<u>Response to specific parts of the Agenda Planning Request</u>

The agenda planning request contains several "questions" or analysis points that should be considered for any fare policy change. The below list provides responses to some of the questions and idea.

- *Projected financial impacts, operational considerations, equity implications, and potential regional coordination benefits associated with <u>removing Clipper discount</u>*
  - Financial: see Budget section of staff report
  - Operational considerations:
    - Removing the Clipper discount will simplify the District's fare structure significantly. This will make it easier for operators to quote fares, and for staff to manage the fare policy and systems.
    - Depending on which route is taken to eliminate the discount, changes will need to be made to either Clipper or the fareboxes and Tempo Ticket Vending Machines (TVMs). Changing Clipper only will be easier for staff since it is handled by Clipper/Cubic.
  - Equity implications: will be studied once parameters are chosen
  - Regional coordination: Simplifying the District's fare structure makes it easier to communicate to riders, which makes riding AC Transit easier for riders not based in the District. Regional fare discounts are based on Clipper fares already, so eliminating the discount doesn't change anything regionally.
- *Estimate of the revenue impacts of riders currently paying "short fare" and strategies for recouping that lost fare revenue*
  - The District does not have a way using current data of estimating "short fare" payments. Operators can press the "courtesy ride" button when full fare is not paid, but that does not record the fare paid (if any), and use of the button is inconsistent. Partial/zero fares are all totaled together.
  - The District does not want operators trying to "encourage" full cash fare payments.
- *Estimate of the revenue outcomes of lowering the cash single ride and day pass fare to the Clipper card fare levels on July 1, 2026 as part of the implementation of the previously scheduled fare increase*
  - The change cannot be implemented on 7/1/26, for revenue change estimate see Budget section of the staff report.
- *Comparison of trade-offs and implementation requirements*
  - Reducing cash fares will be more work for staff, since it requires changing farebox and TVM programming with the required testing. Changing Clipper

    fares is simpler in that it just involves notifying Clipper (at least 90 days in advance) and verifying the changes in business rules.
  - In either case there will need to be a marketing/communications campaign to inform riders of the new fare structure.
- *A brief discussion of what other transit agencies have done in terms of adopting fare policy focused on increasing ridership and revenue, including best practices focused on improving equity*
  - This would be part of an in-depth consultant study.
- *Consider the District's timeline for adoption of new fare policy and identify potential challenges the Board could face in considering different options*.
  - The timeline for adopting any fare policy change is mainly driven by whether the change requires a public hearing per Board Policy 110 and the level of outreach required. Most changes in fare policy will require a fare equity analysis and some amount of outreach per Board Policy 518.
  - A fare equity analysis only with some outreach is estimated to take up to six months. If a public hearing is required, it can take up to nine months for the whole process.
  - Clipper changes additionally require 90 days notice to Clipper/Cubic for fare changes, and possibly longer for more in-depth changes.
  - Any fare changes that affect the riders would need an educational campaign to accompany implementation. Developing the campaign requires a final decision on the changes. For Clipper changes the development could happen in parallel to the 90-day Clipper lead time. Actual rollout of a campaign also depends on what other rider communications are happening and/or planned, and also possibly consideration of other regional communications efforts.

The agenda planning request also contains some "ideas" for study. Below are some considerations with regard to the "ideas". Many of them could be further addressed through an in-depth consultant study.

- *Expand cash-loading sites in areas with high cash usage and at culturally relevant locations*
  - Clipper/Cubic would need to equip and set up any site that can load fares. The rollout of Next Generation Clipper (NGC) includes a plan to roughly double the amount of Clipper outlets. Clipper staff have not yet developed a specific plan for this increase in outlets.

- *Actively market the benefits of Clipper 2 and the fare changes to low-income riders showing the savings in multiple languages*
  - The District has held back on fully marketing all the NGC benefits due to the slow pace of card/account conversion ("flipping"). Once the bulk conversions are done and most riders are able to use NGC and the new benefits, staff can begin to those communications.
  - The District has already been marketing the Clipper START program and its benefits since it does not depend on NGC.
- *Helping unbanked riders get banked so they can use open payment*
  - This could be part of an in-depth consultant study.
- *Enable users with reduced fare cards (senior, youth, people with disabilities, Clipper START) to access reduced fares with open payment as soon as possible*
  - This depends on the completion of card/account conversion to NGC.
- *Continue to make improvements to the eligibility process for Clipper START to allow people in large benefit programs – MediCal, CalFresh – to easily access the Clipper START program*
  - The Metropolitan Transportation Commission (MTC) administers the START program, although staff can and has requested improvements in this area.
  - Eligibility can be proved through CalFresh or Medi-Cal eligibility, having a Muni Lifeline card, a county benefit eligibility letter, or with a tax return.
- *Actively market the benefits of open payment to infrequent riders*
  - Staff will consider this idea
- *Actively market the new free inter-agency transfers and bus routes to BART to people who currently drive to a BART station and park*
  - Staff will consider this idea
- *Increase revenue by getting short cash fare riders on Clipper and, where eligible, Clipper START*
  - The District has already been marketing the Clipper START program and its benefits. These efforts can and will continue.