



Clipper START Pilot Update

Proposal to Transition an Ongoing Fare Program

RNM Customer Advisory Group

March 25, 2025

Item 4a









Agenda

1. Overview
2. Clipper START Ongoing Improvements
3. Funding and Operations
4. Recommendations
5. Timeline



Photo Credit

Clipper START Overview

-  Pilot Program: July 2020- June 2025
-  Since January 2024: 50% discount offered by all operators on Clipper
-  Discount subsidized jointly by MTC and transit agencies/operators
-  Centrally administered on Clipper
-  Participant Eligibility: Adult (19-64) riders at/below 200% Federal Poverty Level
-  Discount applied to single adult fare

Overview

Phase 1: Move from Concept to Reality

- Establish policy framework
- Transit agency support and partnership

Phase 2: Establish Structure and Initial Rollout

- Set up system infrastructure, administrative processes
- Customer roll out
- Pilot evaluation

Phase 3: Grow Program/ Increase Participation and Reach

- Consistent discount and agency participation
- Targeted marketing and outreach
- Remove barriers to sign up
- Continual process improvements

Current Phase: Propose ongoing fare product and continuing work to improve user enrollment and benefits

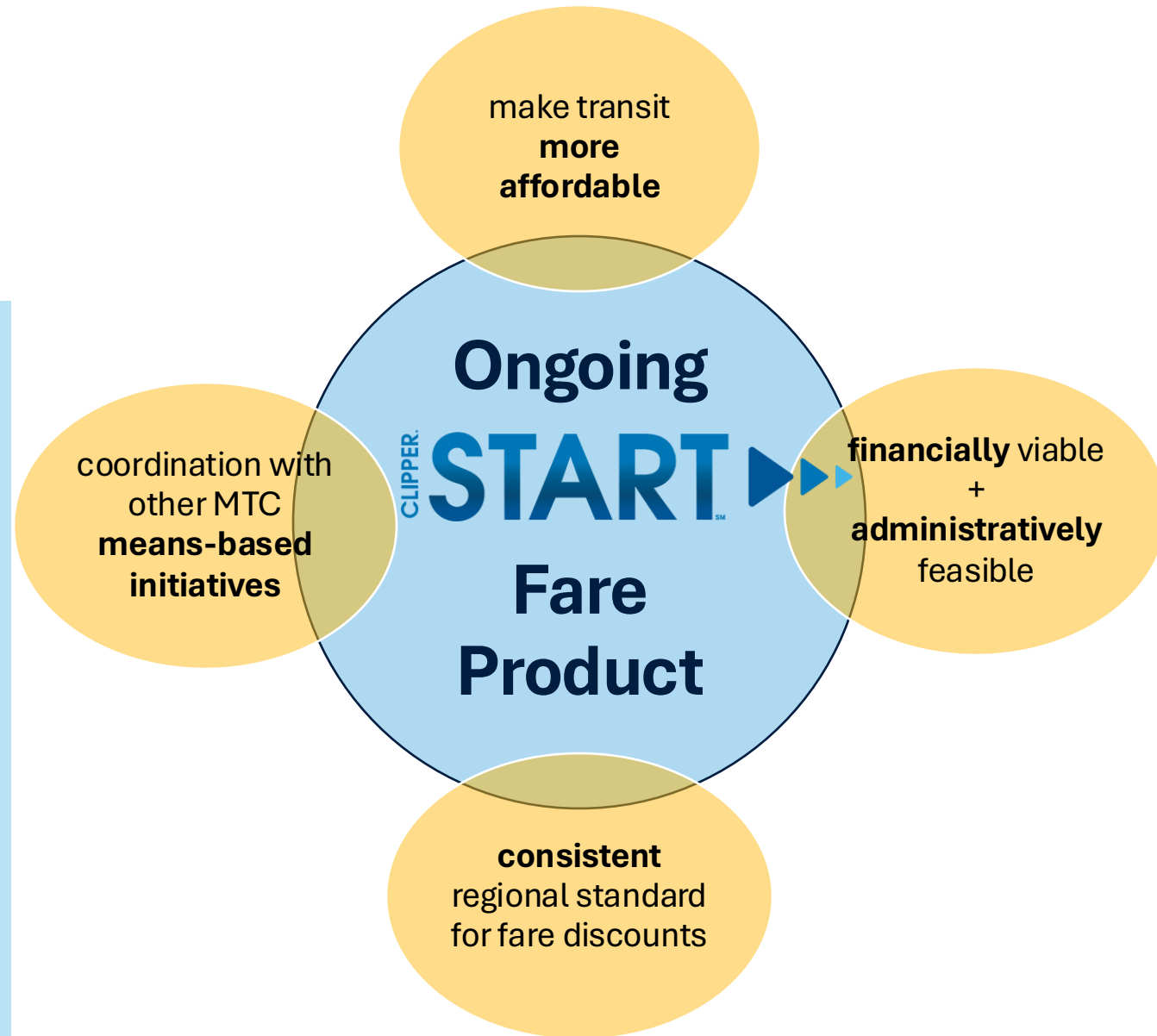


Overview

Why is now the time to transition pilot to ongoing fare product?

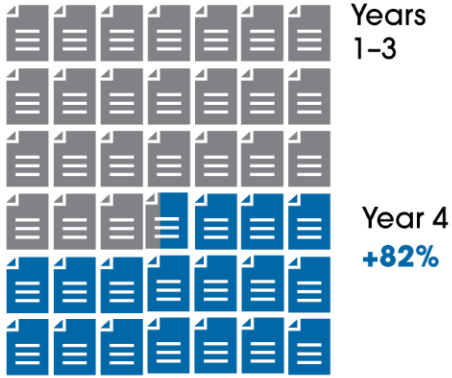
Pilot Original Goals

- ✓ **Make transit more affordable to individuals earning low-income** (increased enrollment almost doubled enrollment since Jan 2024)
- ✓ **Develop implementation options that are financially viable and administratively feasible** (program has stable funding stream and administration)
- ✓ **Move towards a more consistent regional standard for fare discounts** (all operators are participating with a uniform discount + coordination with other means-based initiatives)

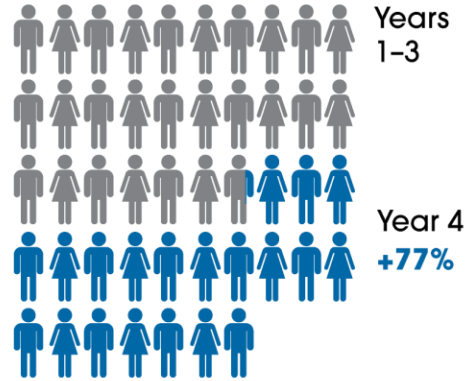


Key Pilot Statistics

Applications Submitted 60.3K Total



Program Enrollees 47.2K Total



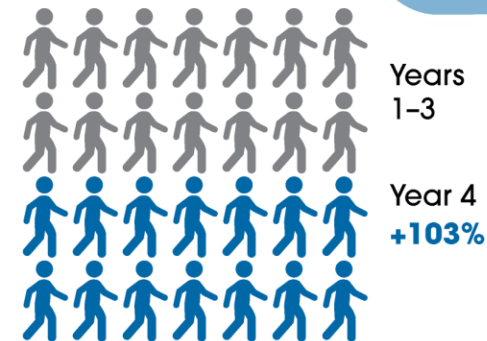
Key

- = 1,000
- = 1,000 ea.
- = 100,000
- = 50,000

Number of Trips 5.7M Total

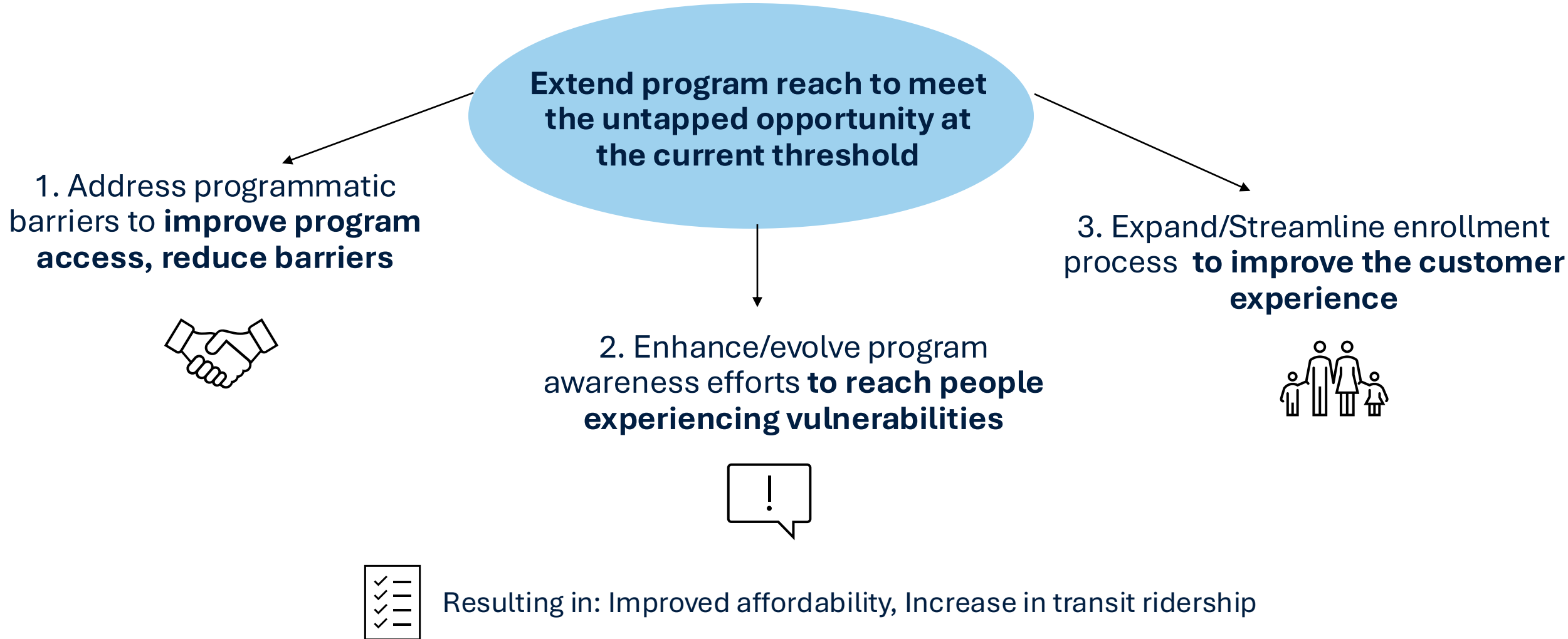


Number of Transfers 1.4M Total



Through Dec 2024

Ongoing Improvements: Means-Based Programs



Ongoing Improvements: Clipper START

Performance Tracking

- Clipper START Evaluation

Customer Service Improvements

- Continuous improvements to eligibility verification
- Response to questions and issues

Marketing & Outreach

- Continued marketing and outreach to CBOs
- Coordination with County Human Service Agencies

Explore Leveraging of Technologies

- NextGen Clipper
- California Department of Technology (CDT) Integration



Funding and Operations

Funding & Program Costs

Funded through ~8 million/yr in STA funds and currently supplemented with LCTOP funds

Funding used for operational and fare subsidy costs



~\$4 million/yr

Projected reimbursements over next 12 months



~\$1-1.5 million/yr

Operational Costs
(Customer Service Center, Participant Verification and Communications)

Fare Subsidy Approach

Annual reimbursement payments to operators for half of 50% fare discount

Subsidy approach based on model currently utilized, which reimburses operators through a Master Funding Agreement Supplement

Proposed Recommendation

Current Framework (Res. 4320):



Pilot Program: July 2020- June 2025



Since January 2024: 50% discount offered by all operators on Clipper



Discount subsidized jointly by MTC and transit agencies/operators



Centrally administered on Clipper



Participant Eligibility: Adult (19-64) riders at/below 200% Federal Poverty Level



Discount applied to single adult fare

Proposed Changes:



Transition the Clipper START Pilot to an ongoing fare product

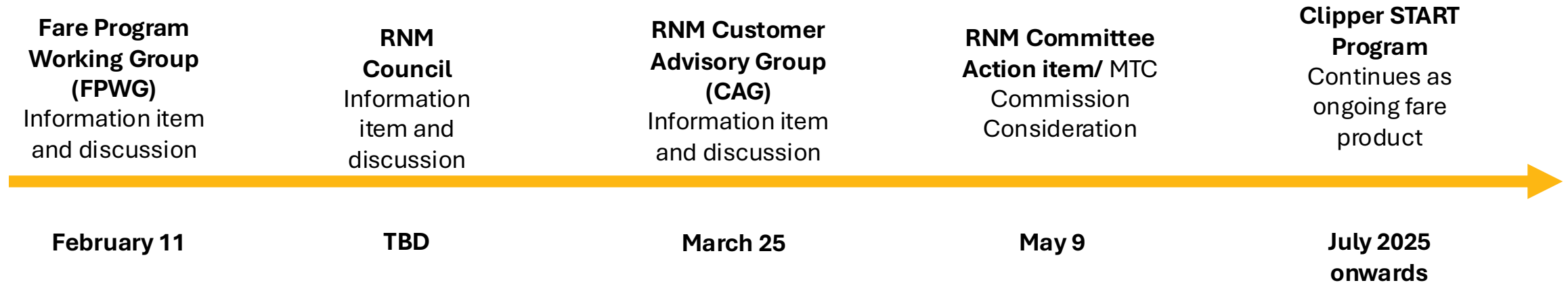


Institutionalize fare subsidy approach that reimburses operators through a Master Funding Agreement Supplement



Title VI remains transit operator responsibility with MTC in support role

Timeline



Thank You