



# Fare Integration Task Force

August 15, 2022

<sup>1</sup>Agenda Item 4a



# Meeting Overview

**1. Fare Integration Task Force Recap: Timeline/Retrospective**

**2. Clipper BayPass Pilot Update: Recent and Upcoming Work**

**3. Transfer discount update: Policy Proposal and Steps to Implementation**



# Timeline / Retrospective of Fare Integration Work

## Previous Work

**February 2020:** Convened Fare Integration Task Force (FITF)

**September 2021:** Fare Coordination & Integration Business Case released

**November 2021:** FITF Policy Vision Statement adopted

## Today's Discussion

**Institutional/Employer Pass:** Clipper© BayPass pilot launched at 4 colleges/universities in August; Adding affordable housing residents starting next month; Phase 2 (employers) planned for 2023

**Free/Reduced Cost Transfers:** FITF reviewing draft policy; \$22.5M in regional funds identified; staff ensuring technical feasibility in C2

## Future Work

**All-Agency Pass:** Continue to develop a proposal for implementing an all-transit agency pass product for the general public

**Explore Sync of Regional Fares:** Further development of a potential common fare structure for regional transit operators

Required under SB 917 (Becker), if passed and funded

## Pilot is underway at 4 universities/community colleges across the Bay Area



# of participants: 12,000

9,000

7,000

*All Students Eligible*

### Pilot Overview and Recent Achievements

- Clipper cards loaded with the newly branded **Clipper BayPass** product that will be made available to randomly selected students making up ~25% of the student populations
- The pass enables unlimited travel on every transit operator that uses Clipper
- MOUs have been executed with each participating institution
- Promotional materials have been developed to communicate program details to participants
- Program evaluation plan is underway

## Pilot Participants

Underway



SAN FRANCISCO  
STATE UNIVERSITY



SANTA ROSA  
JUNIOR COLLEGE

Launching Next Month



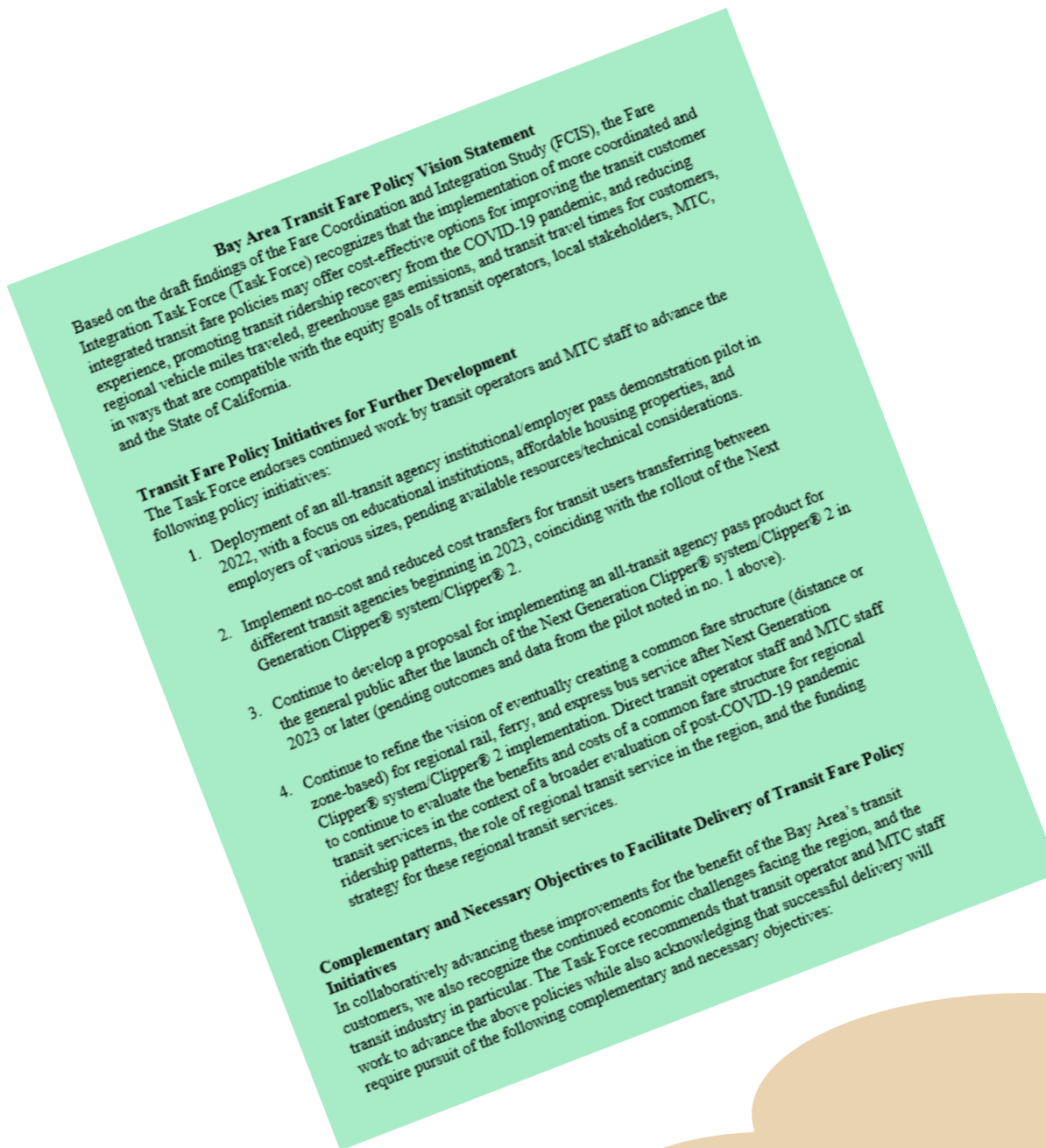
## Upcoming Work

- Ryan Reeves will start this month as a full-time project manager to oversee the pilot
- Pilot will launch at three MidPen properties in San Mateo beginning next month
- Additional MidPen properties in Alameda, Santa Clara, and Solano counties will be included shortly after
- A research and evaluation plan is underway, managed by a consultant team from The Behavioralist
- Phase 2 of the pilot will launch in 2023 to include employers across the region
- All of this work will inform the development of a more permanent program, which would be discussed by the Task Force at the appropriate time in the future

# “No-cost / Reduced Cost Transfers”

“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.”

Bay Area Transit Fare Policy Vision Statement  
Adopted by Fare Integration Task Force, November 15, 2021



How would implementation of this policy work in practice?

What existing fare policies would change?

What is the possible financial impact of this action?

# Recap of Steps to Deliver “No-cost / Reduced Cost Transfers” *Path to Summer 2023*

- The FCIS Project Management Team is working with the Staff Working Group to bring forward a complete “No-Cost & Reduced Cost Transfer Policy Proposal” for your review next month
- Fare Integration Task Force meetings in September and October will provide an opportunity for the Task Force and members of the public to provide comments and direction on the Policy Proposal

FIRST DRAFT No-Cost  
& Reduced Cost  
Transfer Policy  
Proposal

POLICY & PILOT DETAILS

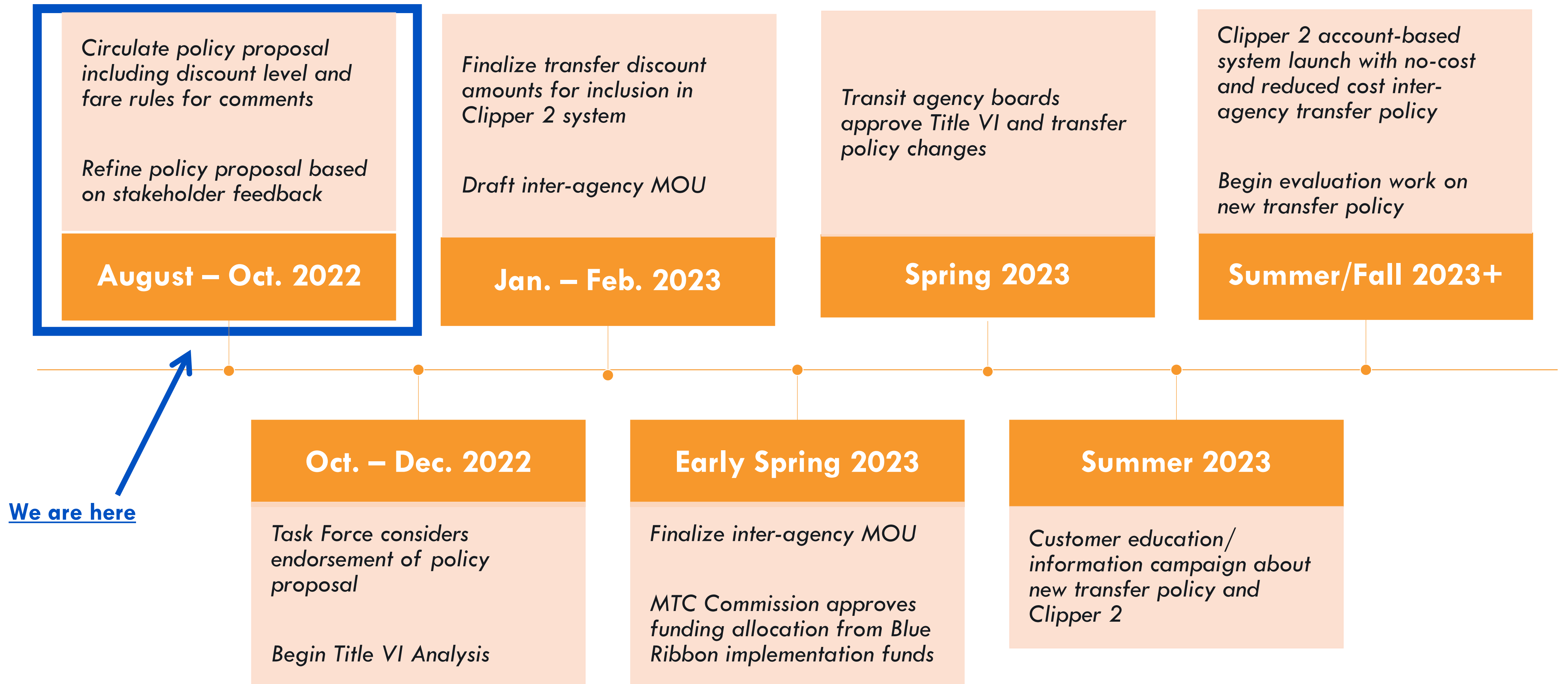
*For Staff Working Group Discussion*

Fare Integration Task Force  
September 2022



# Steps to Deliver “No-cost / Reduced Cost Transfers”

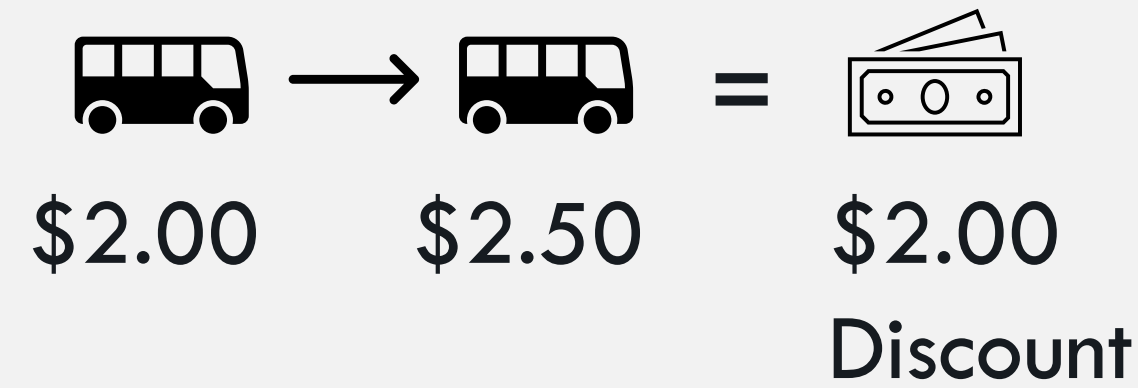
## Path to Summer 2023





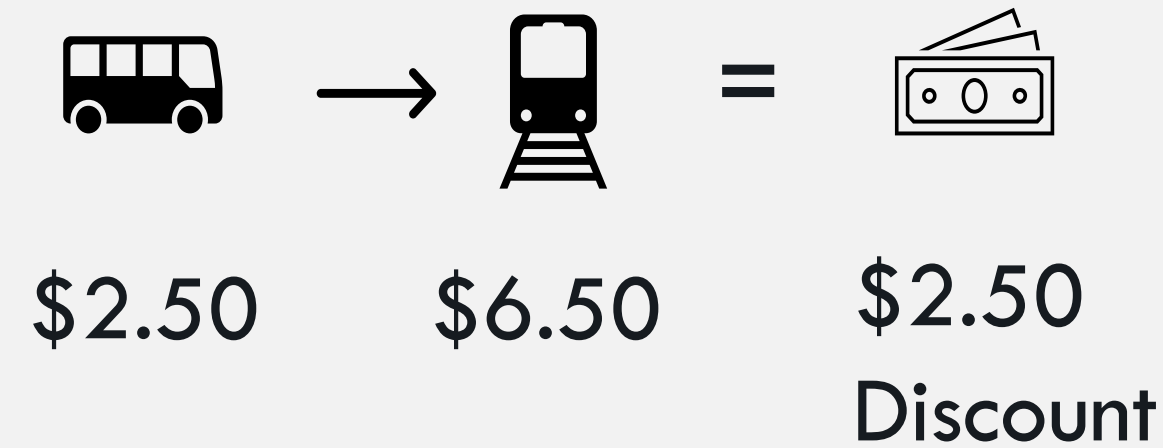
# “No-cost / Reduced Cost Transfers”

## Policy proposal summary



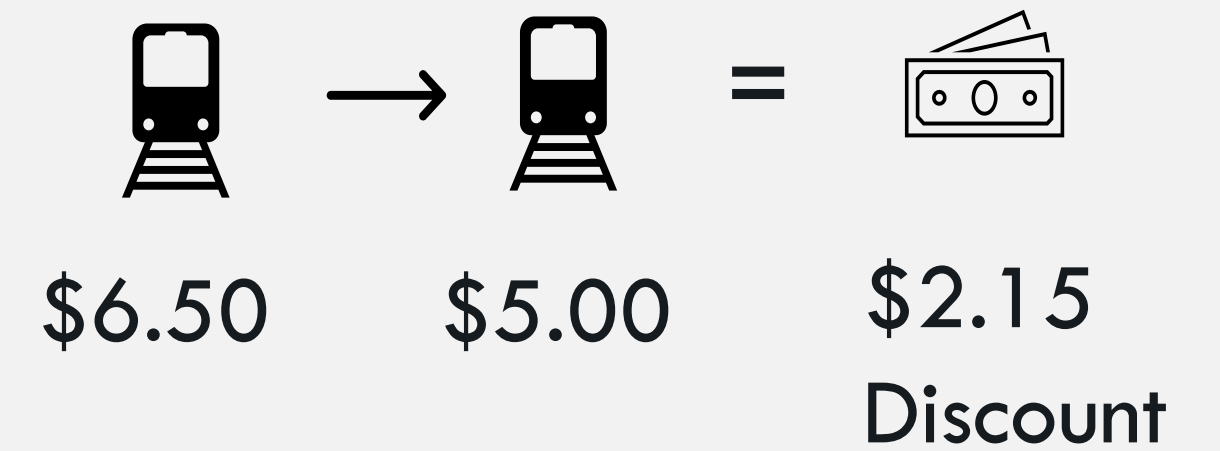
For local services, discount amount is the minimum of transfer pair’s fare

### Local to Local Transfers



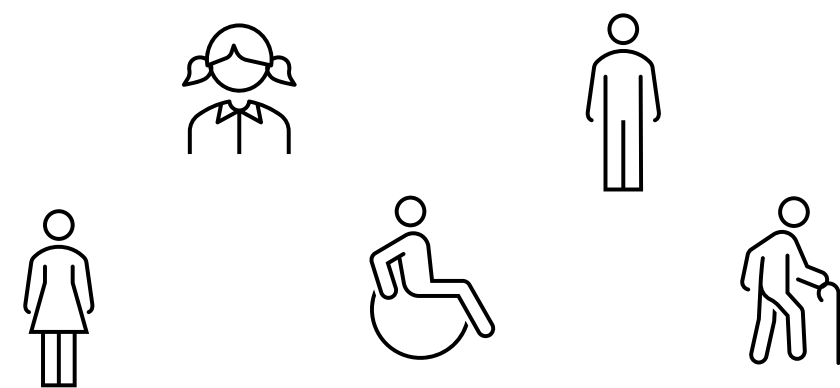
For transfers to regional services, discount is equivalent to local fare

### Local to Regional Transfers



For regional services, discount amount is minimum BART fare as discount (\$2.15)

### Regional to Regional Transfers



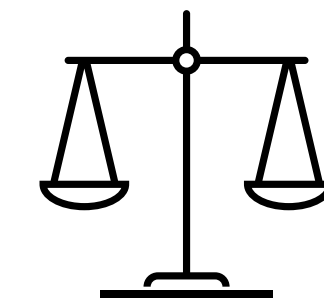
Single ride Adult Clipper fare discounted from trip, with commensurate discount for discount fare categories (e.g., Senior, Youth, etc.).



Single agency passholders also receive a discount



Transfer window is 120 minutes after first tap



For funded pilot period, no interagency settlement model is imposed



# How would existing fares change?

## Local to Local Transfers

## Local to Regional Transfers

## Regional to Regional Transfers

Example Trips Under Current Inter-Agency Transfer Policies



Local to Local Transfers	Local to Regional Transfers	Regional to Regional Transfers
<p><b>Example Trip 1</b> Excelsior District, SF to San Bruno</p> <p>Local Agency #1 → Local Agency #2</p> <p>SFMTA → samTrans</p> <p>Fare = \$2.50      Fare = <u>\$2.05</u></p> <p><b>Total Fare = \$4.55</b></p>	<p><b>Example Trip 2</b> Alum Rock, SJ to Redwood City</p> <p>Local Agency #1 → Regional Agency #2</p> <p>Valley Transportation Authority → Caltrain</p> <p>Fare = \$2.50      3 Zones Fare = \$7.70</p> <p><b>Total Fare = \$10.20</b></p>	<p><b>Example Trip 3</b> 12<sup>th</sup> St., Oakland to Santa Clara</p> <p>Regional Agency #1 → Regional Agency #2</p> <p>BART → Caltrain</p> <p>Fare = \$5.50      3 Zones Fare = \$7.70</p> <p><b>Total Fare = \$13.20</b></p>

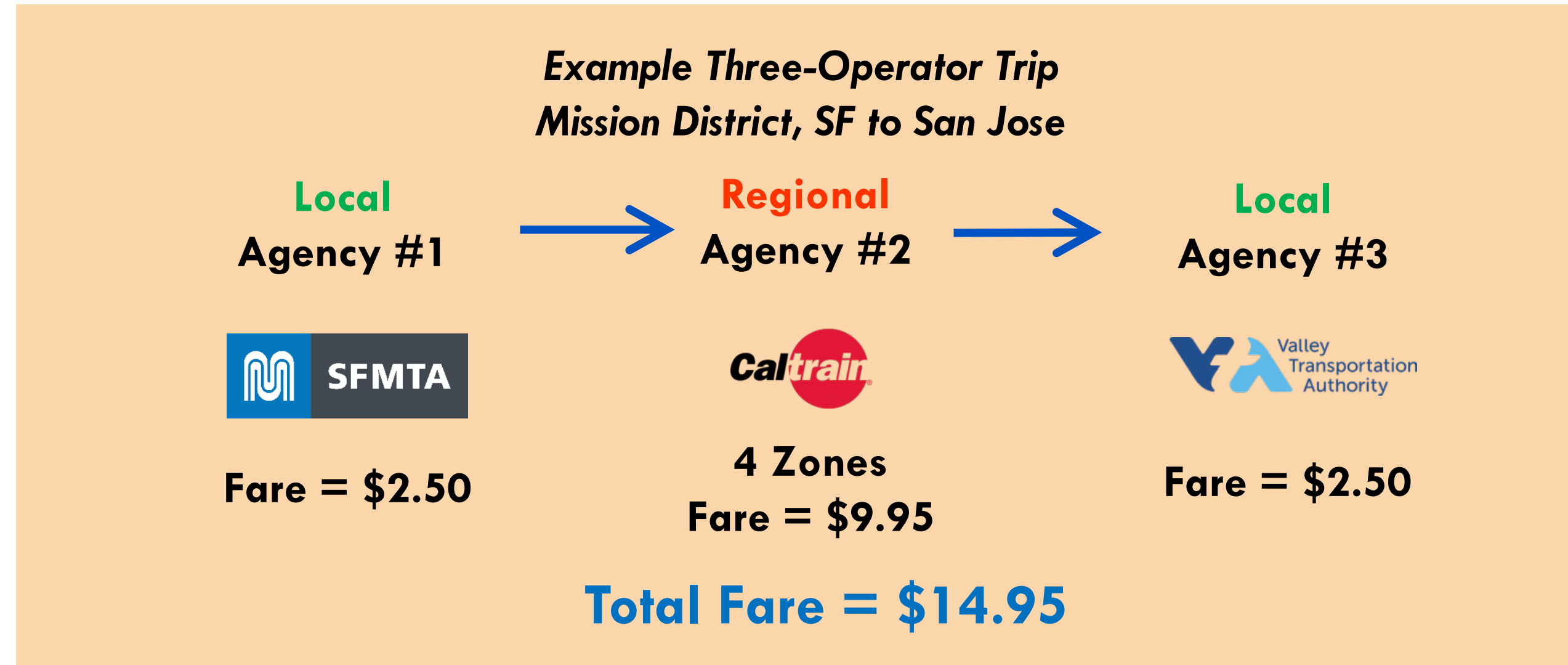
Example Trips Under “No-cost / Reduced Cost Transfers” Policy



Local to Local Transfers	Local to Regional Transfers	Regional to Regional Transfers
<p><b>Example Trip 1</b> Excelsior District, SF to San Bruno</p> <p>Local Agency #1 → Local Agency #2</p> <p>SFMTA → samTrans</p> <p>Fare = \$2.50      Fare = <u>\$0</u></p> <p><b>Total Fare = \$2.50</b> <b>Customer savings = \$2.05</b></p>	<p><b>Example Trip 2</b> Alum Rock, SJ to Redwood City</p> <p>Local Agency #1 → Regional Agency #2</p> <p>Valley Transportation Authority → Caltrain</p> <p>Fare = \$2.50      3 Zones Fare = \$7.70 - <u>\$2.50</u></p> <p><b>Total Fare = \$7.70</b> <b>Customer savings = \$2.50</b></p>	<p><b>Example Trip</b> 12<sup>th</sup> St., Oakland to Santa Clara</p> <p>Regional Agency #1 → Regional Agency #2</p> <p>BART → Caltrain</p> <p>Fare = \$5.50      3 Zones Fare = \$7.70 - <u>\$2.15</u></p> <p><b>Total Fare = \$11.05</b> <b>Customer savings = \$2.15</b></p>

# How would existing fares change on three or more operators?

Example Trips Under Current Inter-Agency Transfer Policies



Example Trips Under “No-cost / Reduced Cost Transfers” Policy



# Transfer with Operator Monthly Pass Products

Example Trips Under Current Inter-Agency Transfer Policies



*Example Trip*  
Sunset District, SF to Downtown Berkeley

<p><b>Local</b> Agency #1</p> <p>Muni Fast Pass</p> <p>Fare = \$0 (Already Paid For)</p>		<p><b>Regional</b> Agency #2</p> <p>Fare = \$4.50</p>
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Total Marginal Fare = \$4.50

Example Trips Under “No-cost / Reduced Cost Transfers” Policy



*Example Trip*  
Sunset District, SF to Downtown Berkeley

<p><b>Local</b> Agency #1</p> <p>Muni Fast Pass</p> <p>Fare = \$0 (Already Paid For)</p>		<p><b>Regional</b> Agency #2</p> <p>Fare = \$4.50-2.50</p>
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Total Fare = \$2.00    Customer savings = \$2.50

## Policy Issues for Consideration:

- The new transfer rules would introduce an imbalance in foregone revenue between agencies
- To adjust for this imbalance, some additional structure may be required. This could include:
  - A “settlement model” to redistribute revenue within the Clipper system
  - A new funding allocation model separate from the Clipper system



# “No-cost / Reduced Cost Transfers”

## Draft Transfer Discount Table, Adult Clipper (assumes agency base)

Transferring From

Transferring To	AC Transit	BART	Caltrain	East Bay	Golden Gate Ferry	Golden Gate Transit	Napa Solano	SamTrans	SF Muni	Union City	VTA	WETA	SMART	Corridor 101	Sonoma
AC Transit		2.15	2.15	2.00	2.15	2.00	2.00	2.05	2.25	2.00	2.25	2.15	2.15	1.50	1.50
BART	2.15		2.15	2.00	2.15	2.00	2.00	2.05	2.15	2.00	2.15	2.15	2.15	1.50	1.50
Caltrain	2.15	2.15		2.00	2.15	2.00	2.00	2.05	2.15	2.00	2.15	2.15	2.15	1.50	1.50
East Bay	2.00	2.00	2.00		2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50
Golden Gate Ferry	2.15	2.15	2.15	2.00		2.00	2.00	2.05	2.15	2.00	2.15	2.15	2.15	1.50	1.50
Golden Gate Transit	2.00	2.00	2.00	2.00	2.00		2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50
Napa Solano	2.00	2.00	2.00	2.00	2.00	2.00		2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50
SamTrans	2.05	2.05	2.05	2.00	2.05	2.00	2.00		2.05	2.00	2.05	2.05	2.05	1.50	1.50
SF Muni	2.25	2.15	2.15	2.00	2.15	2.00	2.00	2.05		2.00	2.50	2.15	2.15	1.50	1.50
Union City	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00		2.00	2.00	2.00	1.50	1.50
VTA	2.25	2.15	2.15	2.00	2.15	2.00	2.00	2.05	2.50	2.00		2.15	2.15	1.50	1.50
WETA	2.15	2.15	2.15	2.00	2.15	2.00	2.00	2.05	2.15	2.00	2.15		2.15	1.50	1.50
SMART	2.15	2.15	2.15	2.00	2.15	2.00	2.00	2.05	2.15	2.00	2.15	2.15		1.50	1.50
Corridor 101	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50		1.50
Sonoma	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	

Service Type Key:

Regional-Regional

Local-Local

Local-Regional



# “No-cost / Reduced Cost Transfers”

PRELIMINARY Estimated Annualized Foregone Revenue in \$ by Agency if Proposed Policy were Implemented

Agency or Clipper Agency Group	Current conditions	Pre COVID conditions
AC Transit	2,295,000	3,851,200
BART	4,293,200	9,361,600
Caltrain	282,200	597,500
East Bay	325,000	569,600
Golden Gate Ferry	143,300	356,300
Golden Gate Transit	181,700	491,600
Napa Solano	124,500	202,500
SamTrans	460,800	478,100
SF Muni	3,353,200	8,633,000
Union City	12,300	12,000
VTA	184,700	182,200
WETA	124,700	219,700
SMART	62,800	150,100
Corridor 101	200	14,300
Sonoma	100	100
<b>Total</b>	<b>\$11,843,200</b>	<b>\$25,119,100</b>

- Based on actual Clipper activity in May 2022 and December 2020.
- Does not assume any added fare due revenue to increased ridership resulting from policy change (FCIS business case valued at \$6M/year)
- Additional foregone revenue from the change in paratransit fares resulting from this policy estimated to be \$0.25M per year.
- This preliminary analysis will be refined with additional data through the Fall



# “No-cost / Reduced Cost Transfers”

**Estimated ‘Runway’ for \$22 million initial funding based on rate of growth in transfer activity**

Scenario	Assume Rate of Growth	Estimated Runway (months)
No Growth	0% per month	22
Slow Growth	1 % per month	20
Moderate Growth	1.5% per month	19
High Growth	2.0% per month	18

- \$22 million of funding to cover projected revenue impacts has already been identified by MTC through the Blue Ribbon Transit Transformation Action Plan implementation funding pool.
- The period of time that this initial funding can cover will depend upon the rate of growth in transfer activity, but is estimated to be **a minimum of 18 months.**



# How would implementation of this policy work in practice?

## Hypothetical MOU

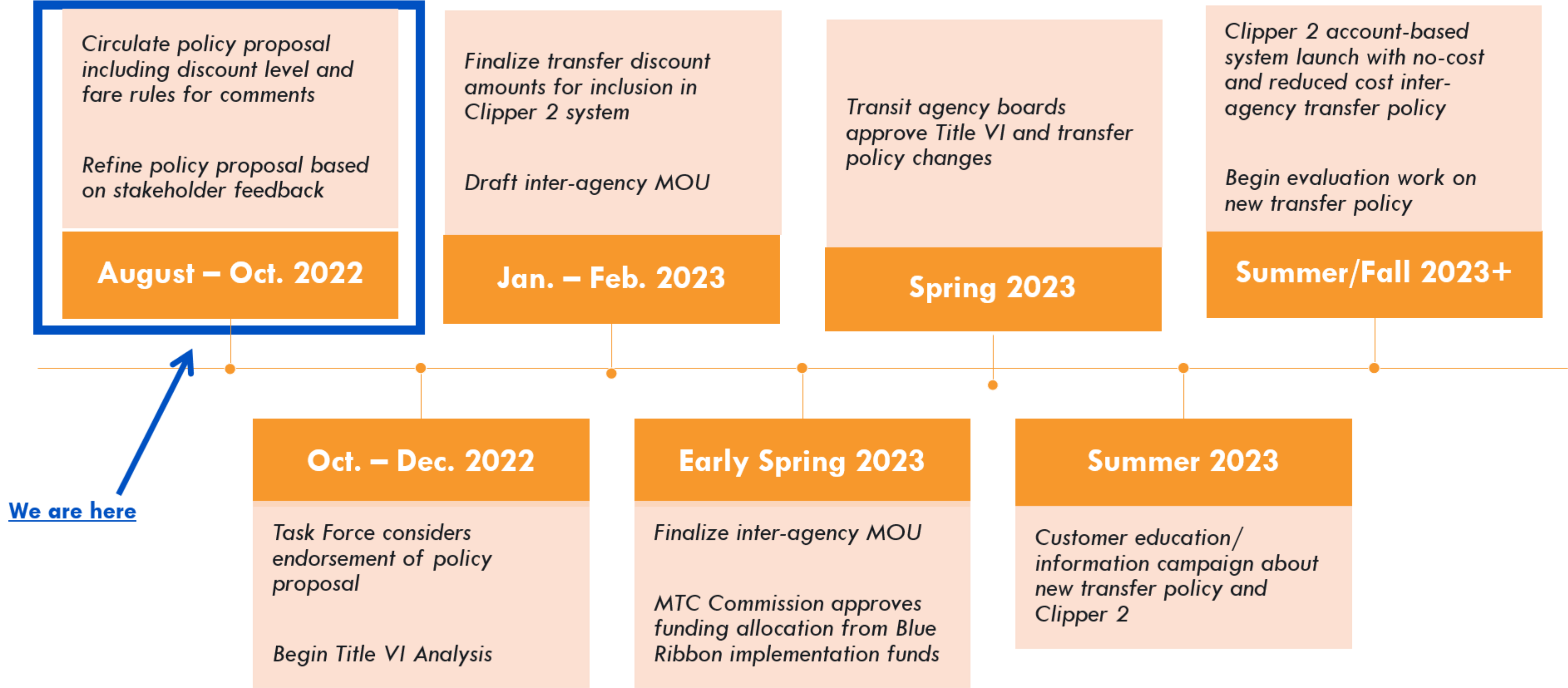


1. Common inter-agency transfer discount amounts
2. Process for keeping the transfers up-to-date based on fare price changes
3. Mechanism/process for financial settlement
4. Process for operators to join/leave the agreement
5. Process for Title VI analysis
6. Reference to Clipper MOU?
7. SB 917 Considerations (if applicable)



# Recap: Next Steps

The FCIS Project Management Team is working with the Staff Working Group to bring forward a complete “No-Cost & Reduced Cost Transfer Policy Proposal”, consistent with what we detailed today, for your review next month.



We are here

