

**Bay Area Infrastructure Financing Authority
(BAIFA)**

November 17, 2021

Agenda Item 4a - 21-1014

I-880 Express Lanes Toll Discount Program Pilot Update

Subject:

Overview of customer research feedback and pilot concept for a means-based toll discount pilot on BAIFA's I-880 Express Lanes, including the recommended discount amount.

Background:

Nationally, the Toll Discount Program pilot would be a first-of-its-kind effort to address affordability of express lane tolls for residents earning a low-income. For most Bay Area households, transportation is the third-biggest monthly expense – trailing only the cost of housing and food. The pilot responds to policymaker, advocate, and public comments received about express lanes: during the project performance evaluation phase of Plan Bay Area 2050; at Commission and Policy Advisory Council Equity & Access Subcommittee meetings; and at public hearings to amend BAIFA's toll ordinance for I-880 and the I-680 Express Lanes extension. The pilot would leverage the systems, services, policies and lessons from Clipper[®] STARTSM, the means-based transit fare discount program.

MTC staff last updated BAIFA in March 2021. Since then, the pilot team has:

- Conducted stakeholder outreach with MTC's Policy Advisory Council Equity & Access Subcommittee and the pilot Advisory Group, composed of partner agencies and advocacy organizations;
- Conducted customer research;
- Refined the concept for how the pilot should work;
- Developed a draft pilot evaluation plan;
- Coordinated closely with BATA staff vis-a-vis the BATA Equity Action Plan, and
- Begun negotiating change orders and executing contract amendments for key systems and operations work.

This update presents for BAIFA's feedback the results of customer research feedback and resulting pilot concept.

Customer Research Feedback

Consistent with the ‘Listen and Learn’ and ‘Define and Measure’ pillars of MTC’s Equity Platform, community engagement for the pilot is being undertaken in three broad contexts, with particular focus on low-income communities, including low-income communities of color:

1. Community engagement on how the pilot should work;
2. Community engagement on how to reach and inform potential customers about the pilot; and
3. Community engagement on how customers experience the pilot during operations.

At the November BAIFA meeting, staff will present feedback from customer research with FasTrak® and non-FasTrak® users on pilot design (#1) and outreach (#2) above. In July and August 2021, staff conducted three Zoom-based focus groups in English, Spanish and Cantonese each (nine total) and one multilingual telephone town hall, which is a way for people without access to computers or the internet to participate.

Key feedback is that focus group participants:

- Have questions about how express lanes work;
- Have concerns about express lanes with regards to equity;
- Think eligibility should be similar to other low-income programs such as CalFresh (which is how Clipper® STARTSM works, too);
- Feel proposed income thresholds are too low and that too few people will qualify;
- Think a 50% discount makes the most sense as it is easy to quickly calculate;
- Support an annual or biannual eligibility renewal process;
- Want to see the discount toll relative to the full toll on their FasTrak® statements;
- Believe it will be difficult for people who can only pay cash to participate;
- Think a cumbersome application process or lack of access to technology could be barriers; and
- Provided a wide range of suggestions about how to educate about and promote the program, including direct mail, newspapers, social media and places like schools and Latino markets.

Customer research feedback has helped define key aspects of the pilot concept and would be factored into outreach plans. During pilot operations, more focus groups and surveys would be conducted to gather feedback from pilot participants about their experiences with the pilot, which would support its evaluation and lessons learned. A comprehensive evaluation plan that would help gauge pilot outcomes will be reviewed with BAIFA in winter 2021/22. The evaluation would assess customer experience and outcomes, lane performance, and administrative and financial viability.

Pilot Concept

A draft concept for how the pilot could work was developed by staff and reviewed with the pilot stakeholders as well as with potential pilot customers as described above. Key features, which are consistent with the Clipper® STARTSM transit fare discount program where applicable, are:

- The pilot would only apply to BAIFA's I-880 Express Lanes.
- Income-qualified customers (household income equal to 200% of the federal poverty level or less) with a FasTrak® account and a Bay Area mailing address would be eligible to receive a discount on tolls.
- Customers would apply via the pilot website or on paper and must be verified as meeting eligibility requirements. A wide variety of documentation to prove identity and household income would be accepted. If a customer already has a FasTrak® account, the discount plan would be automatically applied. If not, they would need to open a FasTrak® account first. Toll discounts would only be provided after the discount plan is applied to the FasTrak® account.
- The toll discount would be 50% off standard toll rates for 1-person vehicles, 2-person carpools and clean air vehicles (CAVs). As a result, a pilot participant would receive 50% off a 1-person trip toll and 75% off a 2-person or CAV trip toll. Three-or-more-person carpools always travel toll-free.
- The toll discount would apply to all toll tags and license plates linked to a FasTrak® account with the discount plan, and there would be no limits on the number of toll tags or license plates per account.

- The monthly FasTrak[®] statement would show the standard toll and a credit for the discount for each tolled trip in the I-880 Express Lanes.

Importantly, the BATA Equity Action Plan, which was presented to the BATA Oversight Committee in October, includes significant measures that complement the BAIFA pilot by making FasTrak[®] more accessible to low-income customers. It will be important to align the timing of these efforts. In particular, some measures such as a reduction in violation penalties for BAIFA's express lanes would require action by BAIFA. Other measures, such as reduced tag deposits and opening account balances are FasTrak[®] policies that flow directly to all Bay Area FasTrak[®] customers.

In December, staff plans to launch public outreach including a public hearing prior to BAIFA's consideration of an amendment to its toll ordinance. (See Agenda Item 4b.) The toll ordinance amendment, anticipated in the first quarter of 2022, would give BAIFA formal authority to launch a pilot as well as make any reductions to violation penalties.

Based on the above, the current schedule would see the pilot launched in mid-2022, but staff continues to monitor risks that could affect this date.

Issues:

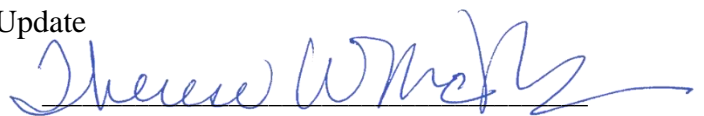
None identified.

Recommendations:

This item is provided for information only.

Attachments:

- Attachment A: I-880 Toll Discount Pilot Update



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