



Rate Commission

CITY AND COUNTY OF HONOLULU

<http://www.honolulu.gov/boards-and-commissions>

650 South King Street, 3rd Floor • Honolulu, Hawaii 96813

COMMISSIONERS

Cheryl D. Soon, Ph.D. FAICP, Chair

Keslie Hui, Vice Chair

Barbra J. Armentrout

Ann M. Bouslog, Ph.D.

James Burke

Gary Gill

Dexter Kubota

Corrected Meeting Notice

Tuesday, December 10, 2019

2:00 PM up to 4:30 PM

Mission Memorial Building Hearings Room

550 South King Street

Honolulu, Hawai'i 96813

Agenda

1. Call to order
2. Roll call
3. Approval of minutes for November 12, 2019
4. Public input
5. Information from Department of Transportation Services on fare box recovery for FY 2019 and any breakdown by categories of fares; and monthly fare box recovery for FY 2020.
6. Information Briefing by Department of Transportation Services on parking charges at rail stations
7. Information Briefing and Update by Department of Transportation Services on HOLO card status
8. Information Briefing by Department of Community Services on methods to determine Extremely Low Income persons
9. Public testimony received in advance of meeting
10. Discussion on rate setting policies and application
 - a. Preliminary Proposal on Goals and Policies (attached)
 - b. Framework Issues
 - c. Simplification
 - d. Flat rates versus distance-based rates
 - e. Rate for bus and rail versus separate rates
 - f. Transfers
 - g. Capping
 - h. Tiers and categories of fare classes
 - i. Introductory discounts
 - j. Rate stability
 - k. Equity
 - l. Programs
11. Coordination with Administration and Council
12. Adjournment

Note: If the Rate Commission does not complete the agenda on Tuesday December 10, 2019, the meeting will continue as required on Monday December 16, 2019 at 2:00 PM in Mission Memorial Building Hearings Room.

Written testimony may be faxed to 768-4730 or transmitted via the internet to hchee@honolulu.gov for distribution to Rate Commissioners at the meeting. If submitted, written testimonies, including the testifier's address, e-mail address and phone number, will be available to the public on the Rate Commission [website](#).

If you require special assistance, auxiliary aid and/or service to participate in this event (i.e. sign language interpreter; interpreter for language other than English, or wheelchair accessibility), please contact Puni Chee at 768-8329 or email your request to hchee@honolulu.gov at least five business days prior to event.

Corrected Attachment

PRELIMINARY PROPOSAL (FOR DISCUSSION)

The Rate Commission hereby expresses its goals and policy statements which form the basis for recommending fare adjustments to Honolulu's transit system.

- Goal One: Grow ridership on transit,
- Goal Two: Optimize utilization and encourage people of all income classes to use transit and alternate modes rather than automobile
- Goal Three: Optimize revenues from all sources and be mindful of the established policy of 25-30% farebox recovery

Policies that emphasize the goal of growing ridership and encourage frequent use of transit

- **Simplify the rate structure so it is easy to understand.** One base fare on bus or rail for a single ride. Create convenience for both Holo card holders and cash payers.
- **Flat rates, no penalty charge for transfer between modes if taken with three hours of disembarking from the first mode.**
- **Encourage frequent use.** Create a daily cap of three rides in a day and weekly cap of fifteen rides. After that, it is free for the balance of the day or week.
- **Encourage new riders to try rail:** Introductory discount (half price, not free) fares for one month and \$1 on Sundays for three months. Holo card to be adjusted accordingly.

Policies for special categories

- **Discount fares** for named eligible categories
- **Programs for special users** when a funding source for them is identified.
- **Equity.** Discount fares for all eligible categories (senior, student, disabled, low income)

Policy for Raising Revenue

- **Fare box recovery:** continue to meet the 25-30% threshold for bus; and strive to meet the same threshold for rail within four years of initial operations.
- **Track Ridership and revenue impacts** quarterly and consider adjustments as the data indicates