

CITY OF TORRANCE

INTEROFFICE COMMUNICATION

DATE: February 24, 2011

TO: Members of City Council Transportation Committee

VIA: LeRoy J. Jackson, City Manager

FROM: Kim Turner, Transit Director

SUBJECT: Proposed Changes to the Senior Taxi and Disabled Dial-A-Taxi Program.

RECOMMENDATION

The Transit Director recommends that a universal fare of \$3.00 per taxi ticket and a reduced city subsidy from \$13.00 to \$10.00 per trip.

BACKGROUND/ANALYSIS

In July 2003, the Transit Department made several changes to Senior Ride and Dial-A-Lift Programs. Those changes have helped preserve the financial integrity of both programs and allowed the City of Torrance to continue offering these vital services.

Implemented 2003 Changes to the Senior Ride and Dial-A-Taxi Program

1. Expiration of Taxi Tickets

The Finance Department expressed concern regarding the financial liability of "sold but unused" taxi tickets. Finance felt that if senior ride participants ever redeemed their unused tickets *en masse*, the City, it would be ill equipped to handle the financial burden. Staff was aware that many seniors bought more tickets than they could use in one month and kept them for emergencies.

Reviewing the structure of program, Transit staff concluded that since the City sold senior ride tickets on a monthly basis, the expectation was that the participant would use the purchased tickets within that month or shortly thereafter. Transit staff implemented giving all senior ride tickets a ninety-day expiration beginning July 2003.

2. Torrance Dial-A-Lift and Senior Ride Consolidation

Transit Department proposed changing the Torrance Dial-A-Lift operation. The City of Torrance owned and maintained the Dial-A-Lift vehicles and a private contractor

operated the service. Transit staff felt that having a contractor operate AND maintain vehicles would save the City money and allow the City to provide better service. Staff also proposed changing to an All-Taxi format to eliminate the need for a separate administrative staff and dispatch center solely for the Dial-A-Lift operation.

Transit staff submitted a proposal to City Council. Council adopted the proposal as part of the budget process in June 2003.

Under the submitted proposal, Transit staff consolidated the Torrance Dial-A-Lift and Senior Ride as functions under the *Torrance Community Transit Program*.

The then new service for the disabled operated similarly to the Senior Taxi Program. Taxicab companies provide 24-hour service using regular taxicabs or accessible minivans for those who need them. At the time, Dial-A-Lift patrons had to make appointments several days in advance. Under the new system, patrons are able to request same-day service.

In an attempt to mirror the Senior Ride program as much as possible, the program limited ticket purchases to a maximum of sixteen tickets per month (like Senior Ride). However, patrons with special needs are able to receive additional tickets on a case by case basis. Eligibility requirements remained the same.

These proposed changes took effect on October 1, 2003.

3. Program Fare Changes.

On October 1, 2003, fares for disabled patrons increased from fifty cents (.50) per ticket to seventy-five (.75) cents per ticket. Senior fares remained the same.

On July 1, 2004, low-income senior taxi fares increased from seventy-five cents (.75) per ticket to \$1.00 per ticket for seniors with household incomes below 50% of the area median.

At the City Council's request, Torrance Transit introduced a third senior-taxi pricing tier of \$5.00 for those seniors with household incomes at or above the area median income. Seniors with incomes between 50% and 100% of the area median income continued to pay three dollars.

All disabled fares became \$1.00 per ticket regardless of income on July 1, 2004.

Proposed 2011 Changes to the Senior and Dial-A-Taxi Program

Until recently, the program has been able to preserve its financial integrity under the current program changes. However, the downturn in the economy, increased participation levels and projected growth in the programs will require changes to be implemented in order to continue to offer these vital services.

The growth in programs over the next five years is projected to be approximately 5% annually. Attachment "A" displays the previous and projected growth patterns. It is projected that future taxi ticket purchases will by FY 15 exceed the program cap by approximately \$470,000. To address future projected program deficits and remain within the council directed \$1,000,000 net program cap, staff is recommending two program changes:

1) Program Fare Modification:

The program modification proposes a flat \$3.00 per ticket for all TCTP participants. Currently, based on income levels, 84% of all senior taxi tickets purchased are at \$1.00; 10% are purchased for \$3.00 and 6% are purchased at \$ 5.00. All 100% of the Dial-A-Taxi participants pay \$1.00 per ticket. Attachment "B" shows the proposed change and revenue increase.

The change will also create a more equitable fare structure for all TCTP participants.

2) Reduce the Current Taxi Ticket Subsidy

The city currently pays up to \$13.00 per taxi ride. It is proposed that the subsidy paid by the city be limited to \$10.00 per ticket. The city subsidies over \$2,300 annually for a senior or disabled individual who purchases 16 tickets monthly and pays \$1.00 per ticket. Attachment "B" reflects the proposed annually savings based on reduced subsidies at \$10.00, \$11.00 and \$12.00 levels.

Both modifications are proposed to be implemented on July 1, 2011.

What Other Comparable Cities Offer:

Attachment "C" shows transportation services other cities offer to their senior and disabled residents. The city of Torrance is very generous and supportive of its senior and disabled citizens.

Transit staff has met with the Commission on Aging on January 11, 2011 and February 8, 2011. We are scheduled to attend the March 1, 2011 meeting to provide additional feedback. Staff has established contact with the Harbor Regional Center, a major provider of services to the disabled community. The center has agreed to distribute

information provided by staff to the center to distribute to its clients. A one-page information notice of intent will be mailed to all senior and disabled participants in the city taxi program. A special transit hotline number and e-mail contact will be provided to accept a 30 day feedback period. The notice of the proposed changes will also be placed on the department website. Staff is tentatively planning to come to city council in mid April with its final recommendation for approval.

The Transit Department recognizes that changes to these programs can profoundly affect Torrance's senior and disabled populations. However, Transit staff is committed to providing assistance to all Torrance Community Transit Program patrons during this transition.

Respectfully Submitted,

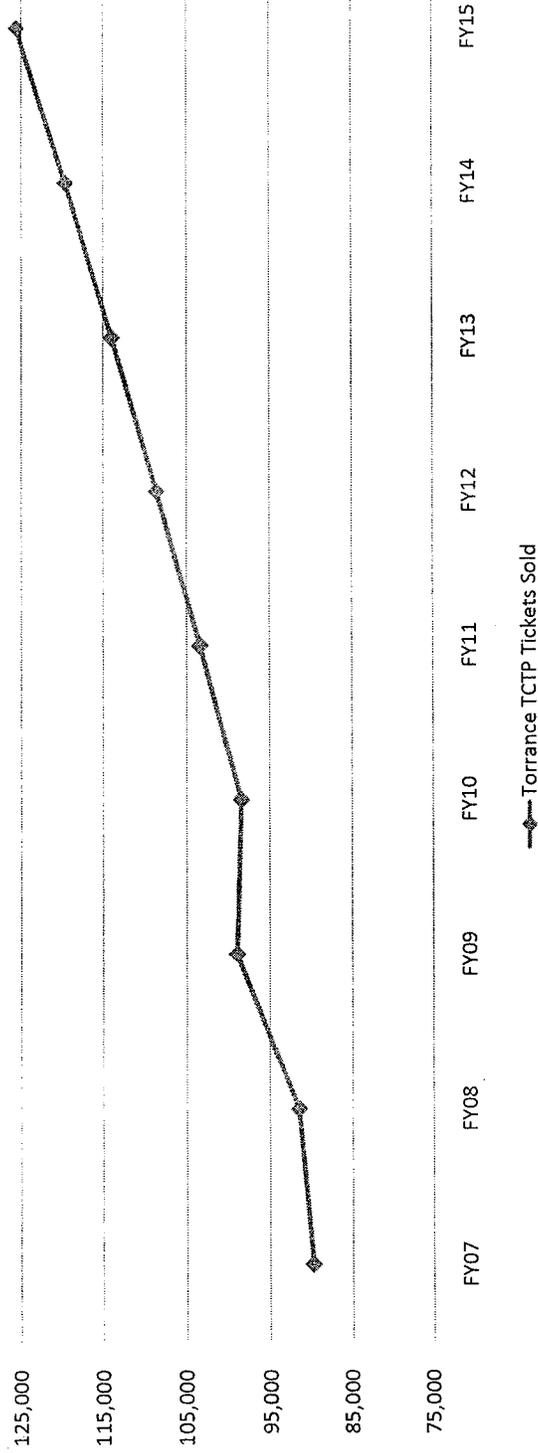


Kim Turner
Transit Director

Attachment(s):

- A) Torrance Community Taxi Program Tickets Sold & Projected Sales
- B) Torrance Community Transit Program Projected Cost and Revenue Projections
- C) Senior and Dial-A-Ride Transportation Comparisons

Torrance Community Taxi Program Tickets Sold & Projected Sales



Year	TCTP Tickets sold & Projected Sales
FY07	89,755
FY08	91,519
FY09	98,970
FY10	98,469
FY11	103,392
FY12	108,562
FY13	113,990
FY14	119,690
FY15	125,674

*FY11-15 assumes 5% growth in tickets

Past, Current & Projected Costs

Year	Tickets sold	Costs @ 13/ticket	Costs @ 12/ticket	Costs @ 11/ ticket	Costs @ 10/ticket
FY07	89,755	\$ 1,050,134			
FY08	91,519	\$ 1,070,772			
FY09	98,970	\$ 1,157,949			
FY10	98,469	\$ 1,152,087			
FY11	103,392	\$ 1,209,692			
FY12	108,562	\$ 1,270,176	\$ 1,172,470	\$ 1,074,765	\$ 977,059
FY13	113,990	\$ 1,333,685	\$ 1,231,094	\$ 1,128,503	\$ 1,025,912
FY14	119,690	\$ 1,400,369	\$ 1,292,649	\$ 1,184,928	\$ 1,077,207
FY15	125,674	\$ 1,470,388	\$ 1,357,281	\$ 1,244,174	\$ 1,131,068

Current & Projected Revenues

Year	Tickets sold	Current Revenues	Revenues @ 3/ticket	Revenues @ 2/ticket
FY07	89,755	111,296		
FY08	91,519	113,484		
FY09	98,970	122,723		
FY10	98,469	122,102		
FY11	103,392	128,207		
FY12	108,562	134,617	\$ 325,686	\$ 217,124
FY13	113,990	141,348	\$ 341,971	\$ 227,980
FY14	119,690	148,415	\$ 359,069	\$ 239,379
FY15	125,674	155,836	\$ 377,023	\$ 251,348

Senior & Dial-a-Ride Transportation Comparisons

Agency	Type of Service	Cost	Monthly Cap	Hours	Details
Beverly Hills	Taxicab	\$6 for \$24 in cab fare	\$24 per mo	24 hours	
Carson	Taxicab	\$1/one way trip	30 vouchers	24 hours	Anywhere in Carson, only to 17 satellite points outside Carson for medical appointments only.
City of LA	Taxicab	\$9 or \$21 for \$42 in cab fare	\$42 per mo.	24 hours	\$9 or \$21 price levels depend on income
Gardena	Shared DAR Vans	\$.75 each way	None	8:00am-5:00pm	For residents of Gardena, Hawthorne and the unincorporated Alondra Park and Del Aire areas of Los Angeles County
Glendale	Shared DAR Vans	\$1/ one way trip	None	8:00am-6:00pm	Considering a fare increase
Hermosa Beach	Taxicab	\$1/ one way trip	20 vouchers	24 hours	Can travel anywhere within El Segundo Blvd., Crenshaw Blvd. and PCH.
Lomita	Taxicab	\$1/ one way trip	20 rides per mo.	24 hours	
Long Beach	Shared DAR Services-Vans	\$2/ one way trip	None	7:00am-10:30pm	
Palos Verdes	Taxicab	\$5/ one way trip on peninsula, \$20 off peninsula for medical only	24 rides per mo.	24 hours	
Pasadena	Shared DAR Cutaway buses	\$.75/ one way trip	None	7:00am-9:00pm	
Redondo Beach	Shared DAR Cutaway buses	\$1/ one way trip	None	6:00am-10:00pm	
Santa Clarita	Shared DAR Cutaway buses	\$2/ one way trip	None	5:00am-10:30pm	
Torrance	Taxicab	\$16 for \$208 in cab fare per mo.	16 vouchers	24 hours	