



Clipper START Pilot Update

Proposal to Transition Pilot to an Ongoing Fare Product
Regional Network Management Committee
May 9, 2025



Agenda

1. Overview
2. Clipper START Ongoing Improvements
3. Funding and Operations
4. Proposed Recommendation
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



Eligibility: Adult (19-64) riders at/below 200% Federal Poverty Level and/or participant of Cal-Fresh/Medi-Cal



Discount applied to single-ride adult fare

Overview of the Development of a Means-Based Discount

Phase 1: Move from Concept to Reality

- Establish policy framework
- Transit agency support and partnership

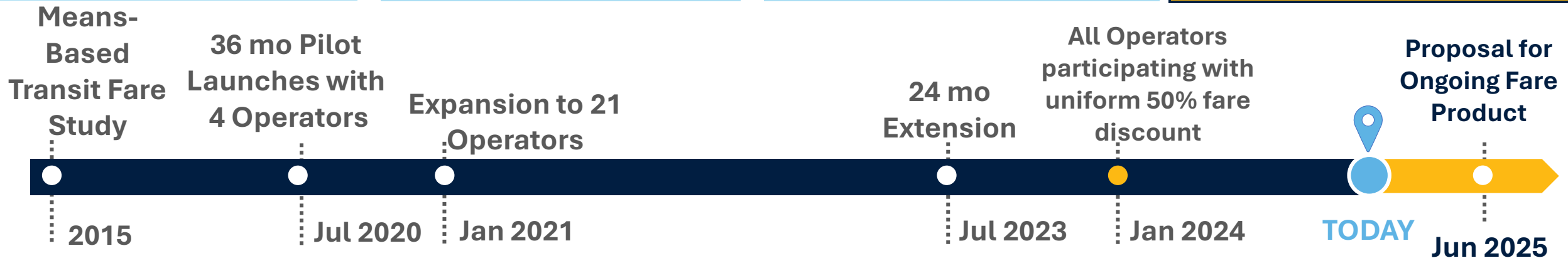
Phase 2: Establish Structure and Initial Rollout

- 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
- Process improvements

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

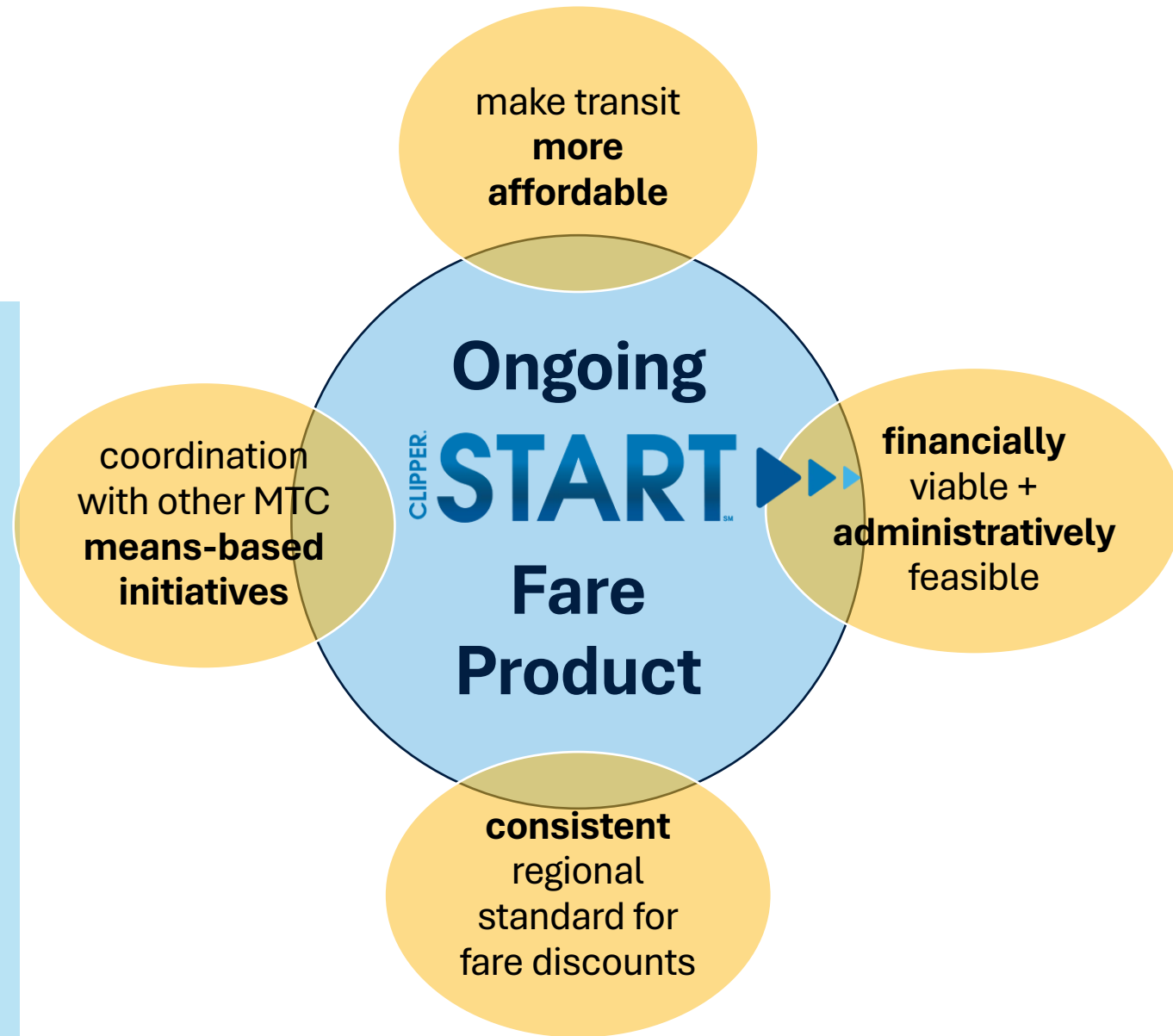


Overview

Why is now the time to transition from a 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)



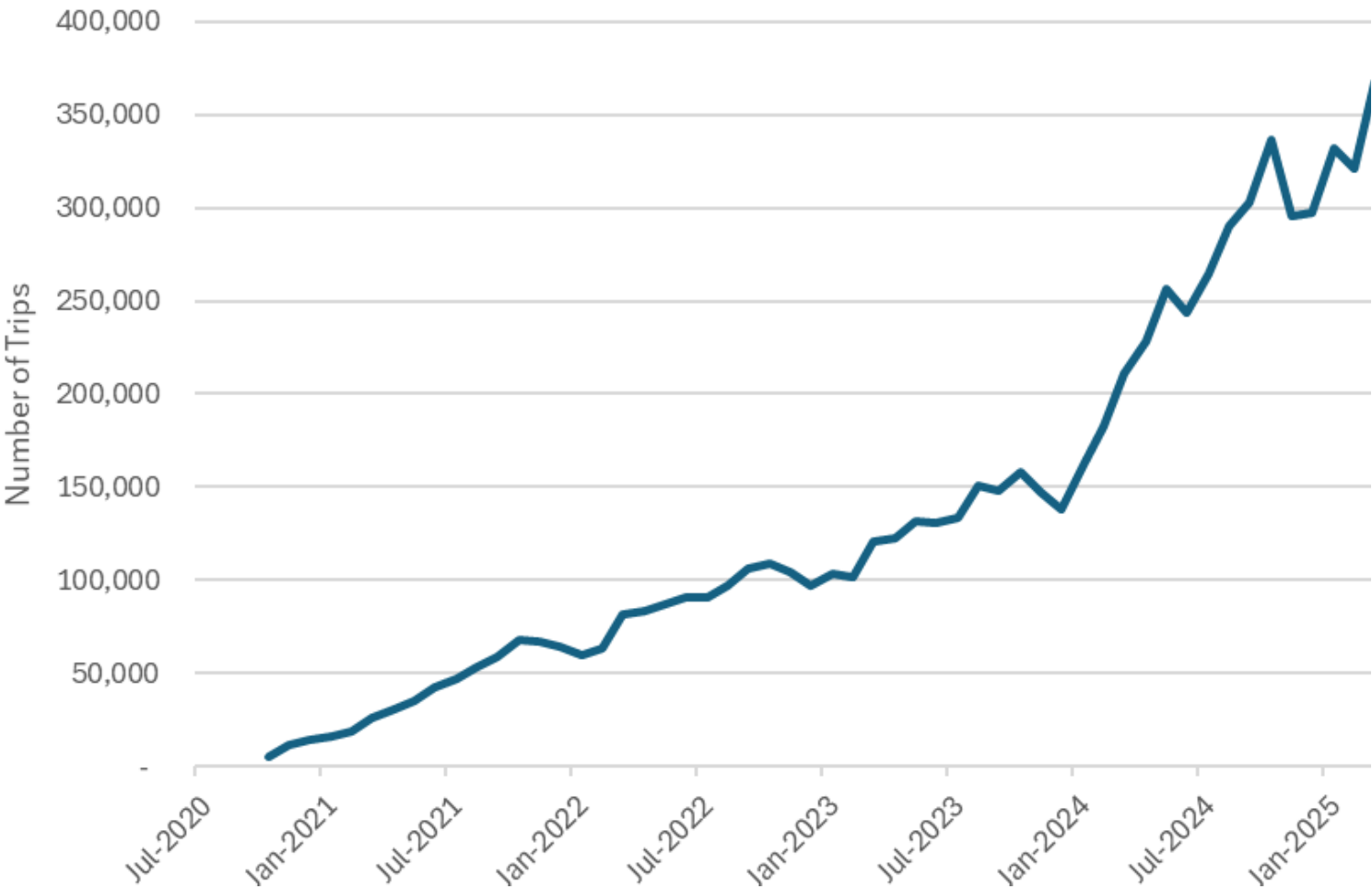
Key Pilot Statistics

51.4K
Program Enrollees
+82% in 2024

6,413,650 Total Trips Taken
+94% in 2024

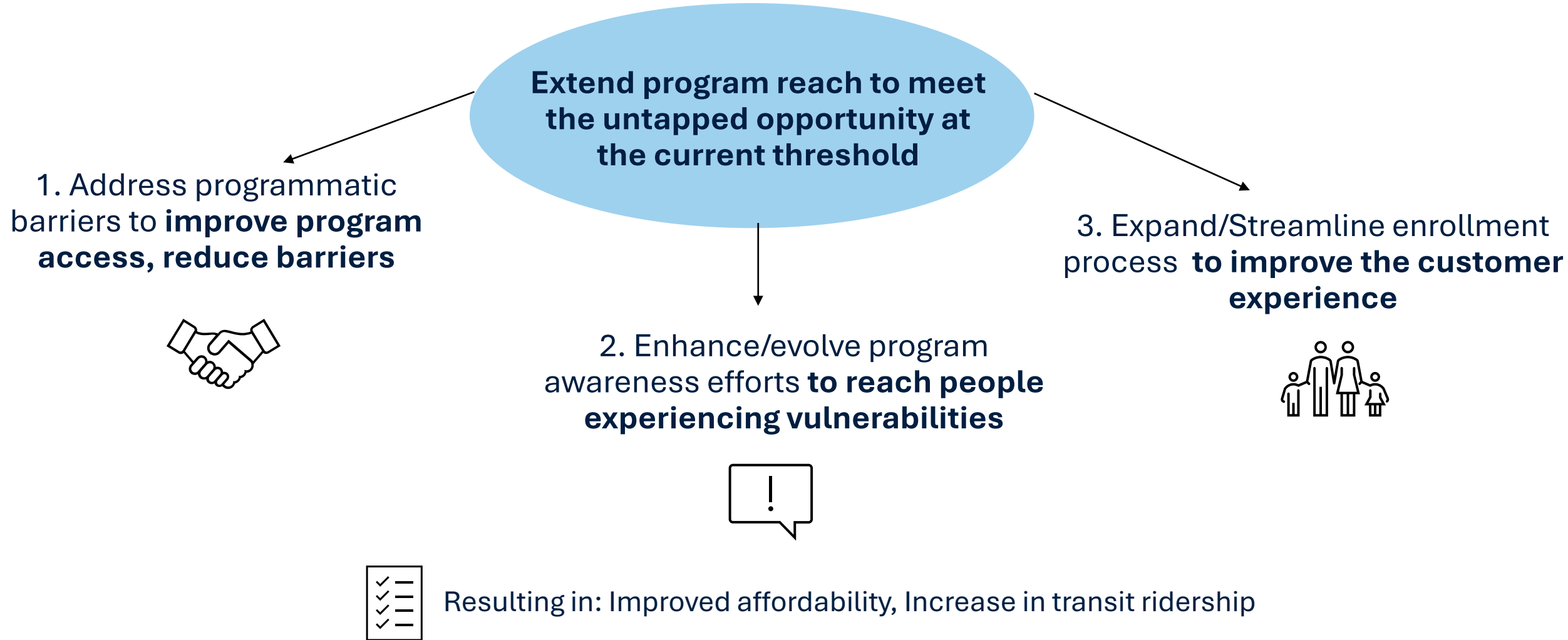
1,597,994 Transfers
+103% in 2024

Clipper START Ridership (per month)



Program enrollee, trip, and transfer data updated through Feb 2025

Ongoing Improvements: Means-Based Programs



Ongoing Improvements

Performance Tracking

- Initiating Phase 2 Clipper START Evaluation

Customer Service Improvements

- Continue to streamline eligibility verification
- Renew verification and customer service contract to include live customer service staff to respond to questions and issues

Leveraging of Technologies

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



Ongoing Improvements

Marketing & Awareness

- Ongoing marketing campaigns that include:
 - Social Media
 - Digital Ads
 - Transit shelter Ads (in key locations)
 - Direct Mail
- Continue and expand contracts with CBOs increase awareness and serve as a walk-in info and assistance centers
- Coordinate with County Human Service Agencies to promote program
- Address barriers on cash only transit users by expanding vendor network of retailers where riders can put cash on Clipper card



Funding and Operations

Funding & Program Costs

MTC Res. 4321 prioritizes up to \$8 million/year in STA funds for Clipper START + LCTOP funds as available

Funding used for operational and operator fare subsidy expenses



~\$4 million / year

Projected reimbursements to operators over next 12 months



~\$1-1.5 million / year

Operational + Program Development Costs (Customer Service Center, Participant Verification, and Marketing/Communications)

Operator Fare Subsidy Approach

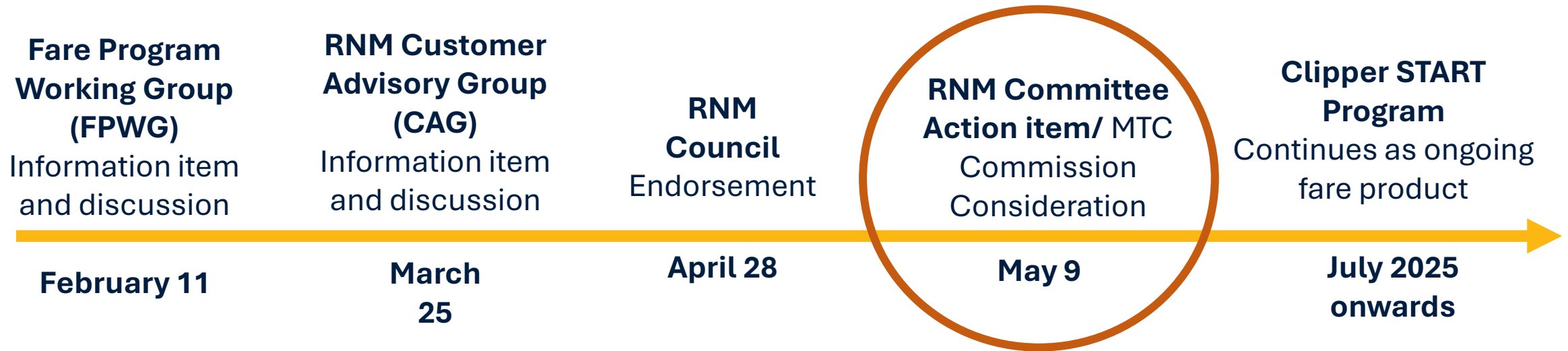
Annual reimbursement payments to operators for half of 50% fare discount

Subsidy approach based on model currently utilized in FY 2023-24 & 2024-25, which reimburses operators through a Master Funding Agreement Supplement

Proposed Recommendation

Current Framework (MTC Res. 4320):		Proposed Ongoing Framework (MTC Res. 4714)
Pilot Program: July 2020- June 2025	→	Transition the Clipper START Pilot to an ongoing fare product delivered on Clipper, consistent with pilot program's business rules and user experience
Since January 2024: 50% discount offered by all operators on Clipper	✓	No change – 50% discount continues
Discount subsidized jointly by MTC and transit agencies/operators	→	+ Institutionalize MTC's fare subsidy approach that reimburses operators through a Master Funding Agreement Supplement
Operator participation in Clipper START is voluntary; currently all operators on Clipper system participate	✓	No change
Participant Eligibility: Adult (19-64) riders at/below 200% Federal Poverty Level	✓	No change
Discount applied to single-ride adult fare	✓	No change
Title VI operator responsibility	→	Title VI remains transit operator responsibility with MTC in support role

Timeline



Proposed Action: Staff requests the Regional Network Management Committee forward the proposed MTC Resolution No. 4714 to the Commission for approval

Thank You