



Policy Advisory Council

Transit Transformation Action Plan Subcommittee

Overview of Proposed Transfer Discount Policy Pilot and Update on Clipper BayPass Pilot

March 13, 2023

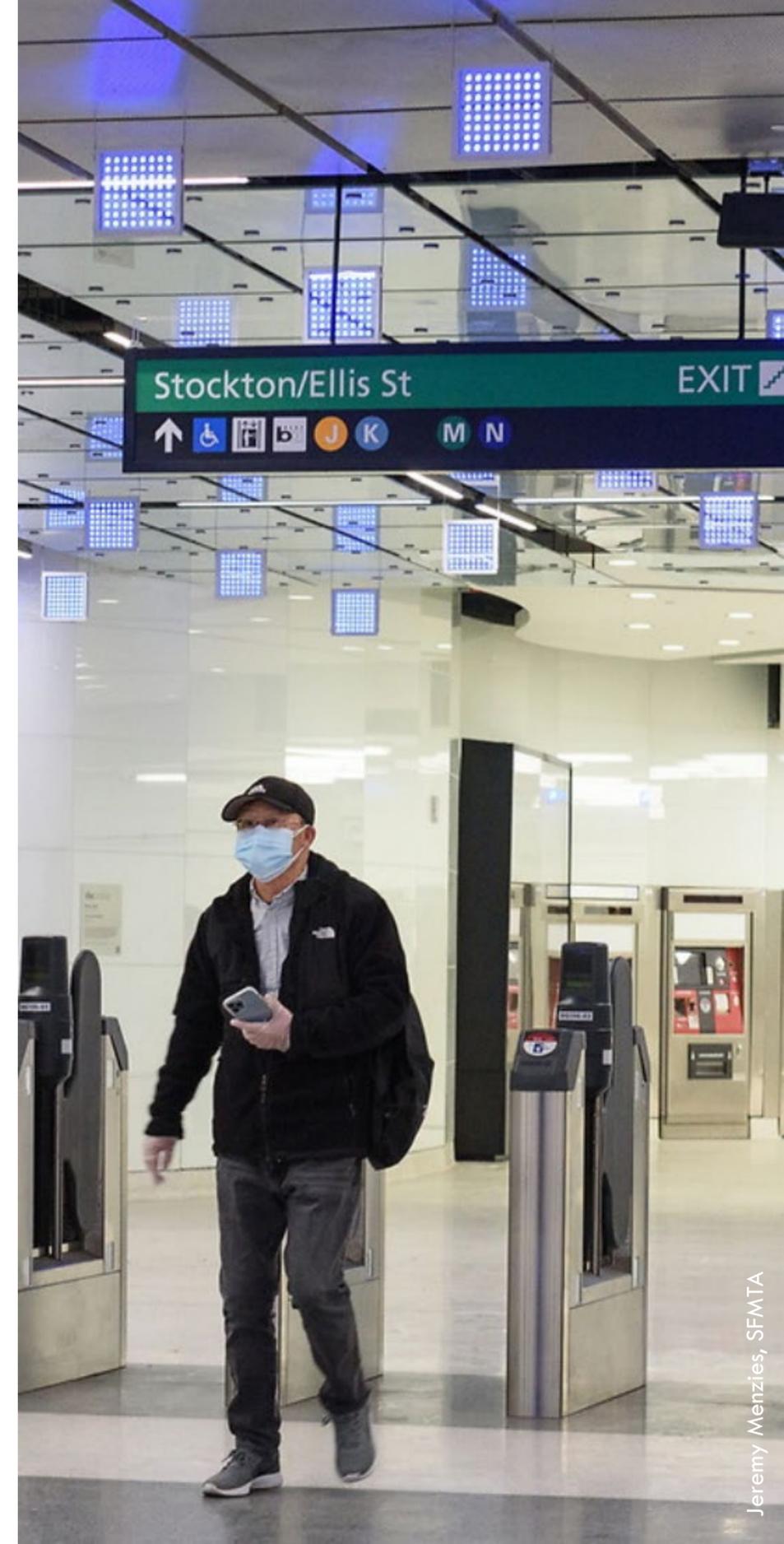


MTC

Overview

Focus of Today's Discussion:

- 1) To brief the Subcommittee on the Transfer Policy Pilot
- 2) Provide an Update on the Clipper BayPass Pilot



Transfer Policy Pilot

“No-cost / Reduced Cost Transfers”

Bay Area Transit Fare Policy Vision Statement

Based on the draft findings of the Fare Coordination and Integration Study (FCIS), the Fare Integration Task Force (Task Force) recognizes that the implementation of more coordinated and integrated transit fare policies may offer cost-effective options for improving the transit customer experience, promoting transit ridership recovery from the COVID-19 pandemic, and reducing regional vehicle miles traveled, greenhouse gas emissions, and transit travel times for customers, in ways that are compatible with the equity goals of transit operators, local stakeholders, MTC, and the State of California.

Transit Fare Policy Initiatives for Further Development

The Task Force endorses continued work by transit operators and MTC staff to advance the following policy initiatives:

1. Deployment of an all-transit agency institutional/employer pass demonstration pilot in 2022, with a focus on educational institutions, affordable housing properties, and employers of various sizes, pending available resources/technical considerations.
2. Implement no-cost and reduced cost transfers for transit users transferring between different transit agencies beginning in 2023, coinciding with the rollout of the Next Generation Clipper® system/Clipper® 2.
3. Continue to develop a proposal for implementing an all-transit agency pass product for the general public after the launch of the Next Generation Clipper® system/Clipper® 2 in 2023 or later (pending outcomes and data from the pilot noted in no. 1 above).
4. Continue to refine the vision of eventually creating a common fare structure (distance or zone-based) for regional rail, ferry, and express bus service after Next Generation Clipper® system/Clipper® 2 implementation. Direct transit operator staff and MTC staff to continue to evaluate the benefits and costs of a common fare structure for regional transit services in the context of a broader evaluation of post-COVID-19 pandemic ridership patterns, the role of regional transit service in the region, and the funding strategy for these regional transit services.

Complementary and Necessary Objectives to Facilitate Delivery of Transit Fare Policy Initiatives

In collaboratively advancing these improvements for the benefit of the Bay Area’s transit customers, we also recognize the continued economic challenges facing the region, and the transit industry in particular. The Task Force recommends that transit operator and MTC staff work to advance the above policies while also acknowledging that successful delivery will require pursuit of the following complementary and necessary objectives:

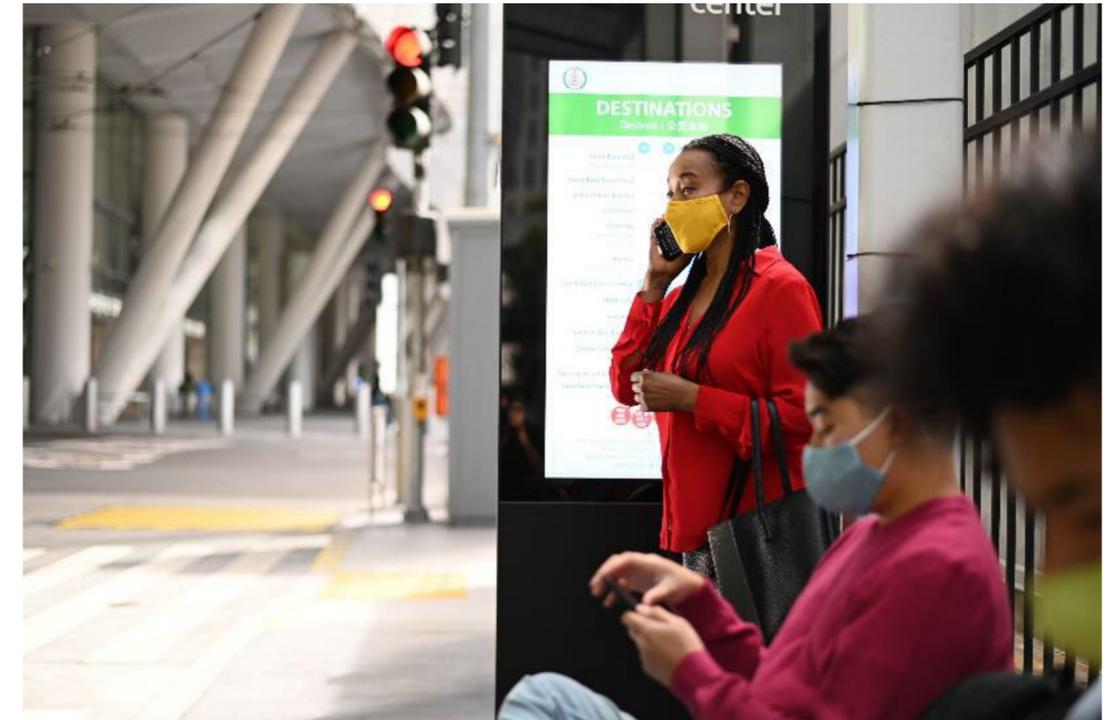
“Implement no-cost and reduced cost transfers for transit users transferring between different transit agencies beginning in 2023, coinciding with the rollout of the Next Generation Clipper® system/Clipper® 2.”

- **Given the delay to summer 2024 in the rollout of the Next Gen Clipper system the project team and Clipper staff have explored options to deliver this action in the C1 system and have determined it is not technically feasible while still prioritizing Next Gen Clipper delivery**
- **The team recommends that the focus should remain on delivery of transfer policy changes in the Next Gen Clipper system.**

Defining No-cost / Reduced Cost Transfers

When you make a trip that requires transferring between transit agencies, pay the full fare on just the first agency you use.

Any transfer to another agency within two hours of the first boarding is discounted up to a limit of \$2.50 per transfer.



No-cost / Reduced Cost Transfers

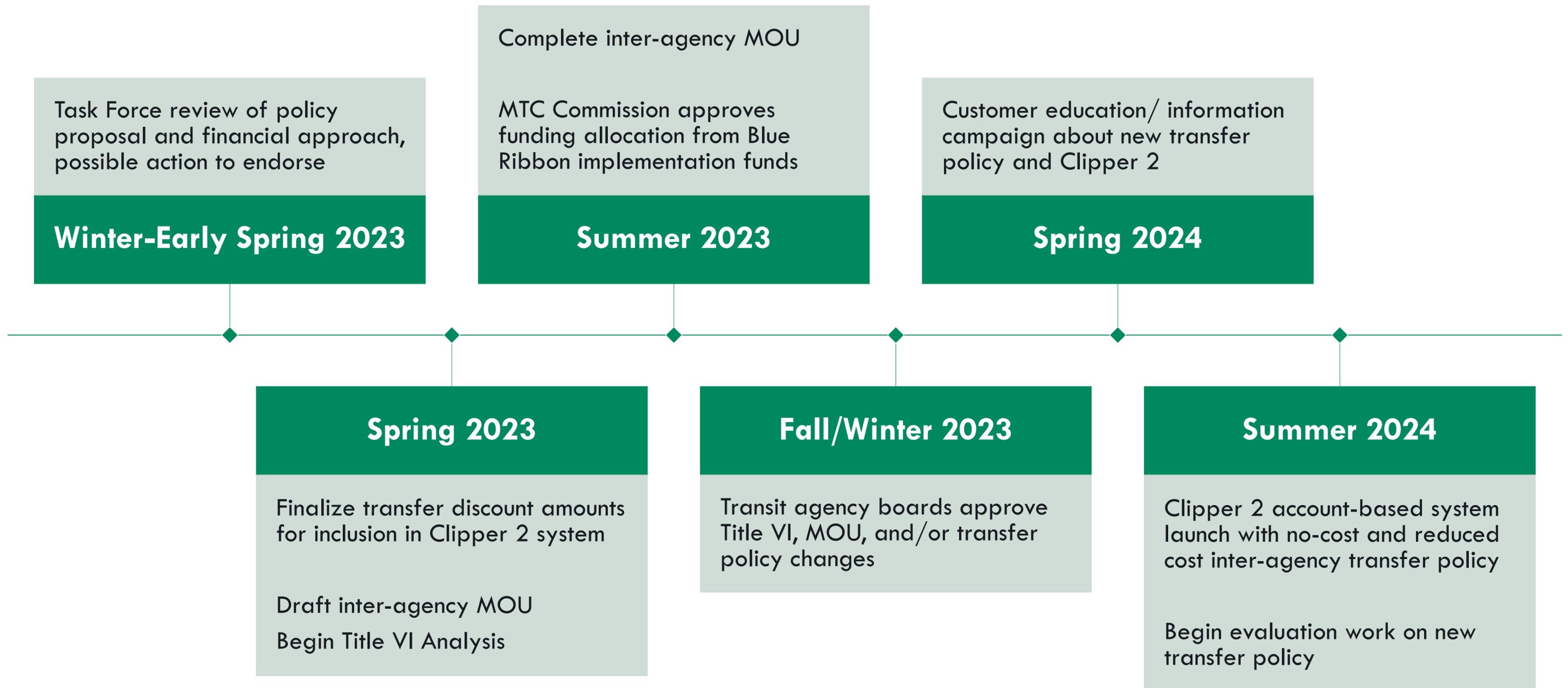
Principles to Guide Rollout

- 1. Deployment with the Next Generation Clipper system**
- 2. Goal is an 18-month pilot deployment at all operators on Clipper, with an automatic extension to 24 months if sufficient funding is available.**
- 3. Financial model that mitigates or eliminates financial risk to transit operators during pilot with use of \$22 million in Transit Transformation Action Plan funding set aside by MTC**
- 4. Title VI analysis will shape final details**
- 5. Task Force and agency governing board approval will be needed in order to proceed**



Steps to Deliver a Transfer Policy Pilot

Path to Launch with Next Generation Clipper - Updated Schedule



Implementation Approach

1. Agencies sign MOU that expresses intent to participate in an **18-month pilot with an automatic extension to a total of 24 months** if sufficient funding is available.
2. Checkpoint after first year to assess status of funding; “off-ramp” available at that time
3. Transit operators + MTC continue to seek to identify additional funds (if needed) to sustain pilot for at least 24 months
4. Agencies continue to prioritize joint state/federal advocacy to sustain transit operations



Recap: Next Steps for Transit Policy Pilot

- **Upcoming Fare Integration Task Force Meeting**
 - **Seek Task Force approval of Transfer Policy Pilot approach and direct staff to draft MOU**



Update

Clipper BayPass

Unlimited regional transit pass for rides on all bus, rail and ferry services in the Bay Area - anytime, anywhere



Phase 1:
Pilot with University Students
and Affordable Housing
Residents
Launched 2022

Phase 2:
Pilot with Employers,
Transportation Management
Associations and Property
Managers
Launching 2023

Clipper BayPass Phase 1 Update

Pilot with University Students & Affordable Housing Residents

50,000+ people across the Bay Area eligible for BayPass including:

- Four universities/colleges
- Thirteen MidPen Housing properties

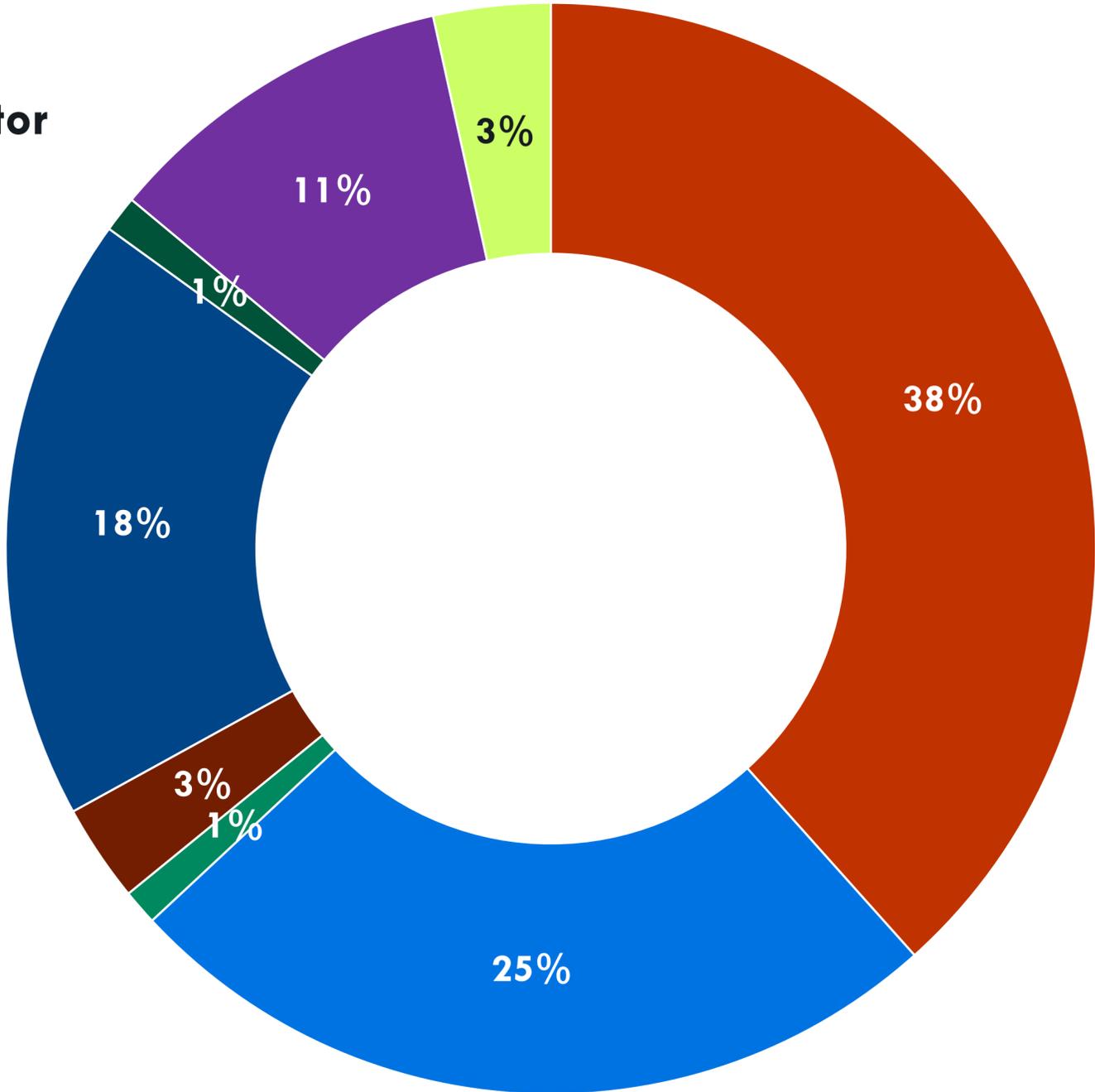


Over 1M Clipper BayPass Trips to Date



BayPass Trips by Operator

- AC Transit
- BART
- Caltrain
- SamTrans
- SF Muni
- SMART
- VTA
- Other



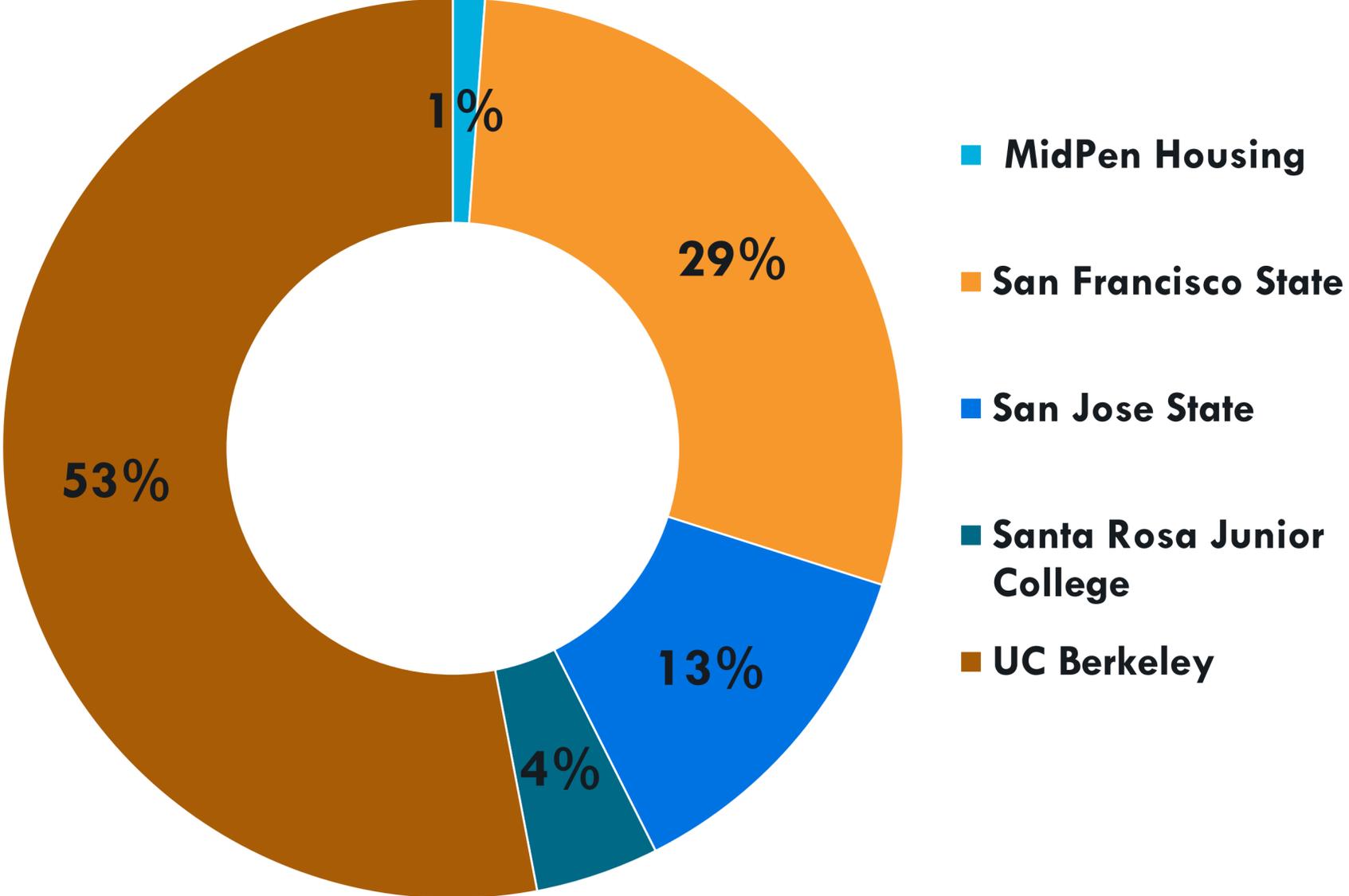
Clipper BayPass Pilot Tips – Preliminary Data 8/15/2022 to 1/30/2023



Phase 1 Pilot Status Update



- Early data show that people with Clipper BayPass are taking *about 40% more* trips than those with just an institutional pass
- Additional analysis underway, including Clipper Travel Data and info from more than 10,000 surveys completed



Clipper BayPass Pilot Tips by Operator – Preliminary Data
8/15/2022 to 1/30/2023





“Our residents often face transportation and access barriers, and the Clipper BayPass presents significant cost-savings for our communities amidst trying financial times.”

– MidPen Housing Director

“Thanks to the BayPass, I’m saving thousands of dollars over the course of a semester. And now I can commute without worrying about the cost.”

– San Jose State Student

Phase 2 Pilot Update



Pilot with 10+ Employers, Transportation Management Associations (TMAs) and Property Managers

- Focused on reaching a diverse range of employers and locations
- Prioritizes equity to reach beyond traditional office settings
- Expands into new models of funding



Phase 2 - Employer Outreach

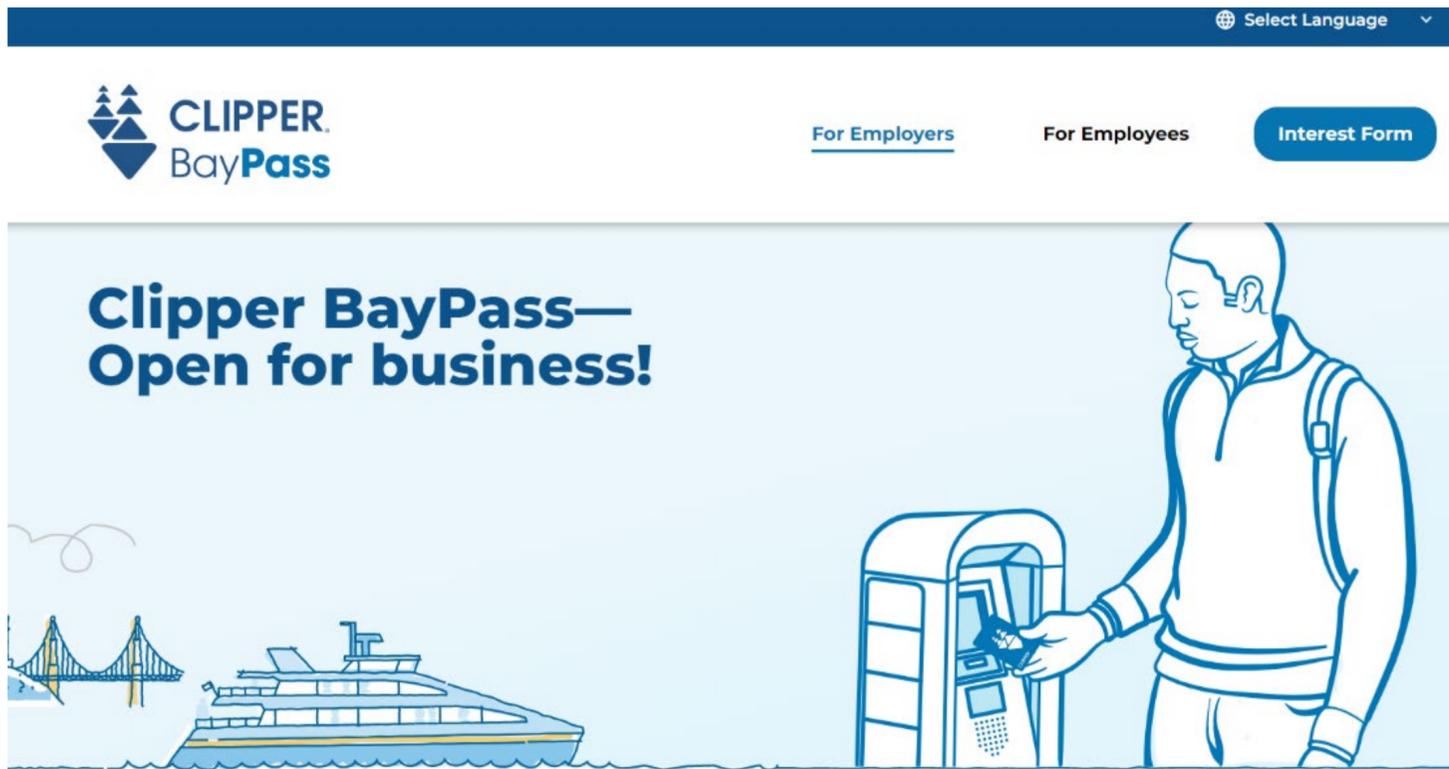


New Website: <http://clipperbaypass.com/>

Interested in Learning More?

- 1 Submit an [interest form](#).
- 2 The Clipper BayPass team will reach out to discuss eligibility and options.
- 3 The Clipper BayPass team will develop a custom price based on organization location, size of workforce and other factors.
- 4 Your organization will receive Clipper BayPass transit cards for all employees to use on all Bay Area transit agencies – anytime, anywhere.

[Interest Form](#)



Phase 2 Pricing



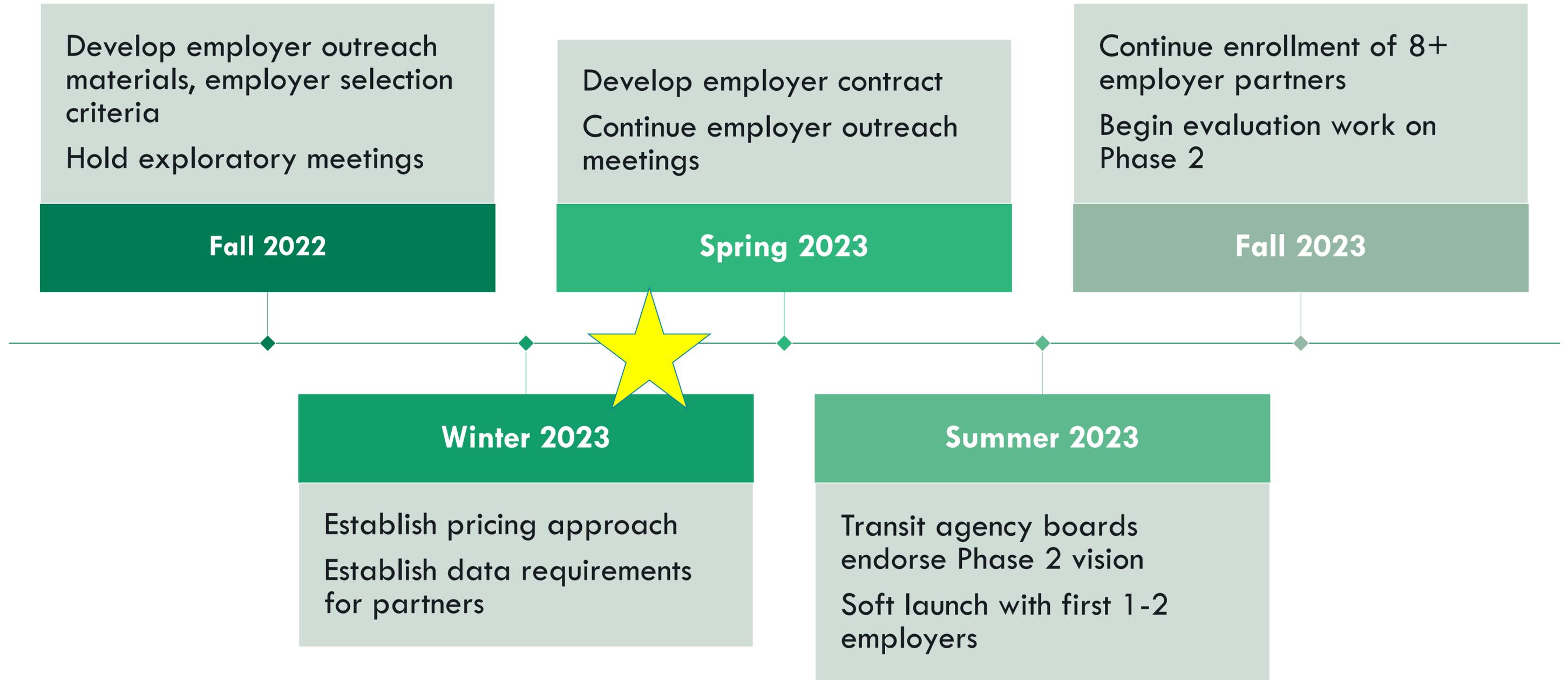
Incremental, phased approach to establish revenue neutral/ridership positive price

- Just like other benefits, employers provide Clipper BayPass to 100% of their eligible employees - *regardless of whether all employees use the benefit*
- The price ranges depending on employer location, number of employees and nearby access to transit



Steps to Deliver an Employer Pass Pilot

Path to Launch Phase 2





Questions