



# **Low-Income Fare Program Implementation Plan**

**June 2014**

**NOTE:** Metro will update this plan in early fall 2014 for consideration by the King County Council.

## **Acknowledgements**

The Low-Income Fare Program Implementation Plan was prepared by a project work team with the guidance of a project steering committee.

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## Executive summary

This plan responds to King County Ordinance 17757, which approved the creation of a low-income transit fare program.

King County Metro Transit is proud that we will become one of the few large transit agencies in the nation to offer a reduced fare for customers who have low incomes.

Being one of the first means we did not have an industry-standard template to design our program. Our project team, with guidance from the Low-Income Fare Steering Committee, did extensive research and consultation with others to develop this implementation plan. Still, this is a work in progress. We expect to make modifications as we continue developing the program and as we gain experience operating it.

This plan outlines what we will do to successfully launch the low-income fare on March 1, 2015:

- Modify existing One Regional Card for All (ORCA) technology and develop a new database to support the program.
- Define the numerous details of program operations, including the procedures we will follow to prepare and distribute ORCA cards; how we will work with partner agencies; and measures we will use to protect program integrity.
- Enter into agreements with partner agencies that can help us reach potentially eligible participants and also provide income verification and card distribution services.
- Conduct a vigorous public outreach and marketing program. Key strategies include collaborating with community agencies and using a variety of culturally and linguistically appropriate communication tools.
- Implement this program in a manner that minimizes ongoing administrative costs, maintains program integrity and otherwise manages potential risks.

When the Low-Income Fare Program is up and running, tens of thousands of people who travel in King County will benefit from reduced fares. Metro's customers who are least able to afford fares will have a low-cost way to travel to work, school, services and other destinations. This program will make a major contribution to the County's effort to create a more equitable community where everyone can realize their potential.

### **Proposed features of the low-income fare ORCA card**

- Cards will look the same as regular ORCA cards.
- No fee will be charged for a new card or renewal; a \$5 fee will be charged to replace a lost or stolen card.
- The low-income fare will expire 24 months after the card issue date; the card can be used as a regular adult fare card after the expiration date.
- The expiration date will be printed on the back of the card in English and Spanish, and in other languages if space allows.

## Background

King County's adoption of a reduced Metro Transit fare for people with low incomes stems from a fundamental commitment to promoting fairness and opportunity and eliminating inequities. This "fair and just" principle is woven into the King County Strategic Plan and is expected to be incorporated into everything the County does.

Along with this policy basis, actions taken to help make up for a recession-related drop in Metro's operating revenue prompted consideration of a low-income fare. Metro raised fares four times in four consecutive years—2008 through 2011. In September 2012, Metro eliminated the Ride Free Area in downtown Seattle. In October 2012, the County Council adopted Metro's financial plan which assumed that Metro's fares would be increased again in 2015. While these steps were important parts of the strategy to manage Metro's financial situation, their impact on low-income transit customers became a concern.

Metro's adult fares increased by a total of 80%, or \$1, from 2008 through 2011. As a result, an adult customer who purchases monthly passes is paying \$432 more per year.

### Low-Income Fare Options Advisory Committee

Following the events noted above, on October 8, 2012, the King County Council passed a motion<sup>1</sup> calling for the establishment of an advisory committee to assist in the development of public transportation fare programs for people with low incomes.

The Executive convened the Low-Income Fare Options Advisory Committee in January 2013. The committee met over the next seven months, considering information related to Metro's fare structure, existing discounts, policy objectives and financial situation. In July 2013, the committee submitted a report to the Council recommending that a low-income fare program be created. In September 2013, the Council was briefed by Metro staff and members of the committee and accepted a motion concerning the committee's final report and recommendations.

### Low-income fare ordinance

In January 2014, the Executive proposed an ordinance to increase all existing Metro fares and add a new low-income fare category effective March 1, 2015. In February, the Council adopted Ordinance 17757 approving fare changes.

The ordinance includes the following directives concerning the low-income fare program:

- The director of transportation may implement and administer a low-income transit fare program using the existing smart card One Regional Card for All, also known as ORCA, system, upon Council acceptance of a low-income fare program implementation plan.
- The eligibility threshold for the low-income fare is set at 200 percent of the federal poverty level.
- The low-income fare would be set at \$1.50 starting in 2015. The low-income fare is flat—the same at all times of day and for one- or two-zone travel.
- The low-income fare is available to persons who apply for and are determined to meet the threshold eligibility requirements for the low-income transit fare program authorized by the ordinance and receive a valid low-income transit fare card, which allows the ORCA system to accept a low-income fare.

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<sup>1</sup> Motion 13746. On January 22, 2013, the council passed Motion 13806, increasing the advisory committee membership and rescinding Motion 13746.

- The Executive should transmit a low-income fare program implementation plan to the Council by June 1, 2014. The low-income fare program implementation plan transmitted by the executive must reflect participation by the Department of Community and Human Services and Public Health – Seattle & King County and must document this participation.

### **Low-Income Fare Program Implementation Task Force**

Ordinance 17757 also created a Low-Income Fare Program Implementation Task Force that was directed to submit a report to the Council and the Executive by August 15, 2014 which reviews the low-income fare program implementation plan submitted by the Executive.

The ordinance includes the following directives concerning the task force:

- The report should address the plan's effectiveness in promoting awareness of the low-income fare program to stakeholder communities in King County and the process for establishing eligibility, including a review of potential locations where consumers may seek eligibility to participate in the program.
- The report may also include recommendations on modifications to the plan, developed in consultation with the Executive.
- Each member of the task force shall have substantial experience and expertise relevant to public transportation and its utility for low-income individuals and families and shall have an ability and willingness to attend meetings and participate effectively as a member of the task force. The executive and council shall ensure that diversity of views and experiences are reflected in the appointment of task force members. Diversity of views and experiences shall include, but not be limited to, racial, ethnic, gender identity, geographic and faith diversity.
- The task force shall be composed of one representative from each of the following:
  - A provider of services to immigrant and refugee communities
  - A community organization focusing on transportation issues
  - A member of the Transit Advisory Commission appointed as provided in K.C.C. 2.124.010.3.b
  - A member of the Women's Advisory Board
  - A member of the Low-Income Fare Options Advisory Committee
  - A representative from the Community Health Centers
  - A provider of services to the homeless
  - A representative from the Eastside Human Services Forum
  - A representative from the South King Council on Human Services
  - A representative from the North Urban Human Services Alliance
  - A representative from the Seattle Human Services Coalition
  - A member of the Veterans Citizen Levy Oversight Board
  - A community college student.

### **Outreach to social service agency community**

Metro staff met with representatives of the Washington State Department of Social and Health Services (DSHS) in February to discuss our goals and how we can work collaboratively with DSHS to achieve them.

Project staff met in February and April with King County Department of Community and Human Services staff members to review the program, discuss options and opportunities to work together, and solicit input on social service agencies to involve in the process.

Metro's project staff members met in March with representatives of Public Health – Seattle & King County to discuss best practices for conducting outreach and distributing information on a large scale to potential affected populations, based on what Public Health staff learned from their recent initiative to promote enrollment in Affordable Care Act coverage.

Project staff met in April with representatives of social service agencies—Catholic Community Services, Hopelink, Solid Ground, the Coalition to End Homelessness, and Washington State DSHS—to discuss what agencies would need in order to participate as partners with Metro in this program by verifying income eligibility and providing ORCA cards to low-income customers.

The low-income fare project manager and team members will continue to meet with various County agency staff regarding how to best meet the needs of the affected population and work with social service agencies within the county to institute an effective, efficient program.

Metro also assembled a Steering Committee including director-level representatives from both the King County Department of Community and Human Services and Public Health – Seattle & King County. County Council and Executive Office staff members and Sound Transit representatives also participated. The Steering Committee is helping to shape and is reviewing development of the program plan.

**Program goal**

The first action taken by the Steering Committee was to agree on the following goal to guide development of the Low-Income Fare Program plan:

***Implement a program to make a reduced transit fare option accessible to all eligible individuals for use in King County.***

All of these activities will serve as background for the project team as we meet with the Low-Income Fare Implementation Task Force as required by King County Council. The first task force meeting is scheduled for late May, and members include representatives from many social service agencies, including those recommended by DCHS and Public Health. The project team also briefs the County's Interbranch Committee regularly.



## Implementation plan

This section identifies the major components of the low-income fare program:

- Operations model
- Income verification
- Preparation and distribution of low-income fare ORCA cards
- Technology to support the program
- Fees for obtaining, renewing and replacing cards
- Ways customers can add value to their low-income ORCA cards
- Measures to protect the integrity of the program
- Rollout of the program vs. ongoing operation
- Outreach and marketing

For each of these areas we discuss challenges Metro faces in developing this program, options we considered for addressing the challenges, and our proposed implementation plans.

### Operations model

Metro is proposing to operate the low-income fare program in partnership with third-party agencies. Metro will be responsible for the functions that are within our core competencies, including procuring and preparing low-income ORCA cards and providing them to partner agencies. Metro will contract with partner agencies for the services they are better equipped to provide, including verifying customers' eligibility for the program and distributing ORCA cards to them. This model is described in more detail later in the plan.

### Verifying eligibility

King County Ordinance 17757 defines the eligibility threshold for Metro's low-income fare program as 200 percent of the federal poverty level. The number of eligible people who will apply for a reduced fare card is unknown; estimates range from 45,000 to 100,000—a sizeable number in any case. A challenge is to plan a process for verifying who is eligible for the low-income fare.

Metro has a number of programs intended to benefit people with low incomes, such as the Human Services Ticket Program. However, none of these programs require verification of income, so Metro has not developed the capacity for verifying eligibility for the low-income fare.

The Low-Income Fare Options Advisory Committee recommended that Metro not create a new entity to determine eligibility. The Advisory Committee suggested that we leverage existing eligibility verification systems that third-party agencies use to determine eligibility for benefit programs. For people not enrolled in programs that have already verified their income, the committee recommended that we explore working with agencies that could provide this service. Ordinance 17757 noted this recommendation in its statement of facts.

Metro and other King County departments already have relationships with potential verifying agencies. These may be ORCA business partners that provide transportation benefits to low-income clients, participants in the Human Services Ticket Program, providers of Community Access Transportation service, or agencies that have some other involvement with Metro or other departments. Metro plans to build on these established relationships to identify and develop agreements with agencies to provide income verification services. However, we cannot assume their participation, and have invited the agencies into the planning process.

We plan to have agreements with a number of social service agencies that have multiple locations throughout King County by fall 2014. In addition to the sites currently served by these agencies, we will work with other County departments and local jurisdictions to identify a network of convenient locations throughout the County.

Details that must be worked out in the agency agreements include staff roles, work processes, locations for serving clients, the cost of services to be reimbursed by Metro, and the process for sharing and keeping secure low-income ORCA cardholder registration information. A database to manage cardholder registration data is under development.

We are gathering information now on various documentation methods currently in use and identifying which are the most common and consistent processes. One resource that we plan to use is the Washington State DSHS Benefits Verification System. DSHS administers a number of programs that have the 200 percent of federal poverty level threshold. DSHS has indicated a willingness to consider making its database available to verifying agencies; some agencies already use this database. A second potential resource is the Washington State Health Care Authority's Medicaid database; the eligibility level for Medicaid is 138 percent of the federal poverty level.

We need to further explore ways in which agencies manage client services and what restrictions they may face in determining eligibility for those not currently part of their client base. This may require significant discussion about what is possible at program initiation. As we work with partner agencies and gain experience operating the program, we may add additional mechanisms for determining eligibility. We are also developing a database to consolidate information provided by partner agencies for follow-up verification and uploading to the ORCA system.

We are planning to establish procedures to follow when applicants are determined to be not eligible, looking at our own internal procedures and consulting with partner agencies for models.

We will also be exploring if and how to determine eligibility of a person who has no documentation of income. It is not now clear if there can be a way to grant a low-income card to someone who does not have documentation within the parameters of this program, but we expect this to be an issue and will analyze it further and make a recommendation.

## Preparing, registering and distributing low-income fare ORCA cards

The ORCA system has established processes for activating and managing cards. For example, blank cards must be "initialized" and "issued."

Metro explored a number of possibilities for operating the low-income fare program within the existing ORCA parameters while creating procedures that are workable for partner agencies. We consulted with several social service agencies to identify "fatal flaws" and procedures that would work.

Based on this work, our plan to prepare, register and distribute ORCA cards is described below and illustrated in the chart in the next section of this plan.

### Preparation

Metro will order unissued ORCA cards for the low-income fare program and keep them at the regional ORCA distribution center in Metro's King Street Center offices.

**Initialization:** Setting a blank smart card in the ORCA system as either an "adult," "youth," "Regional Reduced Fare Permit (RRFP)," "senior" or in this case as a "low-income" card type. Once initialized, the card type cannot be changed (though youth and low-income cards have an expiration date, at which point they turn into regular adult cards). The initialization process can be completed by the ORCA Mail Center on a special printer in bulk, or at a customer service terminal in Metro's Customer Assistance Office on an individual basis.

**Issuance:** Making a card useable on the ORCA system. Until they are issued, cards can be used by any other related smart card system. A card would be issued after it is initialized and before it is sent by the ORCA Mail Center to a verifying agency.

Metro staff will initialize and issue the cards as “low-income.” The ORCA Mail Center can initialize cards in bulk; the Metro Customer Assistance Offices can initialize them individually. Using both approaches will provide us the broadest possible methods of providing cards as needed.

All low-income fare cards will have an expiration date that will be printed on the back of the card. We considered 12-, 24-, and 36-month options for the length of time cards will be usable. We settled on 24 months because that seemed to best balance the values of customer convenience, program integrity and manageable operations. We will evaluate the time limit during the first two years to determine if this is the optimum time period.

Along with the expiration date on the card, we plan to print a note that the card can be used as a standard adult card after the expiration date. Metro is planning to translate this information into Spanish and possibly into additional languages, depending on space available and need.

Cards that have been initialized, issued and dated would then be sent to partner agencies that have ordered them. Agencies would be responsible for determining the number of cards to order based on their experience with their clients.

### **Registration**

Cards will be registered to the owners in the ORCA database. Partner verifying agencies will be responsible for determining each client’s eligibility and collecting information needed to register the card: the client’s name, address, and date of birth. We are in the process of determining if additional information might be needed. This will allow verifying agencies to distribute a card immediately to a client found to be eligible.

As cards are distributed, the agency will submit this data via a secure database process to the ORCA Mail Center, where Metro staff will register the specific low-income ORCA card to the specific client. Metro will also provide the space and funding capability to verify eligibility at Metro’s Customer Assistance Office in downtown Seattle.

The staff member doing the registration will see if the client already has a card registered, to ensure that program customers have only one active card at a time.

Registration also provides balance protection, so if the client’s ORCA card is damaged, lost or stolen, the old card can be “blocked” and any pass or balance of funds in the E-purse can be transferred to a new card via existing replacement processes.

### **Distribution**

Either the verifying agency or Metro will be able to give a prepared low-income ORCA card to the client immediately after eligibility has been verified. The client may add E-purse value or a pass to the card at any revaluing location and begin using it to pay their fare. (See page 11 and Appendix A for information about revaluing locations.)

Cards may be distributed with or without value. Agencies that provide transit benefits to clients will be able to provide those benefits by adding value to a low-income ORCA card. The reduced fare will allow those benefits to go further in assisting the client.

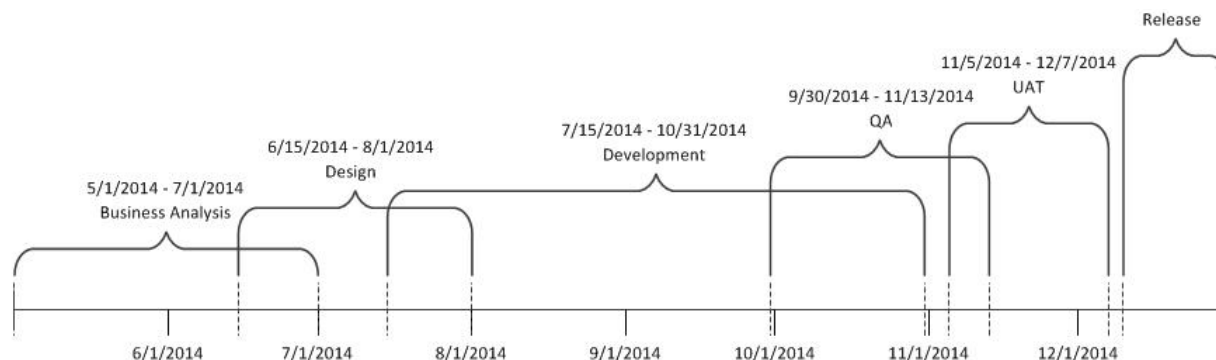
### **Technology development**

The program requires minor adjustments to the ORCA system to enhance Metro’s ability to track, monitor, and support registered cards, and to avoid issuing multiple cards to the same person. These functions will enable Metro to reduce opportunities for fraudulent use of low-income fare cards that could result in



unanticipated revenue loss for Metro. We are working with the ORCA vendor, Vix, to have these adjustments made no later than September 2014.

A separate technology need is a stand-alone database that will enable partner agencies to provide Metro with information on customers who have been given a low-income card. Metro's IT group is developing this database; their timeline is below.



### Fees for obtaining, replacing and renewing cards

Metro currently charges customers a \$5 fee to obtain regular adult and youth ORCA cards, and \$3 for a new or renewed Regional Reduced Fare Permit card for seniors and people with disabilities. The cost to replace any lost or stolen ORCA card is \$5.

We considered several optional fees for obtaining, renewing and replacing low-income fare cards. We weighed impacts on customers, costs to Metro, the ability of partner agencies to process fees, and potential impacts on other transportation agencies.

Our proposed plan is to charge no fee for new or renewed low-income fare cards. This policy has the advantages of removing a fee as a potential barrier and avoiding the need for verifying agencies to handle and account for cash—although waiving a fee does add costs to the program. The no-fee policy is consistent with that of Kitsap Transit, the only other ORCA partner agency that currently offers a low-income fare.

We propose to charge a \$5 fee for replacement of lost or stolen cards. This is consistent with regional ORCA replacement fees for youth and adult cards, as well as Kitsap Transit's replacement fee for low-income cards, and serves as an incentive for card holders to safeguard their cards. We will use the current ORCA system replacement processes as they have the benefits of automating the process, accepting payment via cash, check or credit card, blocking the missing card, and transferring any balance from the old to the new card. In order to make this process less onerous for cardholders, we will look at whether any current Metro policy authorizing such replacements need to be changed to facilitate online, phone and mail order options as well.

### Rollout vs. ongoing

We want and expect many people to obtain low-income ORCA cards in the months just before and after the reduced fare takes effect. Our implementation plan includes strategies for managing this large influx of participants, and will include staffing up the Metro pass sales office in order to manage a significant increase in both in-person visits and the back office procedures necessary to support a heavy workload at partner verifying agencies. To maintain program integrity to the greatest extent possible, we will need to process card orders within five days, and card registration and inputs to the ORCA system within 24 hours.

We are also developing the program in a way that will shift replacement processes to a rolling calendar, similar to what was done when the Regional Reduced Fare Permit program was converted to the ORCA system.

As low-income cards are issued with a defined, 24-month expiration date, batches will be issued over time with later expirations. In other words, the first batches of cards issued in 2015 may expire in February 2017, the next in March 2017, and so on. This will enable us to process renewals of eligible individuals throughout the year, easing the burden on Metro and on any social service agency acting as a verifying agency on our behalf. These renewals will then become part of other renewal processes that we already service.

This approach will also allow Metro to reduce, over time, the staffing needed to manage the very large influx of eligible customers that we expect to see in the first six to 12 months of the program.

## Where to load and reload value

The ORCA card that will be used for the low-income fare program is a “smart card” that can be used to pay fares on seven public transportation agencies in the Puget Sound region. Cardholders can visit any of those agencies’ sales offices to load passes or value to their cards. The low-income fare will be valid only on Metro service, however.

Low-income ORCA cardholders will have the same options for loading value as are available for other types of ORCA cards. The low-income ORCA card can be loaded with:

- A regional pass, like a monthly PugetPass (low-income program participants would pay the reduced fare for Metro service and regular fare for other agencies’ services)<sup>2</sup>.
- An agency-specific pass, like a Kitsap Transit low-income monthly pass.
- E-Purse, which acts like electronic cash on an ORCA card, and provides the rider with a transfer credit from Metro to another ORCA transit agency.
- A combination of pass and E-purse. E-purse value would cover any additional fares beyond what a pass covers.

There are a number of ways cardholders can load value onto their cards:

- Online
- Mail
- ORCA customer service
- Retailer
- Phone: 888-988-6722 / TTY Relay: 711 (add value and get help)
- Ticket vending machine

Value added online or by phone takes 24 to 48 hours to process for use. Users activate the value by tapping the card. Once value is added online or by phone, users must tap their card within 60 days at an ORCA reader to make it ready to use.

Users can add value for immediate use at a participating retailer, a ticket vending machine or an ORCA customer service office.

### Expansion of the add-value network

Since ORCA was introduced in 2009, Metro has expanded the network of retail locations and ticket vending machines where customers may purchase and/or reload ORCA cards.

There are now 74 retail locations around King County where it will be possible for low-income fare program customers to add value to their ORCA cards. The retailers accept cash. See a list of the retailers in Appendix C. Additional outlets are in Pierce, Snohomish and Kitsap counties. All retail outlets are shown in the map on page 13.

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<sup>2</sup> Sound Transit will consider creating a low-income fare this year.



Customers can also add value to their ORCA cards at vending machines at 24 locations in King County. Most of them are accessible 24 hours, 7 days a week. The locations are:

- all Sounder stations (including King Street Station)
- all Link stations (including stations in Rainier Valley and Beacon Hill)
- all Downtown Seattle Transit Tunnel stations
- Bellevue, Federal Way, Northgate, Burien, and Eastgate park-and-rides
- Metro's King Street Center pass sales office

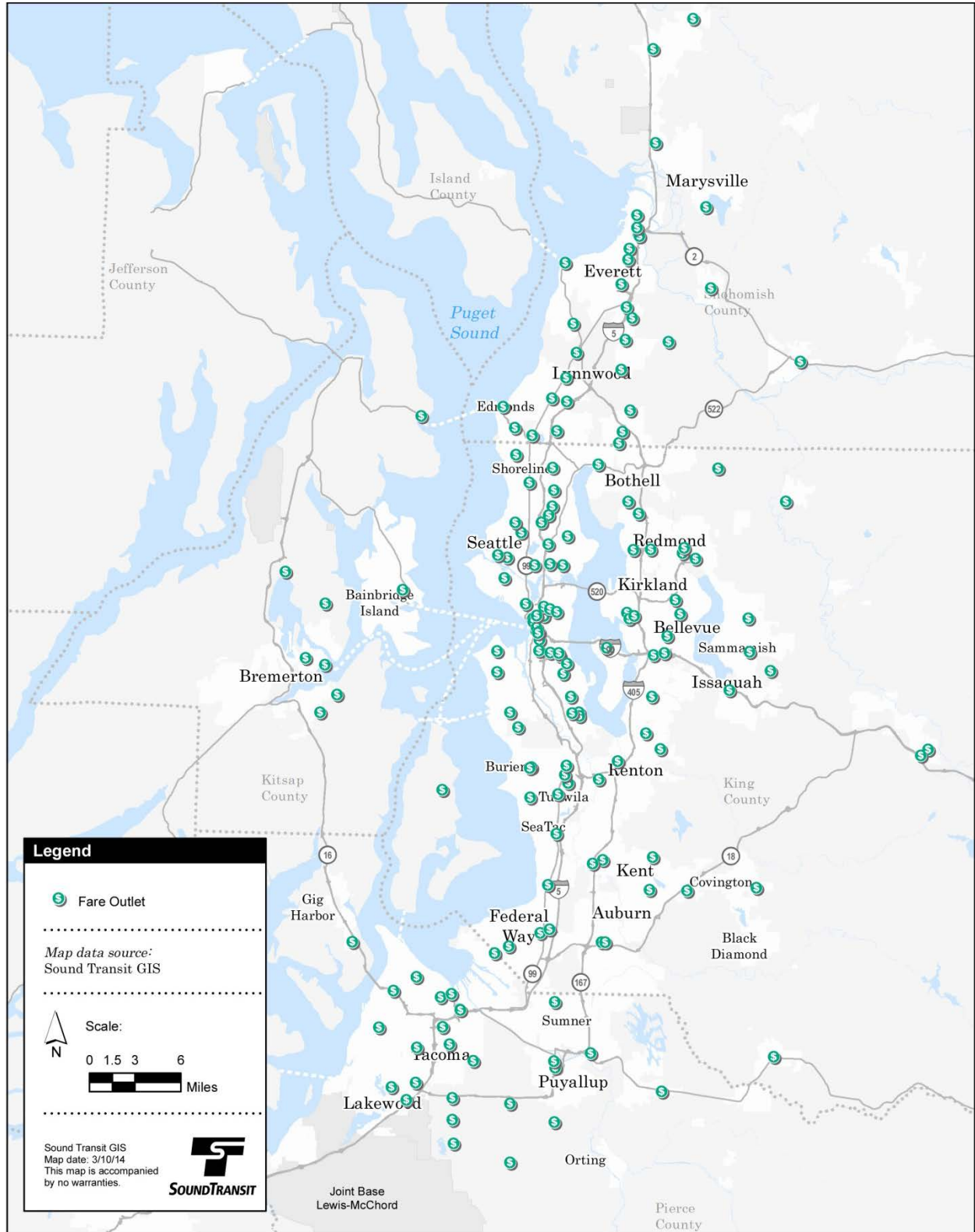
Vending machines are slated to be installed at the Renton, Redmond, and Aurora Village transit centers by year-end 2015.

ORCA vending machines are an option for people without computer access, or whose schedules make a visit to Metro's customer service offices inconvenient. The machines take cash as well as bank cards, so they are helpful for those who don't have a bank account. Value added in person at a machine (or at an ORCA retail outlet or Metro customer service office) is usable immediately, unlike value added online, which takes 24 to 48 hours. This is important for people whose funds are too limited to store much money on the card.

### **ORCA To-Go**

Metro's ORCA To Go is a mobile sales van that travels around King County, making stops at senior citizen centers, major events and fairs, and other locations to provide full-service ORCA card sales and assistance. We plan to significantly expand this program to serve low-income fare clients, increasing the number and type of locations visited and using the visits for both distribution and revaluing of all ORCA card types, including low-income fare cards where appropriate. ORCA To-Go staff will also provide information about how ORCA works. We are planning to lease vans and acquire equipment to expand the reach of this program.

### ORCA Add-Value Locations



## Program integrity

As Metro establishes a reduced fare for qualified customers, we also must work to ensure that only those determined to be eligible will obtain low-income ORCA cards and that qualified individuals are issued only one card at a time.

A challenge is to balance the objectives of enabling access for eligible customers, of preventing access or abuse by unqualified individuals, and of establishing procedures that have a reasonable cost that does not exceed the benefits.

The verification process described earlier is one safeguard.

The registration process is another safeguard. Our plan would have verifying agencies collect and send cardholder information, including name and birthdate, to the ORCA Mail Center so the client's card can be registered in the ORCA system. If a cardholder already has been issued a card, that would be detected, and the original card would be blocked. This process will also allow the transfer of any remaining value on a blocked card to a new card.

In addition, our agreements with verifying agencies will stipulate that the agencies will follow policies and procedures concerning management of the low-income ORCA cards, including the following:

1. A clear process for storing low-income cards (at a minimum, they must be stored in a locked room and container).
2. Guidance on who has access to the low-income cards.
3. A clear process for ensuring that only one low-income card is distributed to an individual.
4. A clear process for logging and tracking low-income cards.
5. How the agency will verify income.
6. How the agency will monitor multiple programs or sites that are distributing low-income cards.
7. The process for promptly reporting, in writing, if low-income cards are lost or stolen.

## Marketing and outreach

A robust marketing and outreach program will be critical to achieving the goal of making the reduced fare option accessible to all eligible individuals in King County.

Our goals for marketing/outreach are:

- Low-income customers are aware that this new program exists.
- Metro leverages relationships with community organizations and agencies to help create awareness of this program with their clients.
- Community organizations and agencies are well-informed and prepared to answer questions or assist their clients, and integrate information about the low-income fare program into their service offerings menu, whether or not they are a verifying agency.
- Low-income customers understand the process for qualifying for the low-income fare.
- Low-income customers understand how to use ORCA and the benefits of ORCA.
- Implementation of the program is smooth for customers, partner agencies, and Metro.

We will face a number of challenges as we strive to meet these goals. One is how to reach a target audience that is dispersed throughout the county, ranging from urban neighborhoods with high concentrations of low-income residents to less densely populated rural areas.

There likely will be a sizable market segment of people who are not even aware that they qualify since they may not be participants in any government assistance programs.

Another challenge is how to inform the relatively high proportion of people with low incomes who have limited English proficiency. King County has identified 20 languages that are spoken by substantial



numbers of people in our area; many other languages are spoken as well. The use of translated materials, non-print media such as videos, and face-to-face interactions will be incorporated into the outreach and marketing activities described below.

An extensive outreach program that Metro conducted in 2012 in southeast Seattle, which has a relatively high number of residents who have low incomes and limited English proficiency, suggests an additional challenge. Many people involved in this outreach were uninformed about where to reload ORCA cards, didn't understand how ORCA works, or were distrustful of the ORCA technology. Since the low-income fare will be offered only via ORCA, it is essential that we overcome barriers to its use.

Collaboration with other entities is a key strategy in all aspects of our marketing and outreach plan. We will strive to engage the broad community of social service agencies and ethnic, community and other organizations; King County departments such as the Department of Community and Human Services and Public Health – Seattle & King County; and the agencies we will partner with to verify eligibility for the program. We also look forward to the review and advice of the Low-Income Fare Implementation Task Force. We have already consulted with a number of agencies and drawn on our own marketing and community relations experience to develop this marketing and outreach plan, and we will continue this type of collaboration as we develop and carry out the program.

#### **Components of the outreach and marketing program:**

- **Information-gathering about best approaches.** We will talk with people who work with low-income populations to gather their advice about culturally appropriate materials, effective communication channels, how to avoid stigmatizing beneficiaries, etc.
- **Development of information and marketing materials.** We will develop basic informative materials such as frequently asked questions (FAQs) about the program and information about how to use ORCA. We will also develop a marketing theme, a visual identity, and marketing materials such as posters, brochures, and bus signs.
- **Outreach to community organizations and agencies that represent or serve people with low incomes.** Outreach will focus on informing them about the program and engaging them in informing their constituents. We plan to meet with key organizations and send informational materials to a broad list of organizations.
- **Marketing/advertising campaign.** The campaign would include:
  - exterior Metro bus advertisements
  - ads in ethnic media including newspapers, cable TV programming, radio and online
  - limited broad awareness campaign announcements in mass market media
  - public service announcements in mass market media
  - videos for YouTube, Metro pass sales offices, etc. that explain the process
  - posters at community organizations, food banks, low-income housing lobbies, adult and child day care centers, and other places
  - leveraging of County resources to provide further information and outreach
  - distribution of low-income fare guidelines, how-to's, FAQs, etc. in Metro literature distribution racks around the County
  - notices to city and community newsletters, blogs, and websites
  - referral and information-sharing via social media
  - inclusion in Metro public and Orca To-Go events
  - inclusion in Metro fare media references (print and online)

We will seek advice and support and opportunities to leverage the work of partner agencies, including Public Health - Seattle and King County and the King County Department of Community and Human Services, which have conducted successful campaigns promoting the Affordable Care Act, the Women, Infants and Children (WIC) program, housing and other services.

- **Media.** We will send news releases to mainstream and ethnic media and blogs leading up to the March 1, 2015 start of the low-income fare.
- **Website.** Metro Online will have a webpage with basic information about the low-income fare program, including translations. The program will also be featured on the Metro Online home page leading up to the launch.
- **ORCA To-Go visits to community sites.** We will build on our experience visiting senior centers and other places to make it convenient for people to get ORCA cards.

#### **Timeline for marketing and outreach**

June-July 2014:	Steering Committee and Low-Income Fare Implementation Task Force review and provide advice about our planned approach.
May-August 2014:	Work with other agencies to define roles. Determine how ORCA To-Go will work with the eligibility verification process.
October-December 2014:	Prepare informational and marketing materials. Conduct outreach to community organizations.
January-March 2015:	Conduct marketing campaign focused on potential program participants, with goal of verifying their eligibility and getting ORCA cards to them before March 1.
March-ongoing	Continue outreach, ORCA To-Go.

## Operations model

Metro intends to implement the low-income fare program by providing the functions that are within our core competencies and contracting with third-party agencies for the functions that they are better able to provide.

Specifically, our plan is for Metro to be responsible for producing low-income ORCA cards and making them available to local community agencies, which will use their existing processes to verify eligibility for participation in the low-income fare program and distribute the cards at no cost to the cardholder. Metro can procure and prepare ORCA cards with the low-income fare product loaded or unloaded depending on the agency's order; this is what we do every day for thousands of people and organizations. Metro is not well-equipped to verify the income status of the 45,000 to 100,000 people who may elect to participate in the low-income fare program.

This principle for operations makes sense to Metro because it:

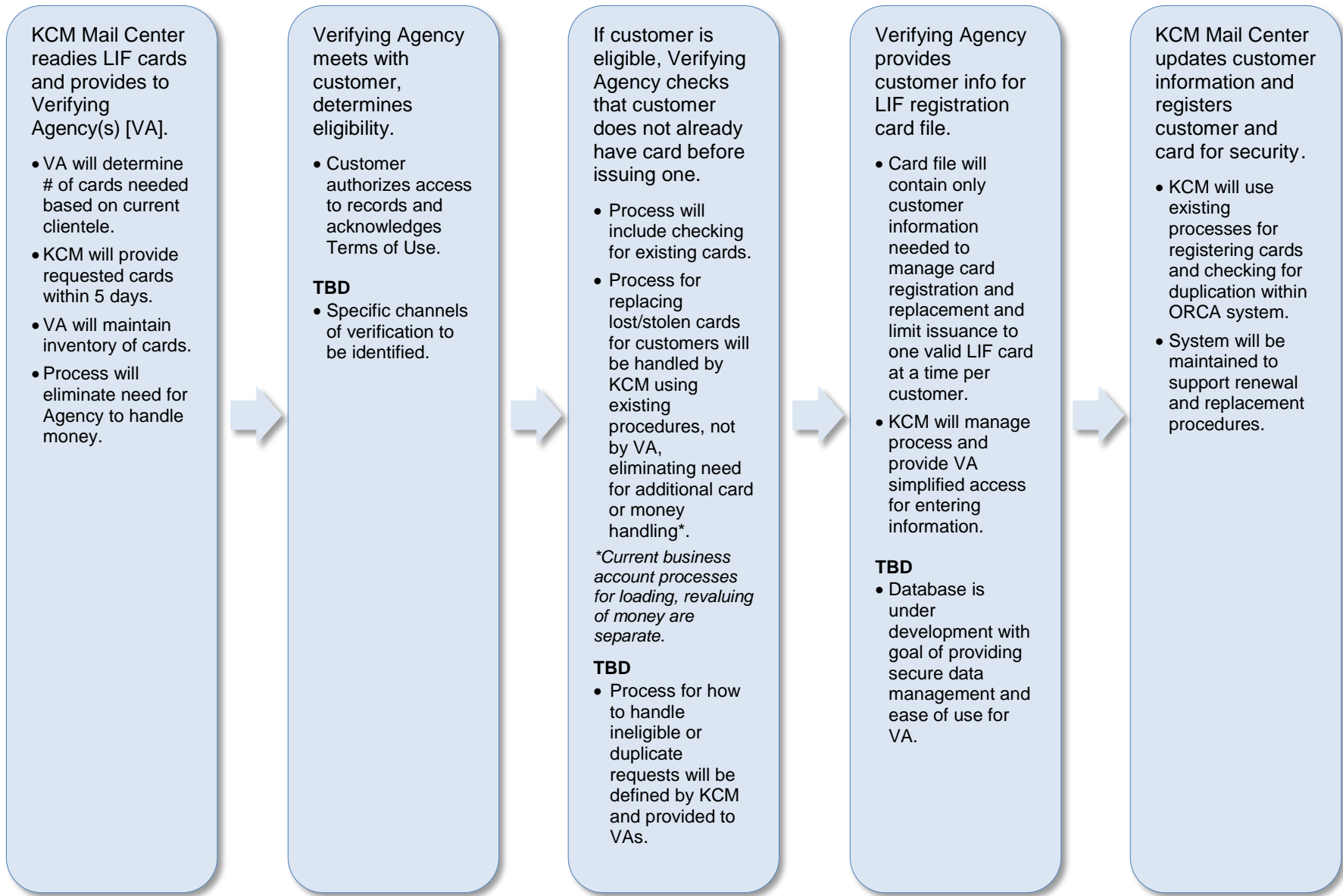
- Leverages skills and capacities appropriate to Metro and to local human service providers.
- Improves customer awareness of and access to low-income ORCA cards by making them available in multiple locations. By providing low-income fare service at agencies that offer other services, we may also help people become aware of other programs that might assist them.
- Minimizes cost to implement the program at a time when Metro is reducing services because of our financial situation.

While Metro's initial thinking about a program operations model envisions contracting with local service providers for income verification and ORCA card distribution, we also want to offer these services at Metro's King Street Center office. Our proposed plan and budget provide for additional personnel and space to make this function available on-site. Metro's customer service office does not have the capacity to support the expected demand for the low-income ORCA card, and could be overwhelmed without additional resources.

Metro began outreach to the community of service providers that may help to address our needs in March and April of 2014. These providers include the Washington State Department of Social and Human Services, Catholic Community Services of Western Washington, Hopelink, the King County Coalition to End Homelessness, and Solid Ground. Also consulting in this process were the King County Department of Community and Human Services and Public Health – Seattle & King County. These organizations have the experience necessary to help Metro design a program that can most effectively reach eligible populations and to design a process that is clear for both customers and for service providers. Many details about process design and costs must be worked out. The program work plan has this work happening through summer 2014, with testing in the fall.

The process chart on the following page shows Metro's best initial thinking about how to make a low-income fare option accessible to eligible users for travel within King County. It represents a place to start a conversation with local human service providers with whom we intend to partner to most effectively deliver this new product to eligible customers. We hope that collaboration with the community of service providers will lead to a process that works for all.

## Operations model



## Budget

### Assumptions

Metro has continued to work on identifying and estimating the costs associated with implementing a low-income fare program. Some of these costs are related to program startup activity and might be a one-time occurrence while other costs are related to ongoing program administration. Some costs are categorized as capital expenses while others are categorized as operating expenses.

Startup costs include a mix of one-time expenditures for items such as equipment and furniture, database development, ORCA system modifications, and tenant improvements associated with additional work/office space. Most of these startup costs will be incurred in 2014. A summary of the estimated startup expenses—including for additional staff—is outlined below, and a supplemental budget request has been submitted for consideration by the Executive and Council.

Ongoing operating costs include assumptions for additional Metro staff needed to support program eligibility verification and reverification, card registration, coordination with third-party income verification agencies, and issuance of cards to customers. Additional ongoing costs include assumptions associated with supplies, mail and translation services, transaction fees, educational materials, training, ORCA card stock, and payments to third-party income verification agencies. A summary of the estimated first year of operating expenses is below.

Some of the ongoing operating cost estimates are still being fine-tuned and are subject to change depending on a variety of factors such as the number of eligible customers and the subsequent number of boardings and transactions those customers make with their low-income ORCA cards. Furthermore, the cost associated with payments to third-party income verification agencies is still to be determined. More detail around the estimated ongoing costs will be included in the 2015-2016 proposed biennial budget for Metro.

In addition to the ongoing expenses associated with the low-income fare program implementation, Metro is estimating a loss in fare revenue because it is assumed that more adult riders will be riding at a lower rate of fare. Per Metro's fares and elasticity model, the loss in fare revenue in 2015 is estimated to be nearly \$4 million per year. This is expected to increase in 2016 and 2017 to approximately \$4.75 million per year.

### Start-up – 2014 Estimated Expenses

#### Estimated Capital Expenses

\$652,000	Modifications of the ORCA database, creation of the stand-alone verification database, equipment to expand ORCA To-Go outreach capability and establishment of a verification office at King Street Center.
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#### Estimated Operating Expenses

\$126,000	ORCA card stock.
\$119,700	Program materials for education and promotion, support of the Task Force, translation services and miscellaneous supplies.
TBD	Contracts with community agencies for verification of customers' program eligibility and ORCA card distribution.
\$475,011	Program staffing for card inventory management, ORCA card registration processes, additional sales and outreach activities and technical assistance to community agencies.

## Year-One Operation – 2015 Estimated Expenses

*Note: Ongoing operating costs for future years are still being developed*

### Estimated Capital Expenses

\$0 None anticipated at this time.

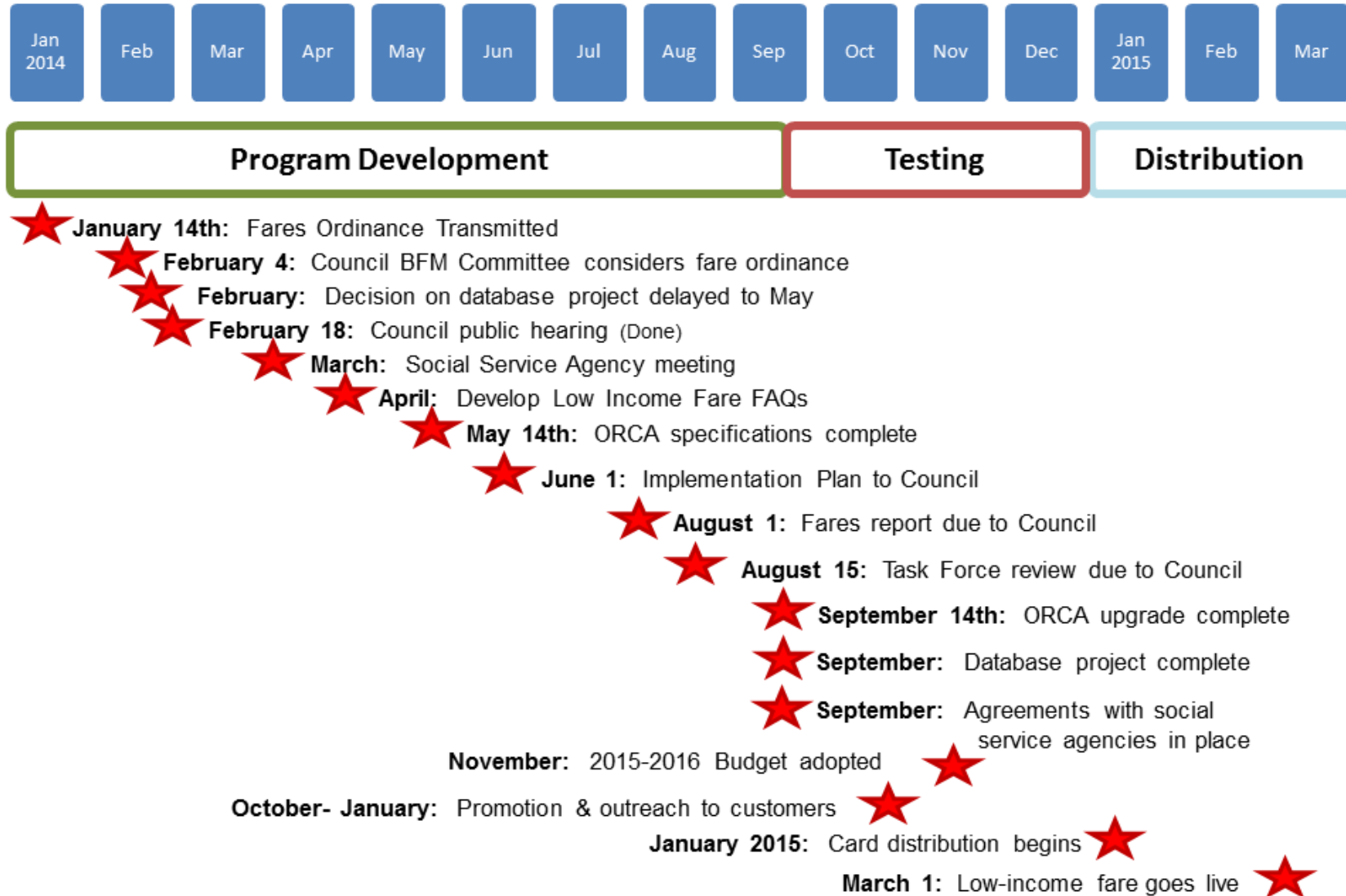
### Estimated Operating Expenses

\$164,000	ORCA card stock.
\$174,150	Program materials for education, outreach and promotion, translation services and miscellaneous office supplies. Also includes rent for verification office space at King Street Center and fuel for outreach vans.
TBD	Contracts with community agencies for verification of customers' eligibility and ORCA card distribution (depends on number of contracting agencies).
\$1,185,492	Program staffing for card inventory management, ORCA card registration processes, additional sales and outreach activities and technical assistance to community agencies.
\$460,080	ORCA transaction fees paid to software vendor for boardings and revalue of ORCA cards (depends on number of active customers).

### Estimated Lost Revenue

(\$3,966,047) Assumes that more customers will be riding at a lower rate of fare.

## Low-Income Fare Program Key Dates & Deadlines – 2014/2015



## Conclusion

Metro is committed to making the low-income fare program a success, and we will continue building on this plan toward that end. The Low-Income Fare Program Implementation Task Force may make recommendations that could affect the plan. More details about the program will be fleshed out as Metro's 2015/2016 budget is developed.

The low-income fare program is complicated, and some elements will not be completed until much closer to the implementation date. Given the unknowns, we intend to collect and report data and evaluate the effectiveness of the processes outlined in this plan. We expect to address methods and strategies used, interactions with community partners and other King County agencies, analysis of program registration and distribution, and lessons learned.



## **Appendices**

**A. ORCA add-value locations**

**B. Card replacement process for business accounts**

**C. Card replacement process for current disassociated or standard cards**

## **A. ORCA add-value locations – retail outlets and customer service centers**

### **Retail**

People may add value to their low-income ORCA cards at the following retail locations in King County. Cash is accepted, along with other options that vary by retailer.

#### **Auburn**

Safeway: 101 Auburn Way S, Mon-Sun: 9 am to 9 pm

#### **Bellevue**

QFC: 1510 145th Pl SE, Mon-Sun: 10 am to 7 pm (temporarily out of service)

QFC: 3550 128th Ave SE, Mon-Sun: 9 am to 9 pm

QFC: 10116 NE 8th St, Mon-Sun: 10 am to 7 pm

QFC: 15600 NE 8th St Bldg K, Mon-Sun: 7:30 am to 8 pm

Safeway: 300 Bellevue Way NE, Mon-Sun: 9 am to 9 pm

#### **Burien**

Safeway: 138 SW 148th St, Mon-Sun: 9 am to 9 pm

#### **Des Moines**

Safeway: 21401 Pacific Hwy S, Mon-Sun: 9 am to 9 pm

Safeway: 27035 Pacific Hwy S, Mon-Sun: 9 am to 9 pm

#### **Duvall**

Safeway: 14020 Main St NE, Mon-Sun: 9 am to 9 pm

#### **Enumclaw**

QFC: 1009 Monroe Street, Mon-Sun: 9 am to 7 pm

#### **Federal Way**

Safeway: 2109 SW 336th St, Mon-Sun: 9 am to 8 pm

Safeway: 1207 S 320th St, Mon-Sun: 9 am to 9 pm

#### **Issaquah**

QFC: 1540 Gilman Blvd, Mon-Sun: 7 am to 11 pm

QFC: 2902 228th Ave SE, Mon-Sun: 10 am to 7 pm

QFC: 4570 Klahanie Dr SE, Mon-Sun: 7 am to 7 pm

Safeway: 1451 Highland Dr NE, Mon-Sun: 9 am to 9 pm

#### **Kenmore**

Safeway: 6850 NE Bothell Way, Mon-Sun: 9 am to 9 pm

#### **Kent**

QFC: 13304 SE 240th, Mon-Sun: 9 am to 9 pm

Safeway: 210 Washington Ave S, Mon-Sun: 9 am to 9 pm

Safeway: 13101 SE Kent-Kangley Rd, Mon-Sun: 9 am to 9 pm

#### **Kirkland**

QFC: 211 Park Place Center, Mon-Sun: 9 am to 9 pm

QFC: 11224 NE 124th St, Mon-Sun: 8 am to 8 pm

Safeway: 10020 NE 137th St, Mon-Sun: 9 am to 9 pm

Safeway: 12519 NE 85th St, Mon-Sun: 9 am to 9 pm

**Maple Valley Rd**

Safeway: 26916 Maple Valley Rd, Mon-Sun: 9 am to 9 pm

**Mercer Island**

QFC: 7823 SE 28th St, Mon-Sun: 7:30 am to 7 pm

**Newcastle**

Safeway: 6911 Coal Creek Parkway, Mon-Sun: 9 am to 9 pm

**Normandy Park**

QFC: 17847 1st Ave S, Mon-Sun: 9 am to 9 pm

**North Bend**

QFC: 460 East North Bend Way, Mon-Sun: 9 am to 9 pm

Safeway: 460 SW Mount Si Blvd, Mon-Sun: 9 am to 9 pm

**Redmond**

QFC: 8867 161st Ave NE, Redmond, Mon-Sun: 7 am to 9 pm

QFC: 15800 Redmond Way NE, Redmond, Mon-Sun: 9 am to 7 pm

Safeway: 15000 NE 24th St, Mon-Sun: 10 am to 9 pm

Safeway: 17246 Redmond Way NE, Mon-Sun: 9 am to 9 pm

**Renton**

QFC: 4800 NE 4th St, Mon-Sun: 9 am to 7 pm

Saar's MarketPlace: 3208 NE Sunset Blvd, Mon-Sat: 9 am to 7 pm.

Safeway: 200 South 3rd St, Mon-Sun: 9 am to 8 pm

**Sammamish**

Safeway: 630 228th Ave NE, Mon-Sun: 9 am to 9 pm

**SeaTac**

Safeway: 4011 S 164th St, Mon-Sun: 9 am to 9 pm

**Seattle**

Bartell Drugs: 1404 3rd Ave, Mon-Fri: 8 am to 9 pm; Sat: 8 am to 8 pm; Sun: 9 am to 7 pm

QFC: 417 Broadway Ave E, Mon-Sun: 8:45 am to 9 pm

QFC: 500 Mercer St, Mon-Sun: 9 am to 7 pm

QFC: 1401 Broadway Ave, Mon-Sun: 9 am to 9 pm

QFC: 1531 NE 145th St, Mon-Sun: 24 hours

QFC: 1600 W Dravus Street Mon-Sun: 24 hours

QFC: 1801 N 45th St, Mon-Sun: 9 am to 7 pm

QFC: 2500 SW Barton St, Mon-Sun: 11 am to 7 pm

QFC: 2707 Rainier Ave S, Mon-Sun: 10 am to 6 pm

QFC: 2746 NE 45th St, Mon-Sun: 9 am to 8 pm

QFC: 4550 42nd Ave SW, Mon-Sun: 10 am to 7 pm

QFC: 5700 24th Ave NW Suite 100, Mon-Sun: 11 am to 8 pm

QFC: 8400 35th Ave NE, Mon-Sun: 9 am to 7 pm

QFC: 9999 Holman Rd NW, Mon-Sun: 10 am to 8 pm

QFC: 11100 Roosevelt Way NE, Mon-Sun: 9am to 8pm

Saar's MarketPlace: 9000 Rainier Ave S, Mon-Sun: 9 am to 7 pm.

Safeway: 1410 E John St, Mon-Sun: 9 am to 9 pm

Safeway: 1423 NW Market St, Mon-Sun: 9 am to 9 pm

Safeway: 2201 E Madison St, Mon-Sun: 9 am to 9 pm

Safeway: 2622 California Ave SW, Mon-Sun: 9 am to 9 pm

Safeway: 3820 Rainier Ave S, Mon-Sun: 9 am to 9 pm

Safeway: 4732 Brooklyn Ave NE, Mon-Sun: 11 am to 8 pm

Safeway: 4754 42nd Ave SW, Mon-Sun: 9 am to 9 pm

Safeway: 7300 Roosevelt Way NE, Mon-Sun: 9 am to 9 pm

Safeway: 8704 Greenwood Ave, Mon-Sun: 9 am to 9 pm

Safeway: 9262 Rainier Ave S, Mon-Sun: 9:30 am to 8 pm

Safeway: 12318 15th Ave NE, Mon-Sun: 9 am to 9 pm

### **Shoreline**

QFC: 600 NW Richmond Beach Rd, Mon-Sun: 11 am to 7 pm

Safeway: 15332 Aurora Ave N, Mon-Sun: 10 am to 9 pm

Safeway: 17202 15th Ave NE, Mon-Sun: 9 am to 9 pm

### **Tukwila**

Saar's Super Saver Foods: 3725 S 144th St, Mon-Sun: 9 am to 10 pm

### **Vashon Island**

Vashon Thriftway: 9740 SW Bank Road, Mon-Sun: 8 am to 9 pm.

### **White Center**

Saar's Super Saver Foods: 10616 16th Ave SW, Mon-Sun 9 am to 7 pm.

### **Woodinville**

Safeway: 19150 NE Woodinville Duval Rd, Mon-Sun: 9 am to 9 pm

## **Customer service centers**

### **Pierce Transit**

Bus Shop Tacoma Dome Station

### **ORCA Regional Call Center**

888-988-6722 TTY Relay: 711

Non English: 800-823-9230

### **Everett Transit**

Everett Station

ET Customer Service Center

3201 Smith Avenue

### **King County Metro Transit**

King Street Center

201 S. Jackson St., Seattle

### **Westlake Customer Stop**

Downtown Seattle Transit Tunnel

Westlake Station (west end on the Mezzanine near Macy's)

### **Community Transit**

Lynnwood Transit Center

Community Transit RideStore

20110 46th Avenue W, Lynnwood

### **Kitsap Transit**

Bremerton Customer Service Office

10 Washington Avenue, Bremerton

## B. Card replacement process for current business accounts

If a card on a Business Account is lost, stolen, damaged or defective, it can be replaced and all products moved to an empty card. The replacement cost would be the current fee for an ORCA card. This process will be modified to allow the cardholder to contact Metro directly for replacement.



### C. Card replacement process for current disassociated or standard cards

If a card on a Business Account which has been disassociated or a standard card is lost, stolen, damaged or defective, it can be replaced and all products moved to an empty card. The replacement cost would be the current fee for an ORCA card. This process will be modified to include low-income card replacements.

