



**Region Wide  
Reduced/ Fare Free Pilot Program  
Framework Presentation**

# Background

- The SLOCOG Board previously (April 6, 2022) approved the \$300K set-aside of multiple cycles of LCTOP funding towards the Region-wide Fare Subsidy Pilot Program.
- LCTOP = Operating and capital assistance for transit agencies to reduce GHG emissions and improve mobility, with a priority on serving disadvantaged communities.
- Originally, pilot program was supposed to launch in FY26/27, however, program was added to the scope of the Five Cities Multimodal Transportation Network Enhancement Project (i.e. Pismo Congestion Relief) US 101 SB1 Solutions for TCIP grant request that was awarded funding.
  - Now implementation is in FY 25/26

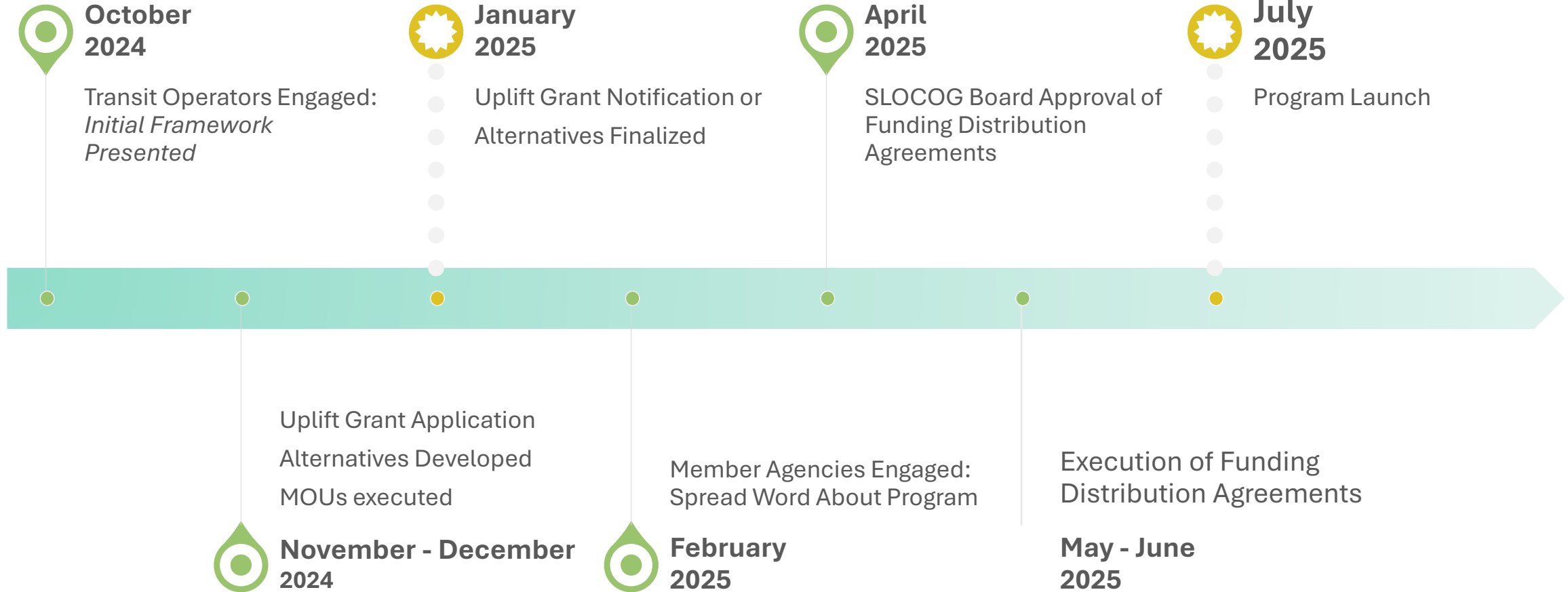
# Goals of Program

Reduce greenhouse gas emissions, by increasing transit usage

- The Region-wide Fare Subsidy Pilot Program seeks to reduce congestion on US 101 during peak travel periods and improve mobility and reduce household transportation costs for lower income populations

Gather data to determine validity of continued fare free/reduced fares

# Program Milestones



# Funding Availability

- Total = ~\$1M from LCTOP
- Passenger Fares in FY25/26 estimated revenues (from SRTP WP#5)
  - SLO Transit (not including CP) = \$260,000
  - RTA (not including MB) = \$1,129,700
  - Funding shortfall = ~\$342,345
- Potential funding gap source – Uplift Grant Program
  - Ask up to \$450k

# Program Implementation Alternatives

- Alternative 1: Fare Free with funding gap source
- Alternative 2: All fares reduced (not free) system wide
- Alternative 3A: Fare free for K-12 and all other discounted service (*fares remain same for all routes*)
- Alternative 3B: Fare free for K-12 and all other discounted service (*fares are discounted on other routes*)
  
- *If grant is not secured, alternatives will be developed with operators*

# Next Steps

- Prepare financial analysis on alternatives
- MOUs for Uplift grant
- Uplift Grant Application