropriate multiday pass. A fare-capping policy prevents riders from spending more on multiple single ride passes than they would have if they had purchased a daily, weekly, or 30-day pass. It incentivizes people not to limit their transit trips if they cannot afford a multiday pass up front. Experts we spoke to during our research process mentioned fare-capping as a first step for equitable transportation. The Metropolitan Planning Council report, "Our Equitable Future: A Roadmap for the Chicago Region," includes fare capping as a recommendation to make our transit system more fair and our region more integrated.[10] Fare-capping is a clear step to stop penalizing low-income residents for simply not having enough money to pay for a transit pass upfront. It would show that we value all transit riders, particularly riders who clearly place value in riding transit regularly.

Some of the potential benefits of fare-capping are enhancing access for more people to use transit not limited by their income and an added simplicity of riding transit.

[10] https://www.metroplanning.org/costofsegregation roadmap.aspx

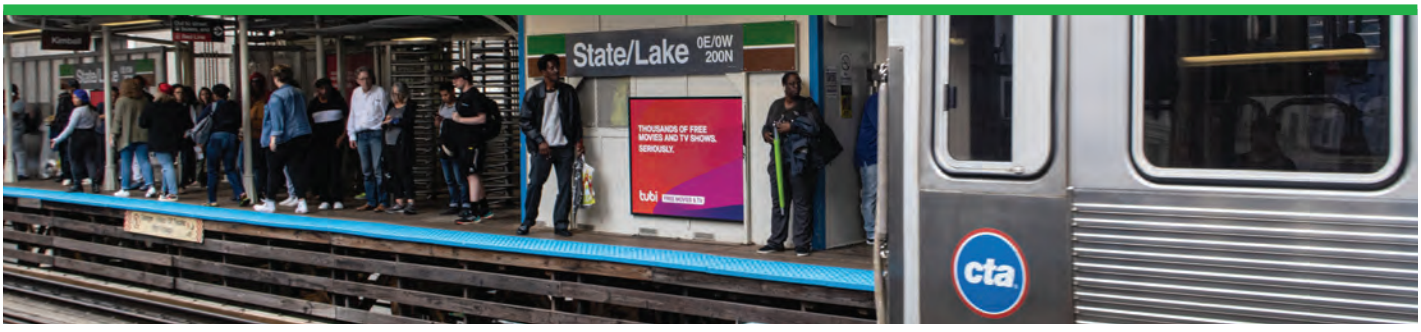
[11] https://www.indygo.net/fares-and-passes/

Cities around the country and world have implemented fare-capping policies. Clevelanders for Public Transit made fare-capping a policy proposal in their Fair Fares report. IndyGo, Indianapolis' transit agency, offers daily and weekly capping.[11] The Rapid, the transit agency in Grand Rapids, has daily, weekly, and monthly capping. They even offer a helpful explainer video to educate residents on how it works. San Jose-based Valley Transportation Authority has daily capping. St. Louis's transit smart card has daily capping.

CTA, Pace, and Metra are mostly set up to implement fare capping thanks to the Ventra payment system that was adopted fully in July 2014. There is still currently no way to pay for Metra using the Ventra card, only the Ventra mobile application. For riders without smart phones, cash fare is the only acceptable payment method when boarding most trains outside of downtown, except when boarding at some staffed suburban stations during the weekday morning peak travel time. Fare capping requires a way to track the number of rides you have paid for and our current technology is equipped to do that. Cash payments would be nearly impossible logistically to keep track of as part of a fare-capping policy.

The revenue lost by implementing fare capping is difficult to calculate and beyond the means of this report, but the funding streams we propose would help offset that loss and would be worth it to make a more equitable fare system that doesn't balance its budget on the backs of low-income, transit-reliant people.

ACTION: **CTA, as the holder of the Ventra contract, with support of Illinois state legislature, implements fare capping for riders on CTA, Pace, and Metra so those who cannot afford to pay for a multiday pass**



A LOOK AT OTHER CITIES

While our recommendations center on the Chicagoland region, our research has prompted us to examine how other equitable fares programs have worked in other cities. Discounted fares for low-income residents are still not common among most transit agencies, but there are some examples from other major cities where this has occurred. Most programs are fairly new, so it's difficult to examine long-term impact, but this also shows we are at a particular time when more transit agencies and cities are realizing the role fares play in accessing transit. Below we share implementation details and strategies that can potentially be applied to Fair Fares Chicagoland.

New York City

In the Spring of 2016, Riders Alliance launched a campaign calling for reduced transit fares for low-income New Yorkers. With their partner Community Service Society, they released a report with the original Fair Fares proposal.

For over two years, residents utilized a variety of strategies to call attention to this important issue, such as petitioning, attending meetings, and holding rallies. The Fair Fares coalition in New York comprised over 70 community organizations.

In 2018, Mayor de Blasio, Speaker of the New York City Council Corey Johnson, and the City Council agreed to fund half-priced MetroCards for low-income New Yorkers and announced a plan to fund $106 million for the Fair Fares program for its first year. The discounts apply to New York City subways and buses. The program was launched in phases starting in January 2019 when New Yorkers receiving cash assistance or benefits from the Supplemental Nutrition Assistance Program (SNAP) were able to access the reduced fare program. Eligible New Yorkers may apply through an online portal, which allows residents to manage their SNAP and cash assistance benefits. Applicants may also visit an in-person Fair Fares location.

NYC Housing Authority residents, City University of New York students, and veterans in poverty will soon qualify for Fair Fares. Riders Alliance is looking to ensure that all New Yorkers who live at or below the federal poverty line are eligible by early 2020. During the current phase of the program, the city will be contacting New Yorkers directly with a letter indicating eligibility. Other eligible New Yorkers will be able to apply to participate starting in January 2020.

The Fair Fares NYC website currently highlights that over 85,000 New Yorkers have enrolled in the program.

Denver

In the Fall of 2018, the Regional Transportation District of the Denver region introduced a low-income program and a 70 percent discount program for riders between 6 and 19 years old.

The fare policy changes included an increase in local bus fares and rail fare between downtown Denver and Denver International Airport. The low-income fare program provides a 40-percent discount to households at or below 185 percent of the federal poverty level. To qualify, residents must be between 20 and 64 years of age. Proof of income is needed to apply for the program.

Enrollment for the program started earlier this year on July 29 and is called LiVE, which stands for

"live your best life." A 25-member working group, starting in 2017, evaluated RTD fare structure and pass programs. One of the recommendations that came out of the group was a low-income fare program. Residents can access the LiVE application via the Colorado state benefits website.

Seattle

In 2014, Seattle's King County Metro approved the ORCA Lift program and it was implemented in March 2015. The program was accompanied by a fare increase. Staff we spoke to at King County said part of the purpose of the ORCA Lift program was to alleviate the burden of fare increases which had occurred several times since 2008.

There are currently more than 87,000 registered users and the transit agency has partnerships with public health and other social service providers to enroll people. Qualifying adults must be between 19-64 years of age and income must be at 200 percent of the federal poverty line. Eligibility is determined in several ways, such as current enrollment in Washington Healthplanfinder, Apple Health, Washington Basic Food (EBT), or TANF. Paystubs for the last 30 days, tax returns (for self-employed only) and other documents can be used to verify your income. Eligibility for the program lasts two years after which participants must undergo an eligibility renewal. To enroll, qualified adults can visit one of the authorized ORCA LIFT enrollment offices.

The regional reduced fare applies to travel on various county and city buses, light rail, streetcars, and water taxis. The reduced fare is generally $1.50 per ride across most transit agencies participating in the program with some variance for distance based pricing such as on commuter rail and water taxi.

In the four years since its inception, the ORCA LIFT has become an example for other transit agencies exploring other programs, particularly because of its scope. According to King County Metro, passengers tapped ORCA LIFT cards nearly 5 million times in 2016. Part of the success of the program has been credited to Metro Transit's partnership with Public Health – Seattle & King County, which helps customers register and verify incomes.

San Francisco

In 2005, San Francisco implemented the Lifeline program, which gives 50 percent discounts on adult monthly passes for customers at or below 200 percent of the poverty level. Residents in the program currently pay $40 for a monthly pass. The Lifeline pass allows for unlimited rides on Muni buses, trains, cable cars, and trolleys (but not BART). SFMTA estimates that 33 percent of eligible residents who ride Muni are active participants in the program.

To receive the Lifeline pass, residents must show proof of residence and current Medi-Cal or EBT card at the SFMTA Customer Service Center. If not enrolled in these programs, there is an additional step to verify income and residency. Once verified, residents receive their Lifeline card and can buy a monthly pass sicker every month at the Human Services Agency, SFMTA Customer Service Center, among other places on their website.

The Free Muni for youth pilot was approved in 2012 and started in 2013. This service gave Free Muni service for San Francisco residents from age 5-17 (later expanded to 18 years of age) that have income at or below 100 percent Bay Area Median Income. Free Muni for youth pilot program was initially funded through a one-time $6.8 million grant from Google. SFMTA estimates that 83 percent of eligible residents who ride Muni are active participants in the program. Free Muni for seniors 65+ and people with disabilities was approved by SFMTA in 2015 and started that same year. The program is open to San Francisco residents with income at or below 100 percent of the Bay Area Median Income. As of June 2019, 120,920 residents are enrolled in the Free Muni pass program. For the free Muni program, there is an application, but there is no income verification needed.

A new regional low-income fare pilot program is set to launch in the Bay Area in early 2020. It would apply to adult fare single-ride discounts available on the Clipper Card. Participating transit agencies would be BART, Caltrain, Golden Gate Transit and Ferry, and Muni. Eligible adults would be at or below 200 percent of the federal poverty line.

Portland

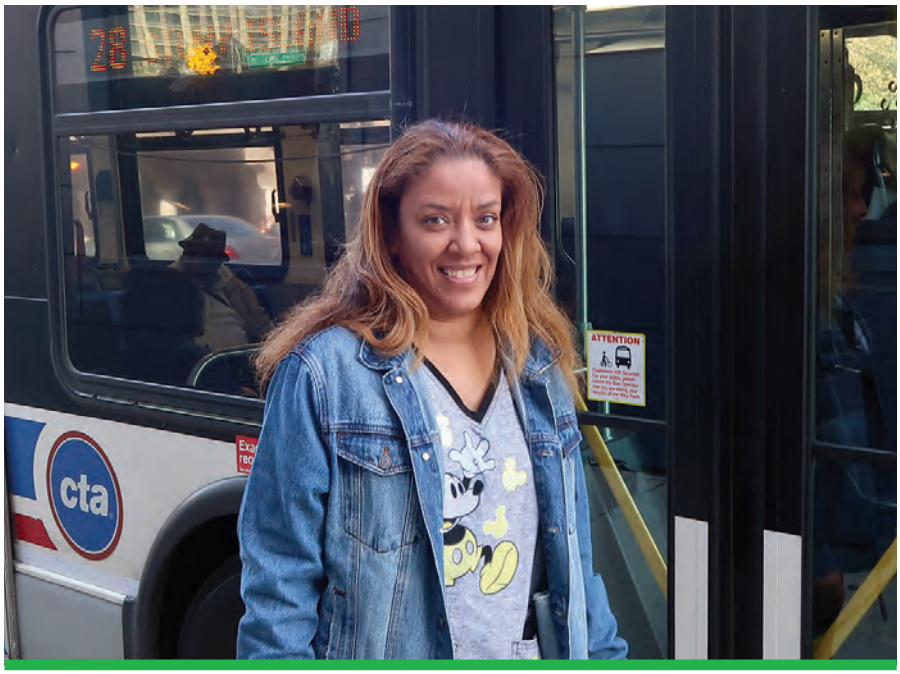
The Honored Citizen HOP program expansion for low-income riders launched in 2018 across three counties. Qualifying residents receive a 50 percent discount off single rides and a 72 percent discount off monthly passes.

This program was funded through a new state transportation bill for freeways and other infrastructure called Keep Oregon Moving. It included a new payroll tax at one-tenth of 1 percent that is partly being used to fund this program. Eligibility for the program was set at 200 percent of the federal poverty line. Qualified riders receive the same reduced fare as seniors (65+), Medicaid recipients, people with mental and physical disabilities, and youth (7-17). Oregonians, ages 18 to 64, who are not otherwise eligible for other reduced fare programs are invited to apply.

Qualification can be assessed at various partner verification sites, as well as at enrollment events hosted by TriMet. In order to qualify, residents need a government-issued ID and valid documentation such as a recent paystub or Oregon Health Plan card. Once qualification is confirmed, riders take their income verification receipt to the TriMet Ticket office where they receive their personalized Hop card that includes their photo. Money can be loaded to the card at the ticket office, online, through their mobile app or at more than 500 retail partner locations. TriMet's low-income fare program exceeded expectations for the first year with more than 17,000 people saving more than $2.5 million on transit costs.[12]

[12] https://news.trimet.org/2019/01/trimets-low-income-fare-program-on-track-to-exceed-first-year-expectations/

Yolanda Cruz

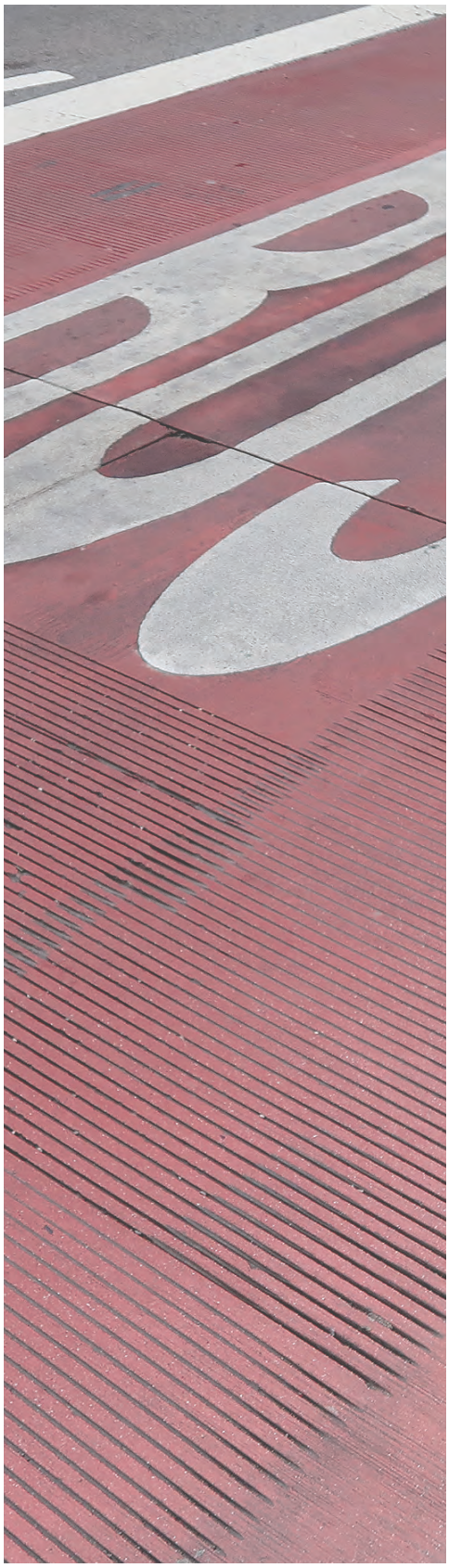


Yolanda Cruz, 42, lives in Jeffrey Manor near 95th Street and Calhoun Avenue. When she found our survey online, she said the idea of reduced fares immediately resonated with her.

"I work part-time, and we struggle sometimes to make ends meet to get on the bus," she said. "Sometimes it's about deciding whether to pay a bill or be able to pay for the bus next week. If I pay this bill, I won't be able to get to work, but I must make it to work to pay these bills." Yolanda sometimes decides to pay half her bill to have enough for bus fare.

For work, Yolanda is a health aide in Hyde Park. She works in three different houses, so she takes the bus often. Instead of buying a 30-day pass, she buys a 7-day pass every week. "You can't buy a monthly pass when you have to think about paying your bills," she said. "Buying a weekly pass is cheaper, even if you're paying more over the month." When Yolanda worked full-time at O'Hare, it was more feasible for her to afford a 30-day pass.

Despite costs, Yolanda has relied on the bus her entire life. She lived in the heart of Logan Square near Kimball and Diversey and, recently, with her grandmother near Central Park and North Avenue. Yolanda emphasizes that as you get further south bus service is lacking, particularly if you must transfer to Pace. "It's expensive for some people who make minimum wage, just barely making it."



DECRIMINALIZE FARE EVASION

Nationwide, there has been a growing conversation about fare decriminalization. The movement to decriminalize fare evasion is inspired partly because it hasn't been shown to be an effective means to recoup lost fare revenue and because it disproportionately impacts people of color. The Seattle-area King County Auditor's Office released a report on King County Metro's fare enforcement tactics and stated in part that "Fare enforcement is an important and highly visible part of Transit's RapidRide system, but Transit is not able to determine if it is effective."

In December 2018, the Washington D.C. City Council voted to decriminalize Metro fare evasion. In August 2016, California Governor Jerry Brown signed legislation that ends criminal penalties for transit fare evasion for those under 18. San Francisco decriminalized fare evasion for adults in 2008. New York City, on the other hand, has taken the approach of increasing police presence. With recent videos surfacing of NYPD brutally arresting people for farebeating, this is clearly the wrong approach.

None of Chicagoland's local transit agencies have made moves to decriminalize fare evasion.

As conversations start around the potential for reduced fares on our regional transportation, it is important to consider whether cost barriers are one potential factor in fare evasion and how big of an issue policing is on our transit system.

According to the Chicago Transit Authority Rules of Conduct, fare evasion is defined by "entering into the paid area of any CTA property without paying the required fares."

Any person who violates the rules is subject to any or all of the following penalties:

- A fine not less than $300
- To complete a period of supervision
- To pay restitution when the violation involves damage to property
- Community service for not less than 30 and not more than 120 hours
- Immediate removal from CTA property
- Suspended riding privileges
- Arrest

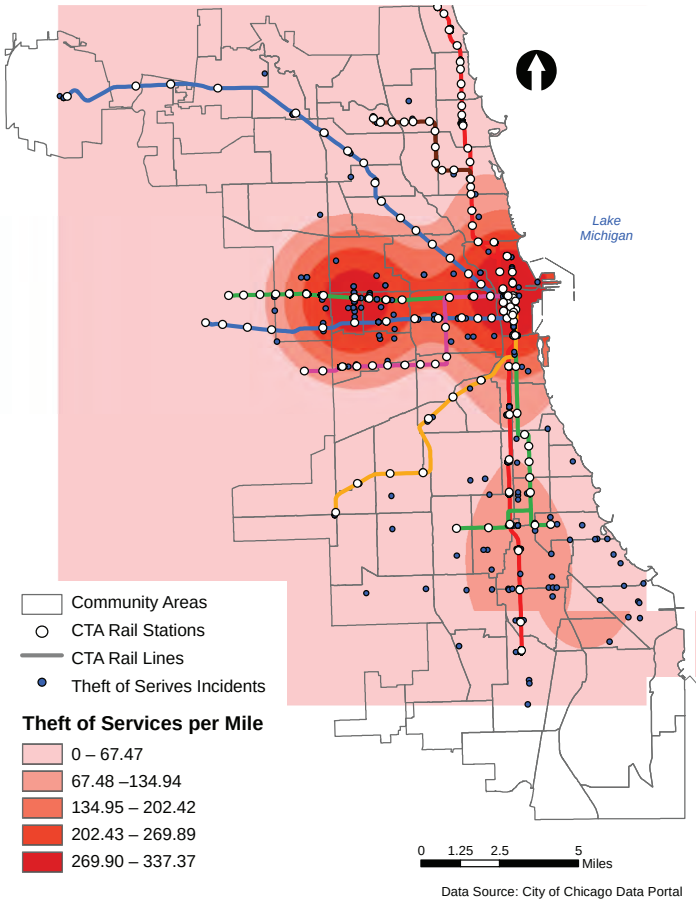
At least 8,018 people have been arrested between 2008 and mid-2018 for not paying for CTA fares, which is documented as "theft of services" in the city of Chicago's data portal. We also pulled data on "criminal trespassing," which refers to people experiencing homelessness using transit for prolonged periods of time and panhandling. We mapped the data and most of these cases were on the West and South Sides of Chicago as well as downtown.

Metra reports that there were 43 arrests 2016-2018 for fare evasion. Here is the breakdown by route: Metra Electric: 9, Rock Island: 11, Milwaukee North: 8, Milwaukee West: 9, UP West: 2, Heritage Corridor: 2, UP North: 1, SouthWest Service: 1.

Of the nearly 700 low-income transit riders we surveyed, 90 of the lowest income respondents said they had hopped a turnstile or asked a person to swipe them through to access transit.

We maintain that the crime does not warrant a fine and fee structure that will be on an individual's permanent record, affecting future job opportunities, and subjecting them to a harmful criminal justice system. A recent Transit Center report pointed out that "there is no evidence showing that lighter penalties for evasion will incentivize less payment or lead to greater revenue loss for transit agencies. On the other hand, there is plenty of evidence that criminal penalties for fare evasion make taking transit riskier for many riders, are expensive to enforce, and may discourage ridership."[13] The harmful and wasteful impacts of the policy and repercussions outweigh the hope of the agencies that the policy acts as a deterrent to future fare evaders.

Theft of Services per Mile



Data Source: City of Chicago Data Portal

Metra currently has a smartphone application called COPS that allows Metra riders to report on "Safety and security issues on Metra trains and facilities, such as a crime in progress, disruptive or aggressive behavior, suspicious activity, unattended bag or package, vandalism, panhandling, fare evasion or other concerns." By decriminalizing fare evasion on Metra, this will remove the risk of discrimination as to who is reported for fare evasion via the COPS application. We do not believe fare evasion is a safety issue and therefore should be removed from the available options on what can be reported on in the application.

By decriminalizing fare evasion on CTA, Pace, and Metra, the transit agencies can take a step towards becoming more just and equitable for their riders. The Chicago Police Department and the Metra Police Department should not waste their resources on criminalizing fare evaders who are often low-income people of color—people who are often in their position due to institutionalized racism and systemic poverty rather than simply because they are bad actors.

This is the alternative we would like to offer: community service hours or a way to be enrolled into a reduced fare program for low-income residents.[14]

ACTION: **Chicago City Council decriminalizes fare evasion on CTA; Pace and Metra boards decriminalize fare evasion on their service; all three agencies provide alternatives such as enrollment in a reduced fare program and community service hours.**

[13] https://transitcenter.org/why-decriminalize-fare-evasion/

[14] https://usa.streetsblog.org/2019/06/28/seattles-compassionate-response-to-transit-fare-evasion/

FREE FARES FOR YOUTH

Nationwide, there has been a call for free fares for youth. Sacramento Regional Transit recently launched a fare-free transit program for area youth in grades transitional kindergarten to 12. Roughly 222,000 students are said to be eligible for that program. Through the program, youth can ride the entire SacRT transit network and it is available all day, any day of the week, and all year long during regular SacRT service hours. The program is set to run for one year until September 2020. In San Francisco, the free MUNI provides low- and moderate-income youth ages 5 to 18 free access to MUNI services.

In Chicago, the movement for free transit for youth is also building. During the summer of 2019, we met with a group of Back of the Yards College Prep students who are advocating for free transit for youth. They wrote an open letter to Mayor Lori Lightfoot with their requests.[15]

In 2018, Jahmal Cole of My Block, My Hood, My City also called for free transit for Chicago's youth, citing Chicago's segregation, which exposes youth of color to high levels of poverty and crime. Free transit access, he argues, would allow more youth of color to visit community areas outside of their own, see beyond their communities, and gain access to opportunities in the resourced parts of the city.

Currently, there are reduced fares for students in elementary and high school in the city of Chicago (and some suburban schools). Students receive a reduced CTA rate of $0.75 per ride during the school year. Students from Back of the Yards College Prep calculated that even with the discount currently provided, they are still spending on average $271.50 a school year to get to and from school, not including transfer costs. For a low-income family with more than one child, this is a costly burden.

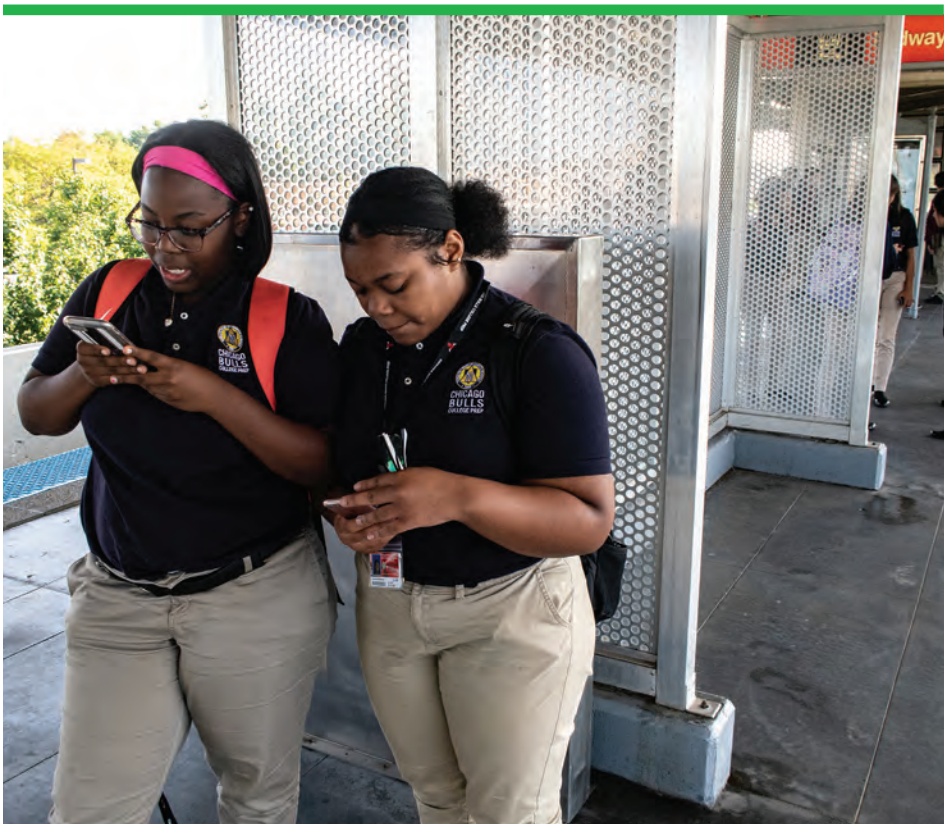
During the 2019 mayoral election, the Reimagine Chicago platform was released by the Grassroots Collaborative, a coalition of neighborhood-based organizations. The platform was developed in partnership with neighborhood residents across the city and outlined aspirations for how to transform Chicago into a city that works for everybody. One of their recommendations is providing free transportation for youth and seniors on all CTA services and establishing a reduced fare program for low-income residents on CTA, Metra, and Pace.[16]

ChicaGO2School is an organization advocating for free transportation for low-income high school students. According to its research, 82.6 percent of 2018-2019 CPS high school students are economically disadvantaged, which means they qualify for free or reduced lunch. In 2012, thanks to the advocacy of the Mikva Challenge Mayoral Youth Commission, five CPS high schools participated in a free fare pilot program, which sampled 100 students from each school. The program resulted in five percent attendance increase and an estimated nine more instructional days for students.[17] In addition to allowing low-income families to save hundreds of dollars per year, the effects of free transit for youth would also likely include improved educational outcomes.

Of the 361,314 students in the 2018-2019 Chicago Public Schools student body, 296,277 students would qualify for free transit under our proposal. Covering transit costs for those youth would require approximately $80 million for the school year. We believe that all trips for youth should be free, however — not just trips to and from school. Students are encouraged to be active participants in their communities and that requires freedom of movement to access resources and opportunities all around the city. This would also encourage them to develop a habit of using transit, so that in the future when they are able to afford fares, they will already be committed transit riders.

We believe that free transit for youth is a step in the right direction for equitable transportation in our region.

ACTION: **Chicago Transit Authority and Chicago City Council implement free year-round transit for youth living in the city of Chicago who qualify for free or reduced lunch program until the age of 19.**

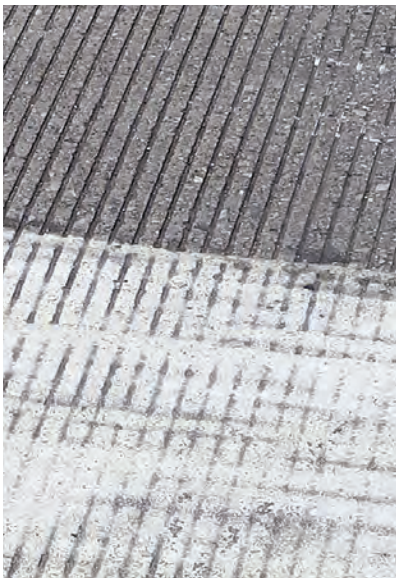


[15] https://chi.streetsblog.org/2019/06/13/an-open-letter-to-lori-from-south-side-youth-requesting-free-transit-for-cps-students/

[16] https://grassrootscollaborative.org/wp-content/uploads/2019/01/ReimagineChicagoPlatform.pdf

[17] https://mikvachallenge.org/blog/mikva-youth-commissioners-win-on-push-for-free-cta-rides-for-low-income-chicago-youth/

Isabel Abarca



Isabel Abarca is a 16-year old living in Back of the Yards with her family. She rides the bus every day, including at least two buses to and from school. She uses the 47th and Western buses mostly, in addition to the Orange Line.

Growing up, transit has been a big part of her life. "My mom can't afford a car," she said. "We have to take transit everywhere, even just to buy groceries or home supplies."

Isabel describes the Back of the Yards area as not having a strong local economy serving her family, so travel is likely for basic goods. Her family often travels to the Target store in McKinley Park, which requires a bus and some walking.

Isabel has been taking the bus since she was ten years old. As a child, she lived in Wrigleyville and commuted an hour to her elementary school. Transit has been an embedded part of her life and the life of her family.

"My mom rides a lot of transit, a lot of trains, and a lot of buses everywhere," she said. When Isabel thinks about the impact a reduced fare program can have for her family and community, she thinks of her mom. "My mom has had difficulties with putting money on her Ventra card. She probably puts in $40 to her Ventra card a month and even then, it doesn't help her for the whole month."

Isabel says that if her mom doesn't have enough to put on her Ventra card, she takes money from other parts of their budget. "The apartment we live in is $900," she said. "Sometimes my mom has to sacrifice some rent money in order to place it in the Ventra card."

Isabel thinks a reduced fare program could remove the barriers her family faces. "We wouldn't have to worry so much guessing if we're going to have enough money to get to work or school."

SOUTH COOK FAIR TRANSIT PILOT: WHAT CAN WE LEARN FROM THE METRA ELECTRIC AND ROCK ISLAND LINES?

The Coalition for a Modern Metra Electric have been calling for increased frequency and lower fares on the Metra Electric District and Rock Island Metra Lines for several years. First organized by progressive lobbyist Dan Johnson and now led by Linda Thisted, President of the Coalition for Equitable Community Development, and Andrea Reed, Executive Director of the Greater Roseland Chamber of Commerce, the Coalition raises important concerns as people living and working on Chicago's South Side and southern Cook County. The South Side and southern Cook County have far fewer options for public transportation, thus stifling economic development and mobility for the residents of the area. The Coalition has gathered support — both political and grassroots — to expand access and improve affordability of the Metra Electric and Rock Island lines for the communities that otherwise are stuck with limited mobility options.

Separately, the Cook County Department of Transportation and Highways conducted a South Cook Mobility Study in 2019, which modeled the impacts of increasing frequency and lowering fares on the Metra Electric District and Rock Island Metra Lines that run through southeast Chicago and Southern Cook County. Cook County went on to propose the South Cook Fair Transit Pilot, which would invite riders to take advantage of free transfers from CTA to Metra, discounted fares on Metra, and increased frequency of service. Cook County has also put forth the funding to subsidize the revenue lost to the CTA.

This pilot is a unique opportunity to learn about the impacts on low-income residents and transit riders when fares are reduced, frequency is increased, and transfers are free. The region should take advantage of this opportunity to learn from this pilot, listen to the voices of local community organizers, and experiment with a more integrated regional transportation system and see what that can do for overall transit ridership.

ACTION: **Cook County, CTA, and Metra implement the South Cook Fair Transit Pilot, also known as the Metra Electric and Rock Island Pilot, to learn from the effects of increased frequency, reduced fares, and free transfers between all agencies — CTA, Pace, and Metra.**

APPENDIX

RTA service

Pace routes – 213 routes serving more than 220 communities in the six-county area

Metra routes – 11 lines, 241 stations

CTA rail – 8 routes, 145 stations

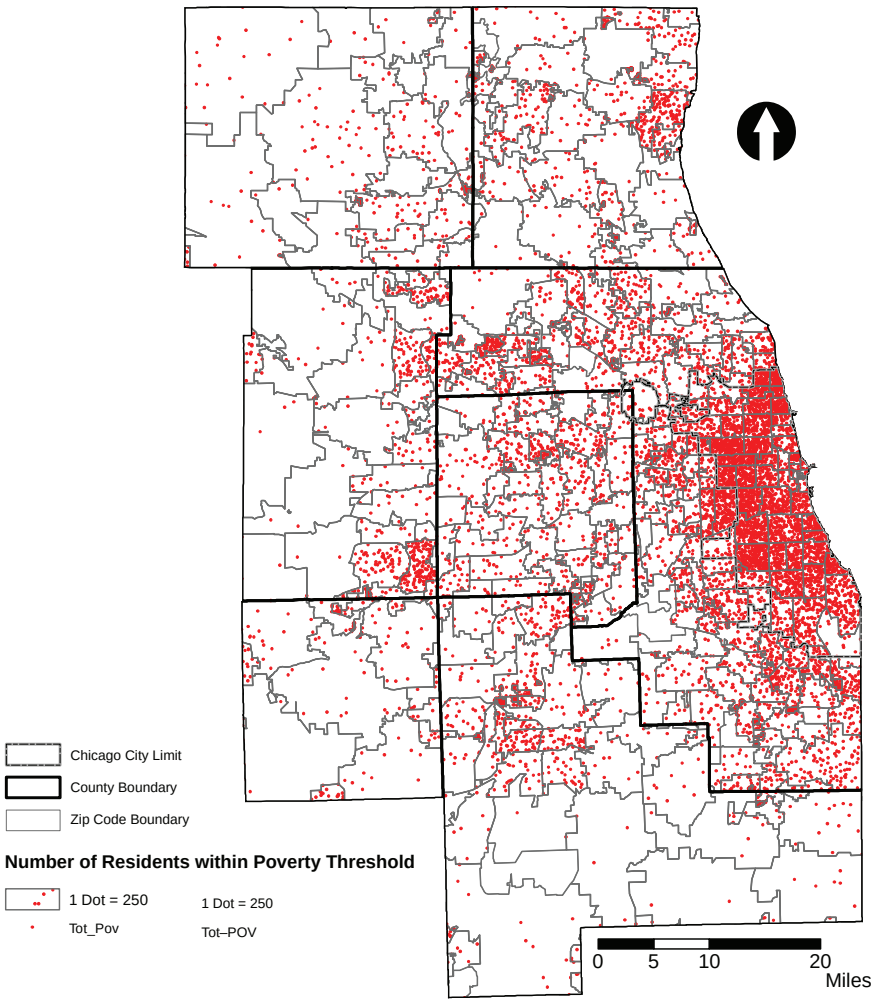
CTA bus – 1,864 buses that operate on 129 routes and 1,536 route miles

Socioeconomic composition of our region

The goal of our proposal for a reduced fare program is to offset the costs of transportation on an already financially over-burdened low-income population. As part of developing our understanding of the socioeconomic composition of our region and how it manifests geographically, the following analysis was conducted on the existing conditions of people living at or below 200 percent of the federal poverty level, racial and ethnic distribution, zero car households, and public transportation commuting. The purpose of this analysis is to identify target populations who would be eligible for the proposed discounted transit fare program and bring to light any geographic trends, which relate to access to transportation, car ownership, and affordability of movement.

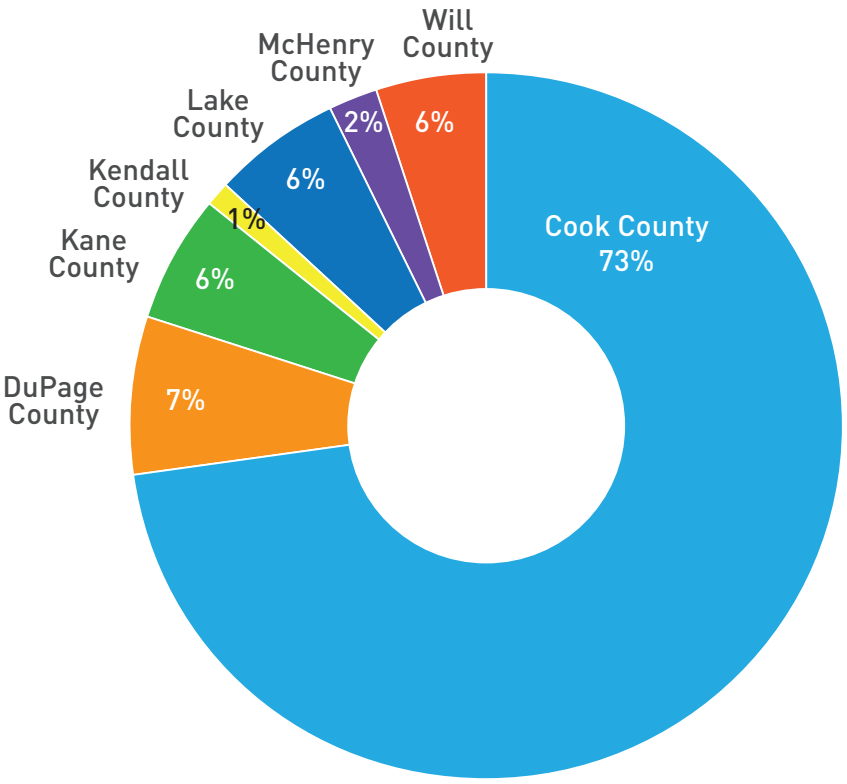
The data used for this analysis was obtained from the American Community Survey and the data sets are 5-year estimates for 2013–2017.

Density of Residents at or Below 200 Percent of the Federal Poverty Level by Zip Code



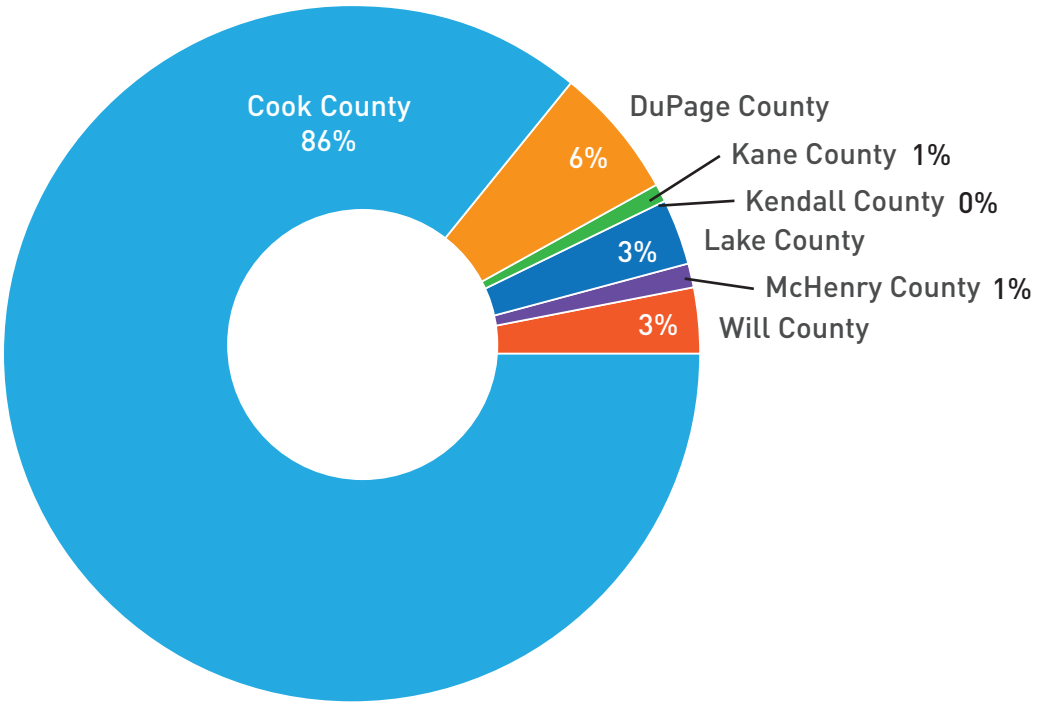
Source: 2013-2017 *American Community Survey 5-year Estimates*

Percentage of Poverty Threshold Total Population

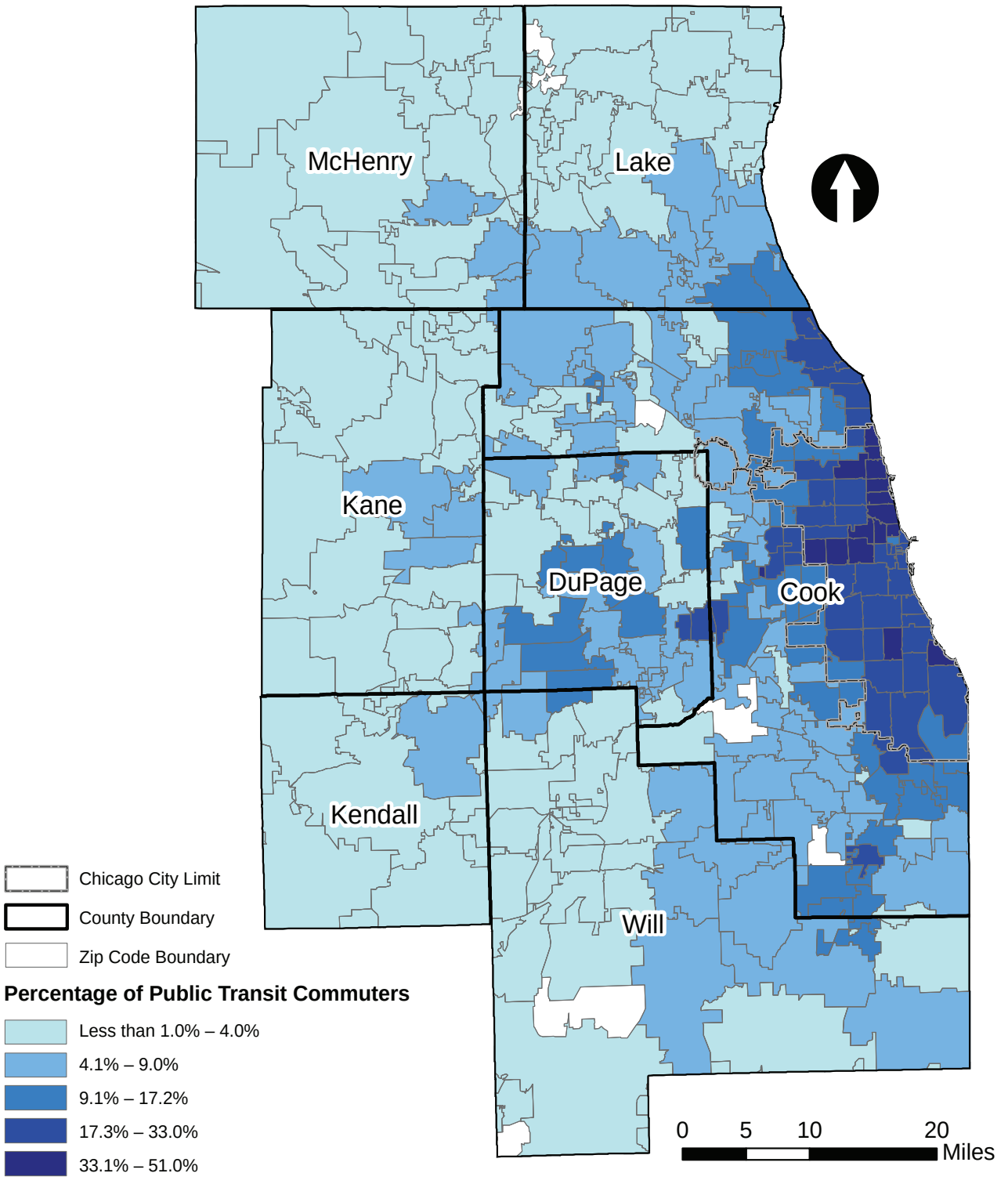


Percent of Public Transit Commuters by Zip Code

It is important to note the only available mode share data on a large scale is work trip or commuting mode data. But of course, this leaves out other types of trips like purchasing groceries, attending a doctor's appointment, etc. As a result, the true mode share for public transportation for our region cannot fully be represented by this map.



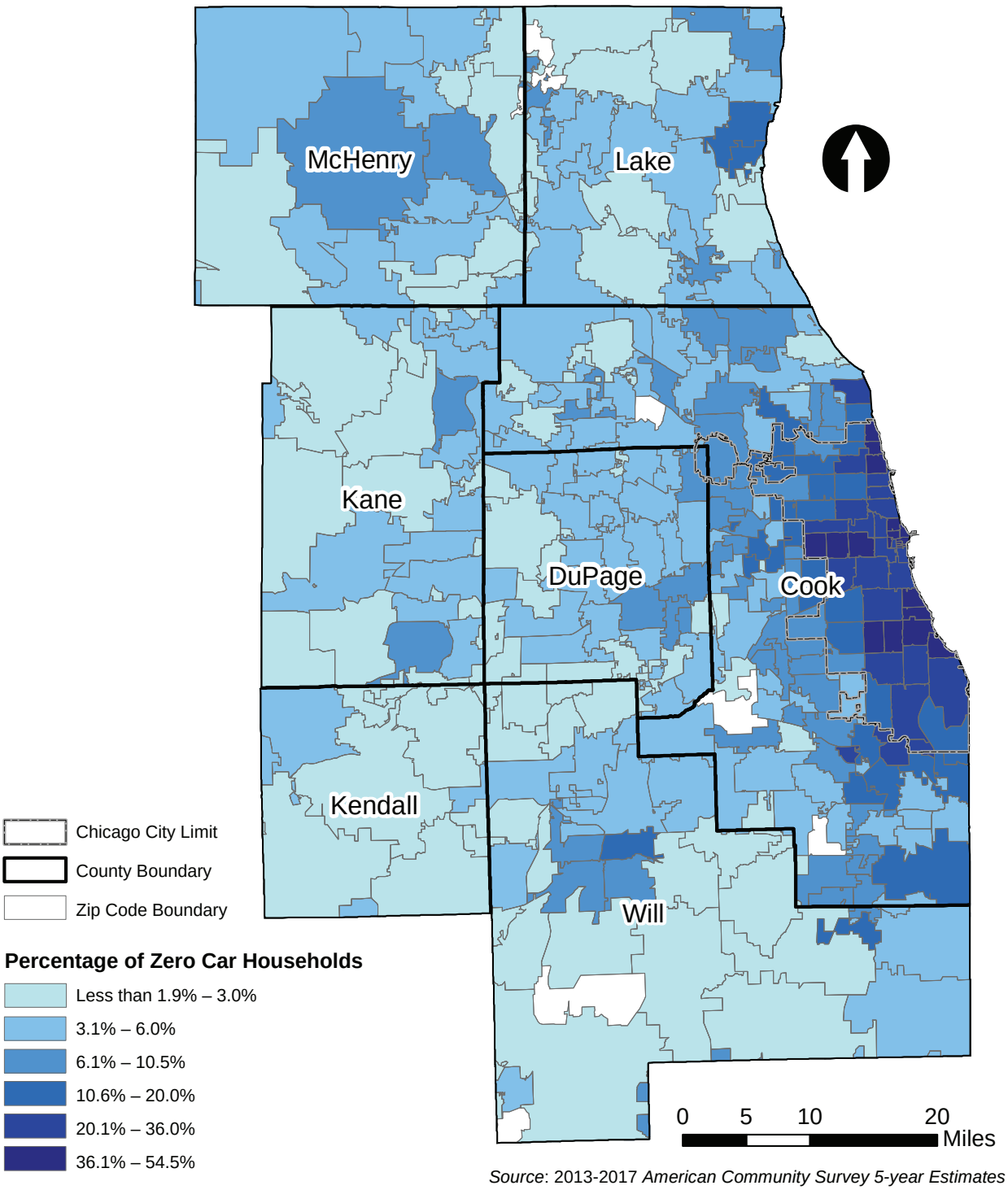
Percent of Public Transit Commuters by Zip Code



Source: 2013-2017 *American Community Survey 5-year Estimates*

Share of Zero Car Households by Zip Code

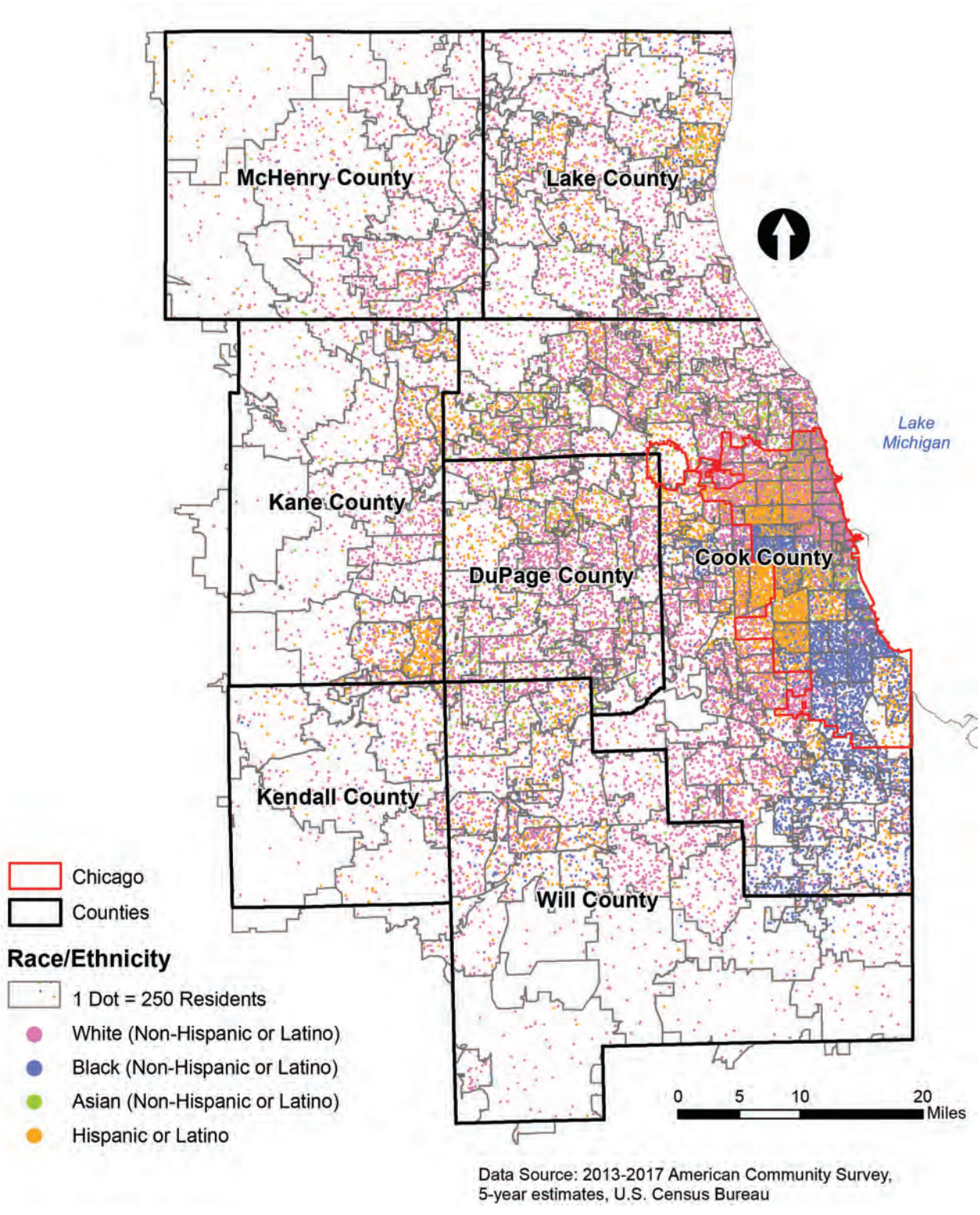
While poverty and racial makeup have proven to be good metrics for marginalized social groups, measuring the number of zero car households is also necessary as an indicator of need for a discounted fare program for low-income people. However, there are also many households where people are choosing to live without a car rather than not being able to afford one, so this data must be considered in hand with income and race data as well.



Source: 2013-2017 *American Community Survey 5-year Estimates*

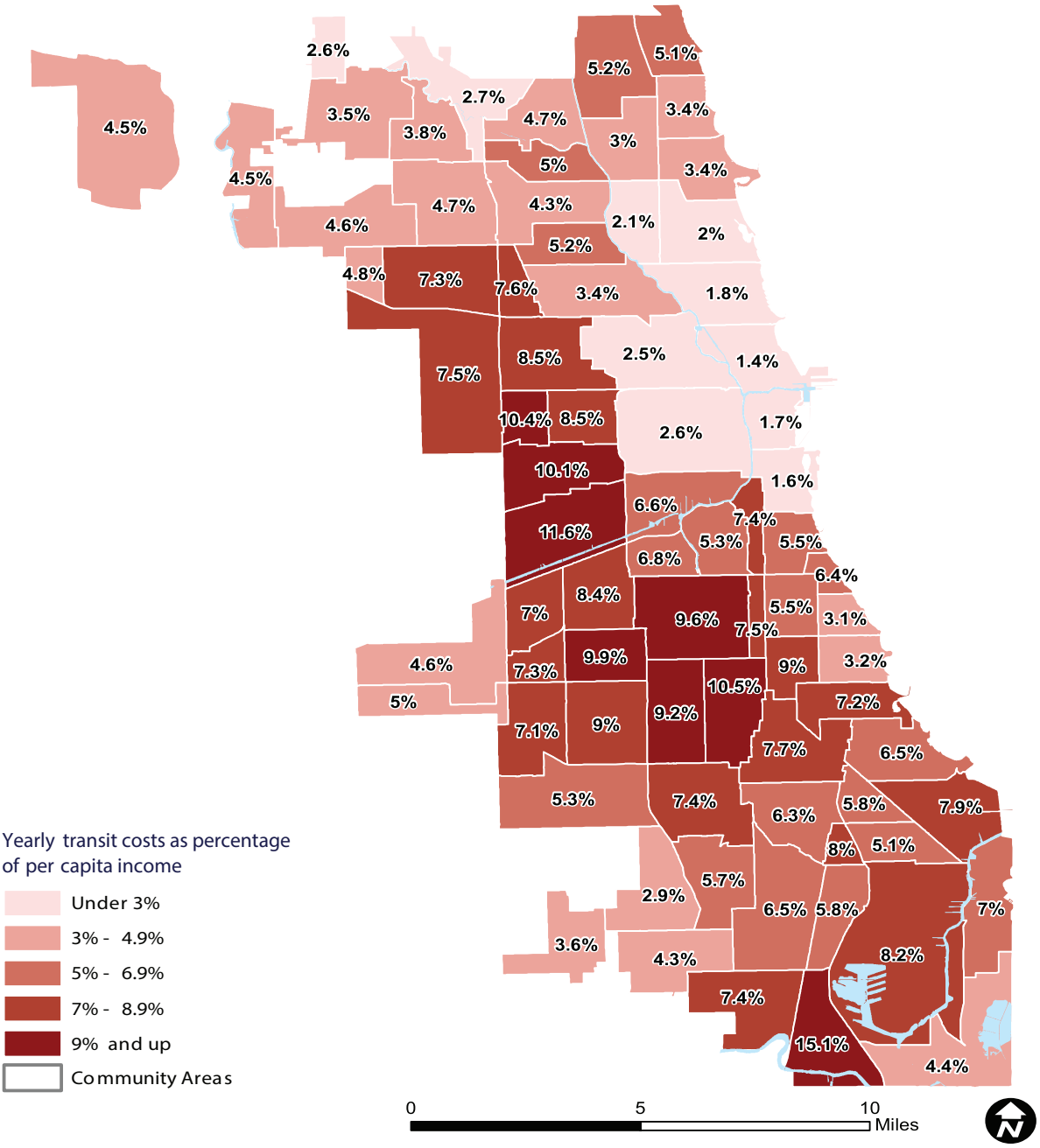
Racial Distribution and Density by Zip Code

It has been well documented that discriminatory housing policies have led to the existing conditions of race and class segregation in the United States, including in our local Chicagoland context. The Metropolitan Planning Council's Cost of Segregation report is one resource that documents this locally. Because of the relationship between race and class, considering the racial makeup of our region is necessary when implementing policy aimed at eliminating class barriers.



Savings on Transit as Percentage of Household Income by Chicago Community Area

This is calculated using the savings of $630, which we calculated based off our proposal for a 50 percent reduced fare program based on the current price of a CTA 30-day pass. This type of analysis was too complex to undertake for our means for the surrounding counties since Metra price varies by distance as do dial-a-ride services.



Source: 2016 American CommunitySurvey, 5 year estimates
Note: Income data is for total working population and includes non-transit riders

UIC Great Cities Institute

Invitation to join the movement

As we continue to build political will and grassroots support for the recommendations laid out in this report — including fare capping, a reduced fare program for people with low-incomes, and free transit for youth — we will need to build power collectively. Our work will also necessitate being adaptive as we hear from community members and stakeholders. The vision for transportation equity in our region will require centering the voices of the most marginalized and we would like to provide the space where those conversations can take place. Please reach out to julia@activetrans.org and lynda@activetrans.org to join the movement for a more equitable fare structure for Chicagoland.

#FairFaresChi #Transit4All
#InvestinTransitRiders

ACKNOWLEDGEMENTS

This work would not be possible without the funding and support of TransitCenter and other supporters.

Special thanks to Jack Rocha at UIC Great Cities Institute for support with data collection. Thank you to Kevin Peralta and Alex Perez, graduates of UIC's Masters in Urban Planning and Policy program, whose master's thesis, "Bringing a Low-Income Fare Subsidy to Chicago," provided a foundation of research for this report. They helped expand our research to cover the seven-county Chicagoland region.

In order to collect surveys for this report, we hired canvassers from neighborhoods on the South and West Sides. Over the course of three weeks, canvassers went throughout their neighborhoods talking to residents and gathering responses. We are grateful for their time and efforts collecting input from their fellow community members.

Canvassers: Noemi Cordero, Elia Higareda, Kimya Hunter, Niesha Hunter, Stephanie Mendoza, Dalia Radecki, Damien Stallion, Christina Tharrington, Edgwina Tharrington, Marilyn Tharrington, Carolina Vasquez.

Thanks to the following community partners who gave us feedback and input on campaign goals and helped disseminate our survey to their community members as well:

Back of the Yards College Prep youth

Adam Ballard, *Access Living*

Marcos Cisneros, *Grassroots Collaborative*

Jessica Cruz, *TransitCenter*

Christian Diaz, *Logan Square Neighborhood Association*

Eric Halvorson, *Chicago Jobs Council*

Susan Hurley, *Chicago Jobs with Justice*

Patrice James, *Shriver Center on Poverty Law*

Pastor Robert Jones, *Mount Carmel Baptist Church*

Era Laudermilk, *Cook County Public Defender's Office*

Lilly Lerner, *Jane Addams Senior Caucus*

Sarah Moskowitz, *Citizens Utility Board*

Andrea Ortiz, *Brighton Park Neighborhood Council*

Alyssa Rodriguez, *Chicago Coalition for the Homeless*

Julio Rodriguez, *Northwest Side Housing Center*

Jeremy Rosen, *Shriver Center on Poverty Law*

Stephanie Schmitz Bechteler, *Chicago Urban League*

Advocates and agency staff from other cities who took the time to educate us on their campaigns for Fair Fares and lessons learned from implementing reduced fare programs:

Chris Arkills, *King County Transit Metro*

Rebecca Bailin, Riders Alliance

Mary Capistrant, *Metro Transit*

Orlando Lopez, *formerly of OPAL Environmental Justice Oregon*

Beau Morton, *Seattle Transit Riders Union*

Local transportation funding experts and agency staff who helped educate us on the current landscape and gave feedback on this report:

Jake Abrams, *ChicaGO2School*

Susan Borucki, *McHenry County Department of Transportation*

Emily Daucher, *McHenry County Department of Transportation*

Peter Fahrenwald, *Regional Transit Authority*

Drazzel Feliu, *Center for Tax and Budget Accountability*

Jacqueline Forbes, *Kane County Department of Transportation*

Jeremy Glover, *Metropolitan Planning Council*

Benet Haller, *Cook County Department of Transportation and Highways*

Scott Hennings, *McHenry County Department of Transportation*

Kate Lowe, *University of Illinois at Chicago*

Scott Presslak, *Star:Line Chicago*

Joseph Schwieterman, *Chaddick Institute for Metropolitan Development, DePaul University*

Kevin Stanciel, *Regional Transit Authority and Active Transportation Alliance board member*

Michael VanDekreke, *Regional Transit Authority*

Audrey Wennink *Metropolitan Planning Council*

Lead authors: Lynda Lopez and Julia Gerasimenko

Graphic design: Anne Evans

Review team: Ted Villaire and Kyle Whitehead

Technical assistance: Heather Schady

FAIR FARES CHICAGOLAND

ACTIVE TRANSPORTATION ALLIANCE