

YEAR 1 EVALUATION NARRATIVE SUMMARY FOR THE CLIPPER® START PILOT

Purpose of Summary

The purpose of this document is to provide a general overview of Year 1 (2020-2021) evaluation findings for the Clipper START Pilot. This summary provides the narrative to the accompanying slide deck for “Attachment A – Slide Deck – Year 1 Pilot Evaluation Findings.” A full report will be made available in late November.

Measuring Success During COVID-19 Pandemic

Given the launch of the Clipper® START Pilot Program in the midst of the COVID-19 pandemic, the Year 1 results of the pilot should not be separated from the fact that the region saw significant reductions in travel, including among transit trips. The region’s 24 transit agencies were forced to cut service following public health travel restrictions and drops in travel demand in March. Additionally, many of the region’s transit agencies suspended fare collection to reduce contact between riders and agency drivers early in the pandemic, including AC Transit, County Connection, Fairfield and Suisun Transit (FAST) except for express routes, Livermore Amador Valley Transit Authority (LAVTA), Napa VINE, SamTrans, TriDelta, Union City, Petaluma Transit, Santa Rosa CityBus, Sonoma County Transit, Santa Clara Valley Transportation Authority (VTA) and WestCAT. Meanwhile, ridership dropped by 85% between February and April 2020.¹ Of the 15% of riders that continued using the agencies, many were performing essential work services and/or had no other means of transportation.

¹ National Transit Database (NTD) via MTC

Throughout the past year, the region's transit agencies have been slowly restoring service towards pre-COVID levels as public health restrictions have been reduced. Some riders are returning or starting to ride transit as COVID-19 vaccination rates have increased and riders feel more comfortable, but most agencies are still operating with significantly lower ridership compared to pre-COVID, or 2019, levels. Regional ridership is down sixty-five percent in July 2021 compared to July 2019. However, Clipper® START ridership has increased at a faster rate than ridership recovery in the Bay Area. Regional transit six-month average monthly increase is currently eleven percent, while the Clipper® START average monthly increase is twenty-two percent. Launching Clipper® START during the pandemic highlighted the critical role transit plays for many Bay Area residents. The results that follow highlight the importance of the program on equity, economics, accessibility, and mobility—truly providing a lifeline for riders during the public health “shelter-in-place” period of the pandemic.

Outcome 1: Awareness and Reach

MTC worked with Moore, Iacofano and Goltsman (MIG) to develop and implement a marketing multilingual campaign delivered throughout the Bay Area across different mediums (website, social media, transit, newspaper, radio, TV, email) and with different partners (transit agencies, community-based organizations, human/social service agencies) providing information on how to enroll. The overall marketing has been effective, with high enrollment and verification rates in the Equity Priority Communities. Applicants are hearing about the program most frequently through email/website, social media, transit advertisement and word-of-mouth, with some variation by age and race/ethnicity.

Applicants overwhelmingly represent the critical populations the program was designed for: People with household incomes less than \$20K (75%), women (>50%) and Black, Indigenous, People of Color (BIPOC) (>75%) are the majority of enrollees.

Outcome 2: Customer Experience

Making the application process straightforward is an important goal of the program. A burdensome application experience was identified as a potential barrier to enrollment due to the real and perceived impact it would have on enrollee's time. Applicants felt that the ease of applying is high, with over 75% of applicants reporting that the process was easy or very easy.

Outcome 3: Financial Viability

The Pilot is being funded by a mix of regional funds provided by MTC through MTC Resolutions 4320, 4321, 4130, and 4420. MTC is subsidizing fares up to 10% with participating operators covering the remainder of the discount or any additional revenue losses from other sources. MTC's total contribution is \$10,000 per month in operator reimbursements.

The revenue impacts to the twenty-one transit agencies participating in the pilot have been low thus far. In the last six months, fare discounts cost the agencies a combined total of \$33,000 per month of foregone revenue. The revenue impacts are associated with overall Clipper START ridership, which are climbing but still lower than anticipated when the program was developed pre-COVID-19 pandemic.

The foregone revenue per transit agency varies by the number of trips taken, with agencies experiencing higher trip rates such as SF Muni and BART incurring greater revenue impacts. However, the revenue impact represents less than 1% of overall agency revenue in FY2021.

Outcome 4: Administrative Feasibility

The development and implementation of the Clipper[®] START program involved teams across multiple programs at MTC including Operations, Technology Services, and Funding Policy and Programs, with input from Legal, Finance and Legislation and Public Affairs. It also involved external partners such as the twenty-one transit operators participating in Clipper[®] START, the community-based organizations and human/social service agencies assisting with promotion and enrollment, and companies assisting with technology, marketing, and evaluation. Despite the complexity of implementing this program during a pandemic, the roll-out of the pilot was smooth. Overall Year 1 administrative costs were \$1,123,940, which includes Card Fees, Eligibility Verification, Evaluation, Marketing and Outreach and Website and Database O&M.

Outcome 5: Affordability

The impact of the program on affordability and access and mobility of enrollees are two important outcomes for MTC and participating partners.

In terms of affordability, the average fare discount was \$1.20 per trip, which enabled riders to take more transit trips overall, because their transportation budget went farther.

“I’m on the bus every day to go to work. I’m able to run more errands besides just going back and forth to work. I’m seeing more savings and I’m able to do more things.”

The data on Clipper® START trips and applications by enrollee household income also highlights that ridership is highest in enrollees with reported household income of \$10,000-\$20,000, which is also the group with high enrollment numbers.

Outcome 6: Access and Mobility

Program usage has consistently increased since the program’s launch on July 15, 2020, with ridership from the Clipper® START program on a steeper trajectory of ridership over time than overall transit ridership for the region. Up to 10,000 weekly trips were reported in July 2021, with most trips in the first year of the pilot program occurring on Muni (38%), BART (37%), AC Transit (8%), and SamTrans (5%).

Data on Clipper® START trips and applications by race/ethnicity and gender identity show that BIPOC (75%) and Women (60%) applicants are utilizing transit and the program at the highest rates.

Program participants are taking an average of 5.5 trips per week, with weekly trip frequency increasing over the first year of the program. This is consistent with overall increases in ridership across Bay Area transit systems.

“I’m doing just what I need to do to stay safe, but it has helped my pocketbook. I’m trying to save money and I’m trying to avoid as much as I can being on public transportation. I’ve got an elderly mother who I take care of, and I take three forms of transportation to get to her, so none of that has changed. At least I have a few more dollars in my pocket, which I really enjoy.”

Key Observations

Key observations from the first year of the Clipper® START pilot program include:

- The program started slowly due to COVID, but enrollment and ridership consistently trended upwards since the program launch.
 - The marketing campaign was extensive and impactful, with over 11 million ad and social media impressions
 - Enrollment is currently just under 7,000 applications
 - Of those 7,000 applicants, nearly 4,000 are active users of the discount program
 - Riders have taken over 250,000 trips in Year 1.
- COVID-19 was an unanticipated exogenous factor that is assumed to have impacted program enrollment and ridership, given its impact on transit in the region as a whole. Therefore, the impacts of the program must be considered in the context of COVID-19's impact on the region.
- That said, enrollment and ridership rates are highest in very low-income, women, and BIPOC, highlighting the positive impact the Clipper START program is having on these critical populations.
- Evaluation of the program through Year 1 led to adjustments being implemented in outreach and marketing to reach target populations more effectively.

Next Steps and Year 2 Actions

Year 1 provides insight on initial performance against project implementation and participant impact outcomes. Initial findings suggest several strategies are effective, such as enrollment/application experience, while other more complex strategies offer opportunities for improvement. Program refinements are currently being implemented such as adjustments in marketing and outreach tactics to further reach historically underrepresented populations (Black, Indigenous, People of Color; gender-identity).

Opportunities exist in Year 2 to further understand what it will take to get to a sustainable, regional, and permanent program. Data collection and analysis for Year 2 began on August 1 with focus groups and surveys being planned in late October/November. The Year 2 Evaluation will continue to assess the Pilot on the six outcomes with added attention to the following:

- Critical Questions:
 - How do we harness market trends to continue to build a successful program?
 - How are we capturing low-income market share to inform MTC and operator decision-making on sustainability?
 - How can the program continue to address gaps in affordability, access, and mobility? Why are certain groups using the program more than others?
 - How can MTC further diversify marketing and engagement strategies to reach new riders?
- Year 2 Actions:
 - Examine demographic data by transit agency, travel behavior or target audience
 - Refine marketing and engagement strategies based on findings
 - Gather better financial data to understand and respond to variability in recovery
 - Partner with community-based organizations for broader cultural reach
 - Examine program importance and gaps by demographics
 - In addition:
 - **Continue to monitor high program use by lowest income individuals.** In addition to tracking enrollment and ridership, assess revenue impacts at the current level of discount and understand market share by transit agency.
 - **Conduct Community-Based Organizations/social and human service/MTC interviews.** Identify strategies to strengthen recruitment and enrollment partnerships with community-rooted organizations and human service providers.

- **Barriers to transit beyond fares.** The majority of participants in Year 1 identify as women. Focus group findings suggest other barriers to riding transit such as safety. Analyze additional ridership and focus group data to inform program outcomes.
- Build from linkages with other recovery efforts
 - Transit confidence -> more ridership -> reaching eligible residents. Transit operators and stakeholders are implementing marketing and/or limited fare-discount promotions to entice the public to ride transit. As transit confidence and ridership increases, eligible residents are anticipated to enroll in the Pilot and ride transit.
 - Align with fare coordination work. MTC, Bay Area transit agencies and county transportation agencies are researching ways to make the region's transit network better coordinated and more affordable.