



Agenda Item No. (7)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of January 23, 2025

From: Ron Downing, Director of Planning
Jennifer Mennucci, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE THE SETTING OF A PUBLIC HEARING TO RECEIVE
PUBLIC COMMENT ON A PROPOSED INCREASE IN LARKSPUR TO
SAN FRANCISCO SPECIAL EVENT FARES ON GOLDEN GATE FERRY**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors (Board) authorize the setting of a public hearing to receive public comment on a proposed annual fare increase program that would annually increase Golden Gate Ferry fares on April 1 by \$0.50 for trips each way between Larkspur and San Francisco for special events, beginning April 1, 2025, and continuing through March 31, 2028.

The public hearing would take place on Thursday, February 27, 2025, at 9:15 a.m. in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, or immediately following the prior agenda item's 9:00 a.m. public hearing. This matter will be presented to the Board of Directors at its January 24, 2025, meeting for appropriate action.

Summary

Special event transit service is defined in the Master Ordinance as Golden Gate Bridge, Highway and Transportation District (District) bus and ferry service provided on routes that are not part of the regularly scheduled transit route network and to areas that are not more than fifty (50) miles beyond the District's transit service area, consistent with Federal Transit Administration (FTA) regulations. The District's special event ferry service between Larkspur and San Francisco is consistent with FTA requirements, and the District has operated special event ferry service since the Giants relocated to their current waterfront home.

The Board of Directors has a long-standing policy that special event service should be priced to avoid a toll subsidy. Specifically, the Master Ordinance states: "Fares for this special event service are set to cover the total cost of the service and will be updated as needed by the Board."

In order to coincide with the Giants' home baseball season starting on April 4, 2025, staff proposes a three-year fare increase program to annually increase fares by \$0.50 each way on April 1, beginning on April 1, 2025 and continuing with the last increase on April 1, 2027. The purpose of

the fare increase program is to keep pace with expenses related to salaries, benefits and fuel costs for special event service. The proposed new fares would apply to any District special event ferry service between Larkspur and San Francisco.

Background

As of April 1, 2025, Ferry special event fares will not have increased for three years. The most recent fare increase in 2022 raised the fare to the current fare of \$15.50 each way. Special Event Fares were excluded from the Five-Year Fare Plan effective July 1, 2022, for several reasons. First, ridership recovery was a consideration. Second, special event fares are on a different cycle than regular fare increases (April 1 versus July 1 of the calendar year), due to a desire not to increase fares partway through the baseball season). Third, the guiding demographic data to support the Title VI Analysis for the 2022 Five-Year Fare Plan was collected in the 2018 MTC Regional Survey, which did not include Golden Gate Ferry special event passengers. While the 2023 District Survey conducted by Corey, Canapary & Galanis (CC&G) did collect information on special event ferry riders, the specific data to support a Title VI Analysis for this ridership group was not available until the last quarter of 2024.

During the 2024 Giants season, special event ferry ridership exceeded previous years with 67,681 total trips to and from Oracle Park, compared to 62,042 total trips in calendar year 2023 and 45,398 total trips in calendar year 2019. For calendar year 2024, 81 Larkspur special event round trips were operated to Oracle Park generating revenues of \$1,030,960, compared to \$1,070,488 in expenses. This resulted in nearly breaking even with a farebox recovery of 96% and a deficit of \$39,528. Table 1 shows a summary of the expenses and revenues associated with providing special event ferry service between Larkspur and Oracle Park during calendar year 2024.

TABLE 1

**Summary of Expenses and Revenues of Calendar Year 2024
Special Event Service to Oracle Park**

FERRY SPECIAL EVENT COST BREAKDOWN	
Labor	\$ 370,281
Fuel	\$ 110,700
Passenger Fees	\$ 42,258
Landing Fees	\$ 5,284
Security	\$ 16,800
SUBTOTAL	\$ 545,323
Admin Labor Allocation	\$ 369,817
Maintenance Allocation	\$ 155,348
TOTAL	\$ 1,070,488
Revenue Less Ticketing Fees	\$ 1,030,960
TOTAL NET REVENUE	\$ (39,528)

Overall expenses, including fuel and crewing expenses, have risen each year since the last fare increase, and are expected to continue to increase over the next three years. The proposed increase of \$0.50 per year will help keep pace with rising expenses, and avoid using Bridge toll dollars to subsidize special event service. A \$0.50 increase could generate as much as \$32,000 in new revenues for each year of the proposed fare increase program. As a point of reference, transit fares are increasing \$0.25 each year and Bridge tolls \$0.50 per year under the respective current Five-Year Fare Increase and Five-Year Bridge Toll Increase Programs.

The proposed fare increases would apply to any sporting event, concert, or other special event at either Oracle Park or the Chase Center (currently suspended). Staff may return to the Board at any time during the three-year period to consider adjusting fares if revenues are not sufficient to recover costs.

Public Comment Process

Public comments on this proposal can be submitted in several different ways:

1. Attend the public hearing;
2. E-mail publichearing@goldengate.org; and/or,
3. Send written comments to the District Secretary.

All comments are considered equally without regard to the manner in which the comments are submitted. Therefore, individuals do not have to attend the public hearing and provide testimony in person if they have commented through e-mail or written forms. All comments received through the above methods will be considered in the final recommendation. Comments must be received by 4:30 p.m. on Friday, February 28, 2025.

Title VI Equity Analysis

Any fare change is subject to an equity analysis under the requirements of Title VI of the Civil Rights Act of 1964. Final recommendation to the Board after the public hearing would include the results of that Title VI equity analysis. The analysis will be completed after the public hearing in order to reflect any public comments received on the proposal to implement the increased fares.

Public Notification

If the proposal to hold this public hearing is approved by the Board, outreach would begin immediately and continue into mid-February.

Public notification activities will include:

- A Notice of Public Hearing will be posted to the District's website;
- Public hearing notices will be published in local publications (*Marin Independent Journal*, *Santa Rosa Press Democrat*, *San Francisco Chronicle*, *East Bay Times*, and *La Voz*);
- Posters advertising the public hearing will be placed onboard buses and ferries;
- Social media posts on Facebook and Twitter will promote the public hearing; and
- Email blasts will be sent to customers and community-based organizations.

Printed materials will be available in Spanish, per the District's Language Implementation Plan (LIP).

Next Steps

Following the public hearing, staff will evaluate all comments received and determine whether changes or modifications need to be made to the proposal to increase Ferry Special Event fares to and from Oracle Park by \$0.50 each way for the next three years effective April 1, 2025, and continuing each year thereafter until April 1, 2027. A final recommendation will be brought back to the Board of Directors at the March 27, 2025, Finance-Auditing Committee meeting and to the full Board on the following day.

Fiscal Impact

The fiscal impact of providing a public hearing and associated outreach is estimated at less than \$15,000 and will be covered by the existing Marketing and Communications Department and District Secretary's Office operating budgets.