

# STAFF SUMMARY

<b>Subject</b> MTA 2024 Temporary Fare Promotions: Connecting Services Railroads Monthly Pass Fare and “Summer Saturdays” Fare Pilot						<b>Date</b> May 20, 2024			
<b>Department</b> Office of the Chief Financial Officer									
<b>Department Head Name</b> Kevin Willens, Chief Financial Officer									
<b>Department Head Signature</b>									
<b>Project Manager Name</b> Jessica Mathew, Sr Advisor Policy & Special Projects									
<b>Project Manager Signature</b>									
<b>Board Action</b>						<b>Internal Approvals</b>			
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>
1	Committee	5/20/2024	X			1	Chief Financial Officer		
2	Board	5/22/2024	X			2	Legal		
						3	Chief of Staff		

**Purpose:**

To obtain MTA Board approval to launch temporary fare pilot promotions (1) to encourage more customers from Orange and Rockland Counties to take Metro-North services on the Harlem and Hudson Lines and to encourage discretionary ridership to and from Orange and Rockland Counties on Saturdays over the summer; and (2) to launch a temporary fare pilot program to encourage more discretionary travel on Saturdays during the summer on Metro-North Railroad and Long Island Rail Road.

**Discussion:**

Congestion Pricing (formally known as the Central Business District Tolling Program) is planned to launch in June 2024. By charging vehicles a toll to enter the Congestion Relief Zone, defined as local streets and avenues in Manhattan at or below 60<sup>th</sup> Street, Congestion Pricing will encourage drivers to switch to transit (subways, buses, and railroads) into the Congestion Relief Zone and avoid the toll. The implementation of Congestion Pricing also presents an opportunity to attract riders to transit with additional options for travel into the Congestion Relief Zone that are affordable, fast, and convenient.

In order to encourage more customers from Orange and Rockland Counties to use Metro-North services on the Harlem and Hudson Lines, the MTA is launching several promotions. First, MTA is proposing a temporary fare pilot promotion for railroad customers for a discount up to 10% (due to rounding) of the total combined fare of certain UniTicket products that connect riders that live in Orange and Rockland Counties with Metro-North Railroad service on the Harlem and Hudson Lines. This mirrors the pilot launched for monthly fares for travel within New York City. The promotion is only available to customers who purchase a monthly ticket and the discount to the rider will be realized wholly on the connecting service portion of the fare. Discounts on the connecting service portion of the fare range from 50%-90%. The duration of this fare pilot would be at least 12 months and may continue until the next permanent fare change.

Second, Metro-North Railroad will be piloting summer weekend ferry service on the Haverstraw-Ossining Ferry. Currently, this service is only available during peak hours on weekdays. The pilot is intended to encourage more discretionary ridership on weekends during the summer months to destinations served by Metro-North's east of Hudson service, and is a service enhancement that has been sought by local communities for many years. Finally, Metro-North will be offering Orange and Rockland County residents a 25 percent discount on parking in the Metro-North-owned North White Plains parking lot, which is located across the street from Metro-North's North White Plains station on the Harlem Line and which has sufficient capacity to absorb additional customers.

Additionally, on both Long Island Rail Road and Metro-North Railroad, the MTA is launching an additional pilot program known as "Summer Saturdays" that is designed to promote weekend travel on the railroads. This program, which will run on Saturdays between July 6 and August 31, 2024, allows monthly pass holders, to travel to any destination on the railroad that issued their monthly pass, with up to two additional people, for \$1 per person.

**Impact on Funding:**

Funding has been identified from one-time favorable operating budget variances to cover the cost and revenue impacts from this pilot. The additional parking discount is anticipated to generate additional revenue by attracting new customers to this lot.

Budget Impact: \$1,009,000

- Weekend Ferry Pilot
- Bus UniTicket Discount Pilots
- Ferry UniTicket Discount Pilots
- Parking Discount
- Summer Saturdays

**Recommendation:**

It is recommended the MTA Board approve these temporary fare pilots.