



Clipper START Pilot Update

Proposal to Transition to an Ongoing Fare Program

RNM Council April 28, 2025

Agenda Item 3a – Attachment A

CLIPPER. **START** ▶▶▶

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-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
- Continual process improvements

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

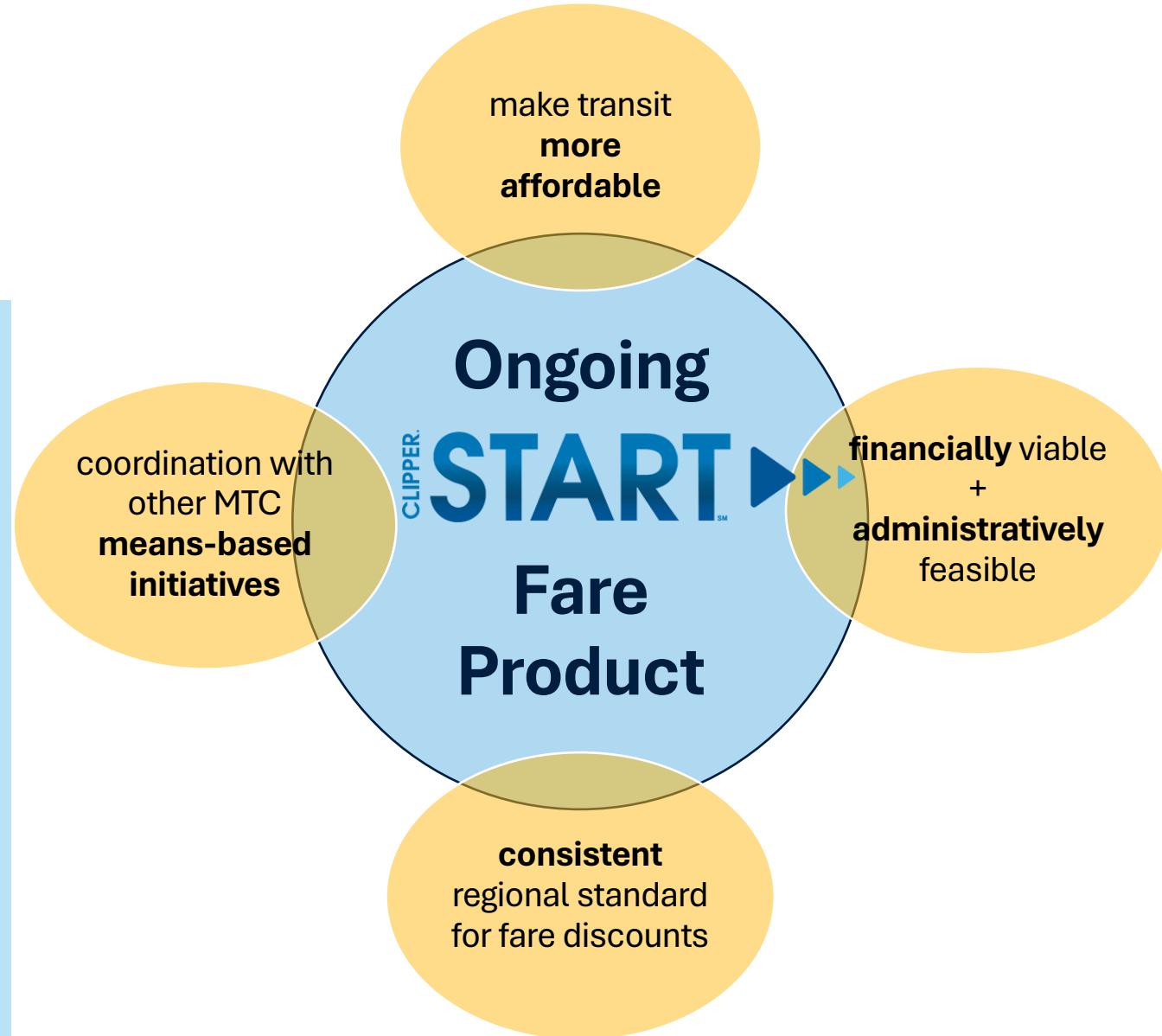


Overview

Why is now the time to transition 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)

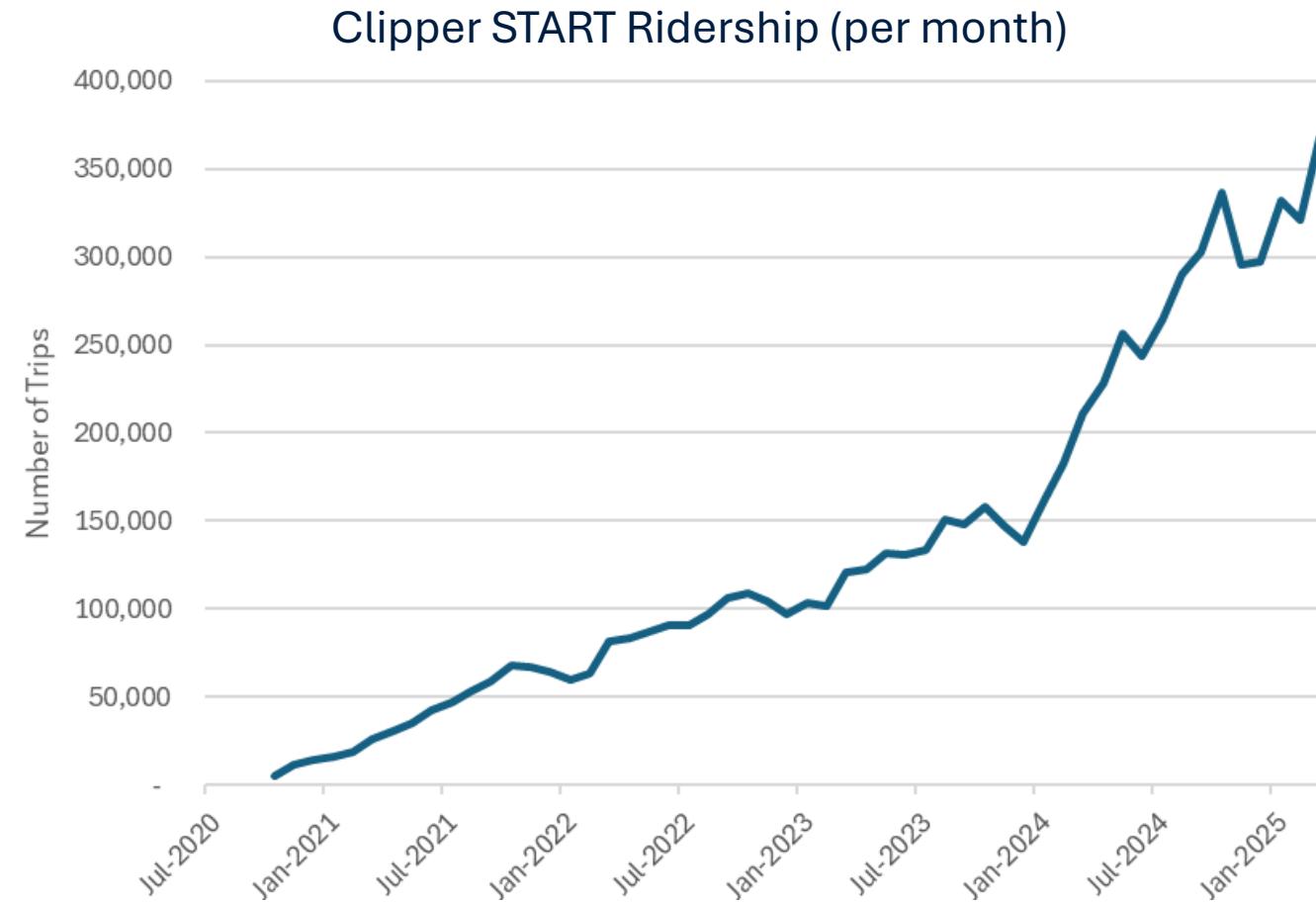


Key Pilot Statistics

51.4K
Program Enrollees
+82% in 2024

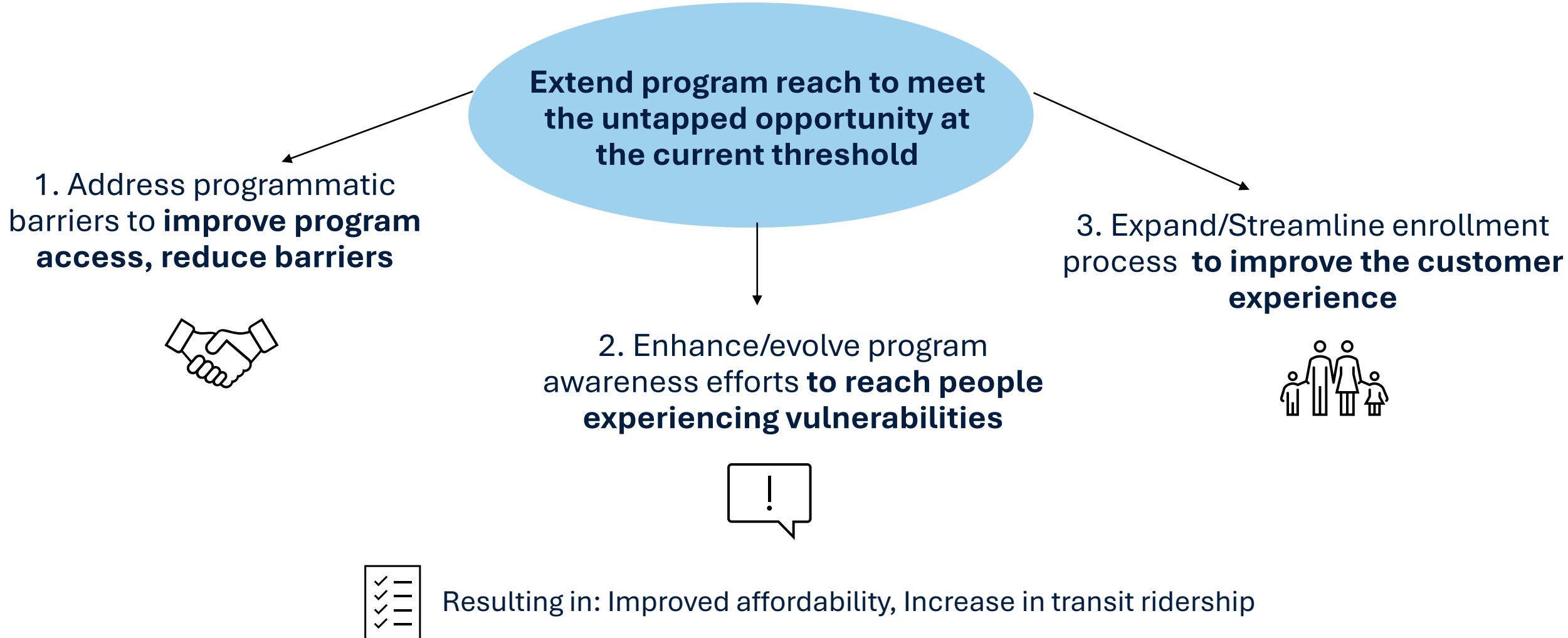
6,413,650 Total Trips Taken
+94% in 2024

1,597,994 Transfers
+103% in 2024



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

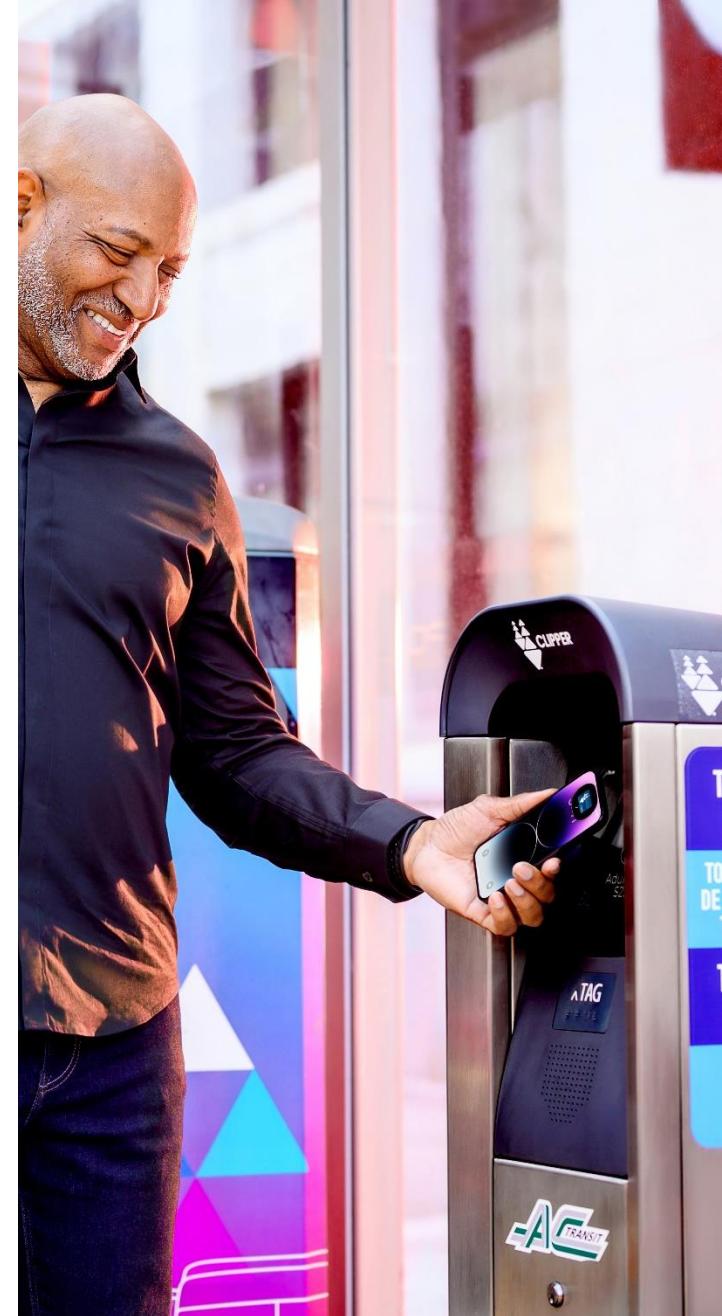
- NextGen Clipper
- California Department of Technology (CDT) Integration



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



Thank You