

Bay Area Partnership Board

July 19, 2019

Agenda Item 6a

Transit Fare Integration Update

Subject: Update on recent MTC staff and transit operator work on transit fare integration in the Bay Area.

Background: On February 8, 2019, MTC hosted a Fare Integration Seminar for transit agency board members and staff at the San Francisco Ferry Building. The goal of the seminar was to create a forum for board members and staff to learn about fare integration models from other regions, to consider possible benefits and obstacles to more fare integration in the Bay Area, and to provide direction to staff on possible next steps.

At the seminar, a general consensus emerged to move forward in exploring the value of integrating the region's complicated transit fare structure in order to make it more rational, affordable, and attractive to existing and potential passengers. Attendees also supported taking action now as a way to possibly reduce the complexity of the Next Generation Clipper system. Taking a cue from work done in Toronto, as discussed by the guest speaker at the seminar, Martin Powell (who led Toronto's regional fare integration program), attendees at the seminar expressed support for utilizing a "business case" model to analyze how an integrated or more harmonized transit fare system could work. Based on the feedback from the seminar and from various stakeholders, including MTC's Policy Advisory Council and MTC Commissioners, MTC is proposing to work in partnership with the region's transit operators to undertake the development of a business case for near-term fare integration in the Bay Area.

At its June meeting, the Clipper Executive Board considered a request to support the use of approximately \$600,000 in residual funds available from the Regional Measure 2 (RM2) Integrated Fare Structure Program, to support developing a business case for transit fare integration. The Clipper Executive Board voted to defer action on the request to support the use of RM 2 funds to a future meeting, no later than October 2019 as more time was requested to develop the scope of work and ensure all transit operators were aware of the proposed effort. The Partnership Board meeting provides one opportunity to raise awareness and seek input on this effort and to see how it may relate to other efforts of interest to the Board members. Concurrently, MTC staff and transit operator staff are working to develop a scope of work for the business case for presentation to the Clipper Executive Board later this summer or early fall.

Draft Fare Integration Principles

To help inform the early conceptual discussions about what a more integrated transit fare system would mean for the public, MTC staff have developed the following draft principles for an integrated fare system based on feedback from the February seminar. These draft principles are for stakeholders to consider, build upon, and discuss:

- Treat the Bay Area transit network as one system;
- Fares should be predictable to users;
- There should be no penalty for transferring;
- Discounts based on age or status should apply uniformly;
- Trips of a similar distance should cost similar amounts;
- Transit should be affordable for all;
- Passes, if offered, should encourage transit use, not operator loyalty.

Issues:

Developing a more integrated fare system for Bay Area travelers is a challenging undertaking, but unlike many of the other challenges transit faces in today's world, it is a challenge that is under our control as public agencies. In the short-term, to move towards an integrated system and a vision of a seamless user experience, transit operators and MTC will need to work together as partners to show we can deliver for our customers. To be successful, work on fare integration will likely require:

- Active, front-facing support from General Managers of transit agencies;
- Early conceptual support from transit agency board members;
- A process that incorporates prior work on fare integration and builds to targeted short-term outcomes; and
- Opportunities for stakeholders to interface and provide input at appropriate milestones.

Recommendation: Information. We seek feedback from the Partnership Board on this effort.

Attachments: None


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Memorandum

TO: MTC Commission
FR: MTC Policy Advisory Council
RE: Transit Fare Integration

DATE: July 11, 2019
W.I. 1114

At its Wednesday, July 10, 2019 meeting, the Policy Advisory Council received an update on recent MTC staff work on transit fare integration in the Bay Area. The presentation was provided at the request of Policy Advisory Council members.

After the presentation, Council members spoke to the critical need for a data study. The equity subcommittees of the Policy Advisory Council have been advocating for an integrated fare systems for nearly a decade because of the inequities and barriers created by the lack of fare integration in the Bay Area's transportation networks. Without data, it is impossible to fully address the creation of an integrated fare system that is more equitable for riders of different financial means and circumstances.

The Policy Advisory Council voted unanimously to urge MTC and the Clipper® Executive Board to move forward with a business case study of integrated fares to document the changes necessary to create a financially sustainable and more equitable integrated fare system that encourages transit ridership.

CC: Bay Area Partnership Board
Clipper Executive Board