

Interdepartmental Correspondence

Date: July 26, 2001

Board Meeting Date: August 7, 2001

**TO:** Honorable Board of Supervisors  
**FROM:** Neil Cullen, Director of Public Works  
**SUBJECT:** Approval of Increases in the Subsidies for the Commute Alternatives Program

**RECOMMENDATION**

Adopt a resolution approving:

1. an increase in the subsidy for transit tickets from \$50 per month to \$65 per month, and
2. an increase in the subsidy for walking, biking, car and van pooling from \$10 per month to \$20 per month.

**Previous Board Action**

Established the Commute Alternatives Program in 1992 and authorized a subsidy of \$20 per month for County employees who work and who purchase transit tickets through the County's centralized program.

Authorized in 1995:

- a) increases in the subsidy for transit tickets from \$20 per month to \$50 per month; and
- b) a \$10 per month subsidy for County employees who walk, bike, carpool, or vanpool to and from work.

Tentatively approved the 2001-02 budget, which includes an appropriation in the Half Cent Transportation Fund to finance increases in the subsidies for employees using commute alternatives to travel to and from work. It was also noted in this budget unit that staff would explore additional options and programs that would further decrease the number of County workers that drive to work in a single occupant vehicle.

**Key Facts**

1. Since 1995, CalTrain, BART, and Samtrans have increased transit fares by an average of 5% each year.

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2. State and Federal tax laws allow employers to provide transit pass subsidies up to \$65 per month as a tax free incentive to encourage employees to take transit to and from work. This amount will increase to \$100 in 2002.

#### **Discussion:**

Your Board approved the initial transit subsidy program in 1992 to provide an incentive for employees to travel to and from work by taking public transit and other means to reduce the number of single occupant vehicles on the road, and in recognition that the program could have a major impact on reducing roadway congestion and air pollution. This program has been highly successful growing from approximately 300 participants in the first year of operation to over 1,100 currently.

We conducted a survey as part of the development of the 2001-02 budget to determine what steps could be taken to further increase program participation. The number one recommendation was to increase the financial incentives in order to offset the increases in transit fares and the cost of operating car and vanpools. The Countywide Transportation Plan recently adopted by the City/County Association of Governments also cites financial incentives and disincentives as the number one factor in changing the commute habits for most workers.

The increase in subsidies recommended in this report is anticipated to cost approximately \$100,000 annually. The subsidies are proposed to be paid for by the Half Cent Transportation Fund. There is no impact to the General Fund.

A form of resolution has been approved by County Counsel.

#### **Other Programs Being Investigated**

The second most popular service identified in the survey was to improve the timeliness, reliability, and location of transit. Caltrain, SamTrans and BART are making important advances to improving service; however these changes will take a great deal of time to implement and will likely not respond to requests for specific pick up and drop off locations. One way that the County could supplement the existing transit service is to finance shuttle services to areas where transit service is lacking or insufficient. We conducted an e-mail survey and over 40 employees expressed an interest in a shuttle service that makes stops at County facilities in San Mateo and Redwood City. These employees also indicated a willingness to pay a

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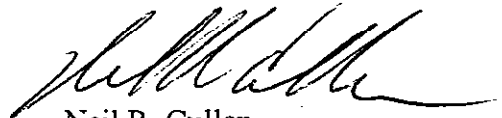
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fee for this service. We are currently evaluating options to provide such a shuttle and will be reporting to your Board in the near future on the implementation of a test program for a four-month period. This will avoid the establishment of administrative and accounting systems until it is determined that the service is indeed successful and should be established permanently.

We are also evaluating the costs of the vanpool program and will be making recommendations in the near future to your Board on adjusting the costs and subsidies of this program.



Neil R. Cullen  
Director of Public Works

NRC:WM:sdd

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cc: Milt Mares, County Counsel

Resolution No. \_\_\_\_\_

**Board of Supervisors, County of San Mateo, State of California**

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**Resolution Approving Increases in the Subsidies for the Commute Alternatives Program**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, the Measure A, Half Cent Sales Tax Program provides funding to implement programs that encourage employees to not commute to work in single occupant vehicles; and

**WHEREAS**, the County of San Mateo has implemented a transit pass subsidy program to encourage its employees to use public transit; and

**WHEREAS**, the County of San Mateo has implemented a cash incentive program to encourage its employees to walk, bike, car or van pool to work; and

**WHEREAS**, the Director of Public Works has recommended increases in the cash incentive programs and this Board has considered same.

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that:

1. The transit pass subsidies shall be increased to a maximum of \$65 per month per employee for employees who use public transit to commute to and from their County job;

2. The incentive payment for employees who walk, bike, car, or van pool to County job locations will be increased to a maximum of \$20 per month for each employee who complies with the guidelines established by the Commute Alternatives Program; and

3. The increase in incentive payments shall be in affect beginning on September 1, 2001, and shall continue until changed or modified by an action of this Board.

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