Bay Area Fare Coordination and Integration Study and Business Case

Project Overview

Photo: SPUR, Sergio Ruiz

BART/AC Transit Interagency Liaison Committee
February 24, 2021

Metropolitan Transportation Commission

BART

Pre-COVID-19 Fares in the Bay Area

8 different local bus fares on Clipper® from $1.50 to $2.50

Trips of the same distance and mode can vary dramatically in price

16 different discount rates for youth, 14 different rates for seniors

19,463 fare policy business rules are needed in Clipper® to implement our current system

Overview of Current Transit Fares and Products

Local Bus/LRT Fare (Adult Clipper Fare)

* = Higher fare for express/regional bus services

$1.50	$1.60	$1.75	$1.80	$2.00	$2.05	$2.25	$2.50
Petaluma Transit	Napa Vine*	FAST*	Golden Gate Transit*	CCCTA*	SamTrans*	AC Transit*	SFMTA
Sonoma County Transit		WestCAT*	Marin Transit	SolTrans*			VTA*
Vacaville City Coach				Tri Delta Transit*			
Santa Rosa City Bus				Union City Transit			
				LAVTA			

Zone Based Fares

Caltrain
Golden Gate Transit
SMART
Sonoma County Transit

10 miles

Distance/Route Based Fares

ACE
BART
Golden Gate Ferry
WETA

Offers a Pass Product

Does Not Offer a Pass Product

Information as of 2020, prior to COVID-19 Pandemic.

Fare Coordination/Integration Study

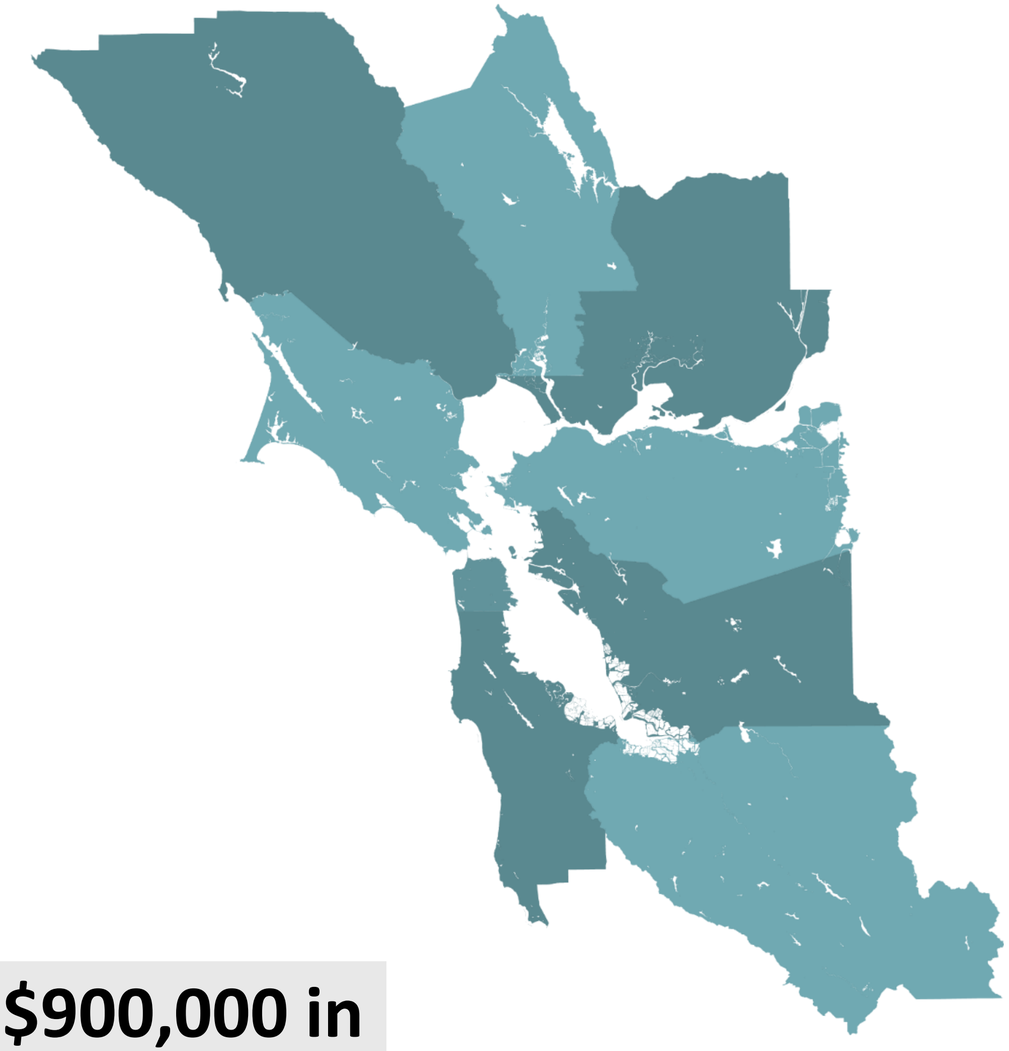
Project Objectives

Develop goals for the regional fare system that will support an improved user experience, increased transit ridership and build on robust public outreach;

Identify barriers, especially barriers related to fares and the user experience, that are impeding increased ridership;

Identify opportunities to increase transit ridership by improving the regional fare system through regional fare coordination and integration strategies; and

Develop a detailed implementation plan, including funding plan, for recommended improvements.



MTC Commission approved an allocation of $900,000 in RM 2 bridge toll funds to support the study

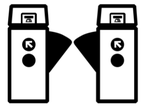
Project Problem Statement

Fare policy is one among several factors that have constrained the growth of transit ridership in recent years. Current fare policies are informed by funding and governance models that incentivize locally-focused fares without providing a coherent set of policies to set fares that support ridership growth.

As a result, Fare Coordination and Integration has a role to play in restoring transit ridership, supporting recovery from the COVID-19 pandemic, and delivering the transportation system the Bay Area needs for its coming decades of growth.

The following key issues define how fares impact ridership and contribute to the key problems facing the region detract from rider experience:

Customer Value – Current fare policies can lead to a disconnect between the fare charged and the value a customer places on their trip.



Payment Experience – Current fare products, passes, payment technologies, and payment experiences may not be legible.

Equity – Current fares may not consistently meet the needs of vulnerable populations.

Future Transit – Current fares may not optimize the ridership and benefits of proposed transportation investments.

Transit Operators & MTC Working Together

Fare Integration Task Force – Project Ownership

Co-Project Managers – BART & MTC staff

Transit Operator Staff Working Group

Consultant team led by the firm Steer

Policymaker and Stakeholder Engagement

Policymaker Forum on Fare Coordination/Integration

MTC Policy Advisory Council Subcommittee on Fare Coordination/Integration

Blue Ribbon Transit Recovery Task Force

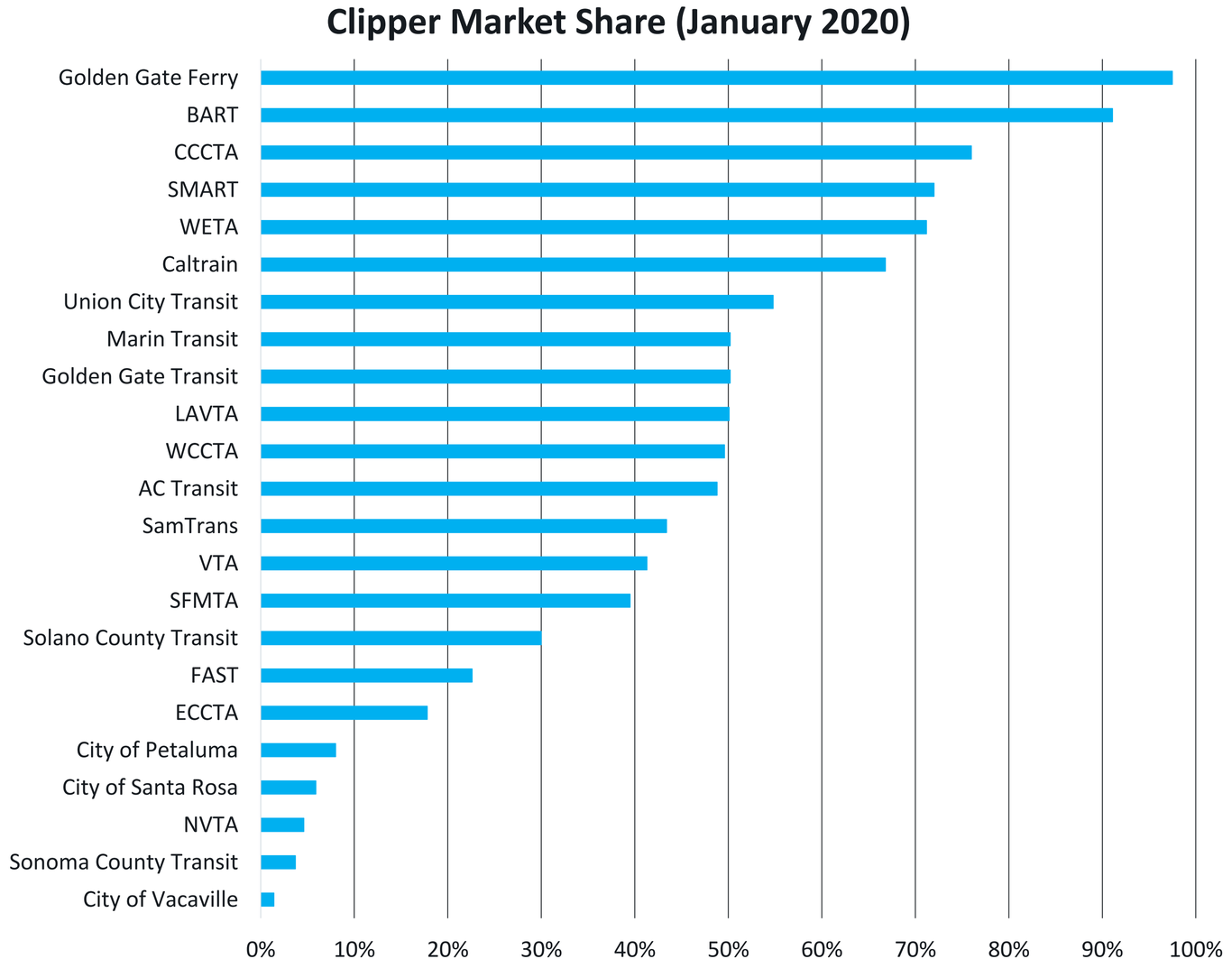
Fare Integration Task Force

Clipper market share is growing but varies by operator and mode

As of January 2020, Clipper market share varied by operator from 2% (City Coach) to 99% (Golden Gate Ferry) – these market shares should be considered when interpreting findings from Clipper data.

- Roughly 28% of operators (7/25) had a Clipper market share above 50%.
- More than 70% of transit riders on BART, Caltrain, Golden Gate Ferry, SMART, and SF Ferry used Clipper.
- Conversely, only 16% of customers in the Napa/Solano Operator Group and 30% in the East Bay Operator Group used Clipper.
- Recent (post-COVID) Clipper market share is generally up across most operators.

Source: January 2020 Clipper Market Share



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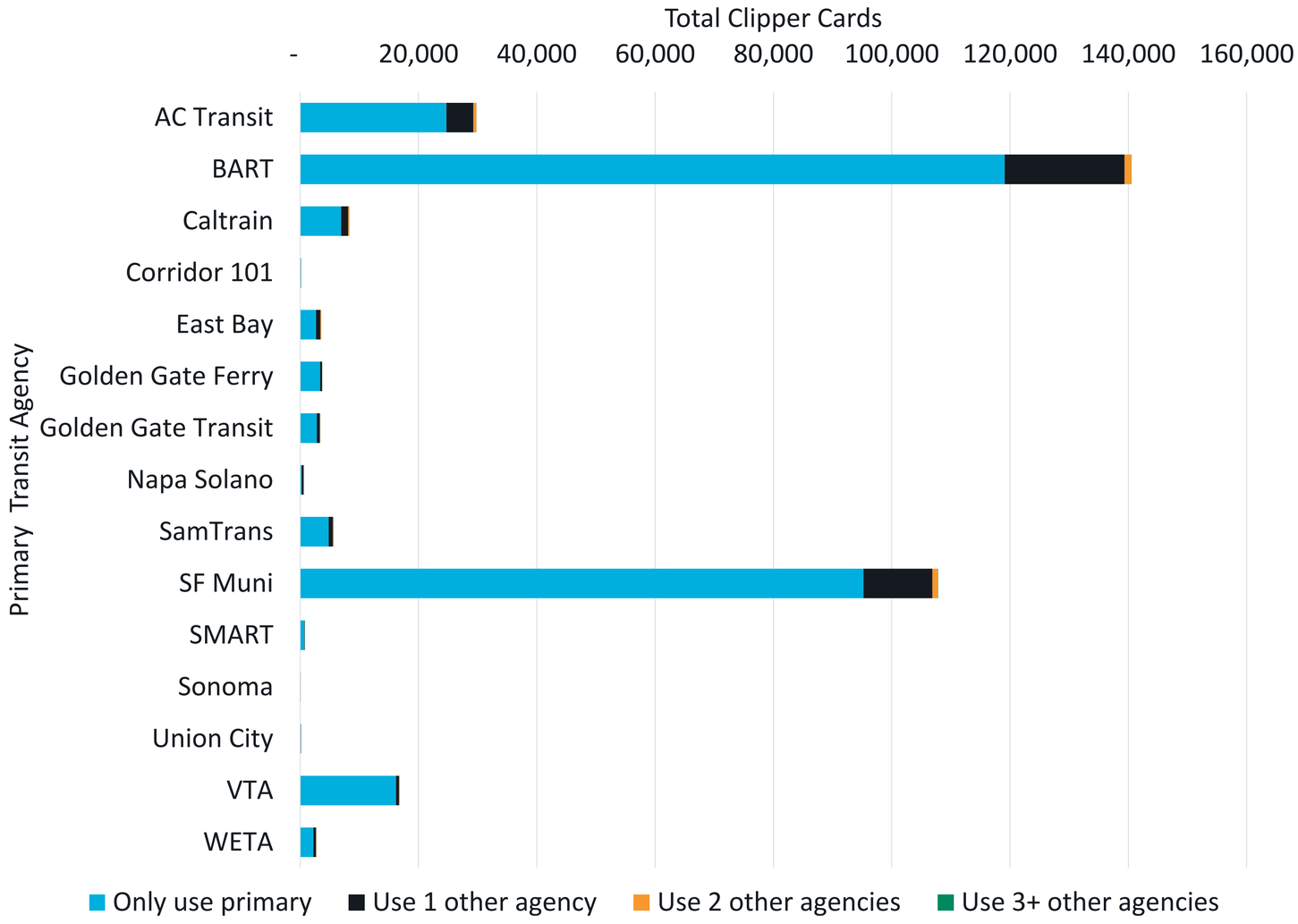
Most users only interacted with one fare structure daily

While over the span of a year, nearly 1.7 million Bay Area travelers used multiple agencies, on a day-to-day basis only approximately 8% used multiple agencies in a trip, while 14% may used multiple agencies across a day.

About 87% who interacted with more than one fare structure ride BART, SFMTA/Muni, or AC Transit as their primary agency.



Four out of the five most common transfer pairs involved BART

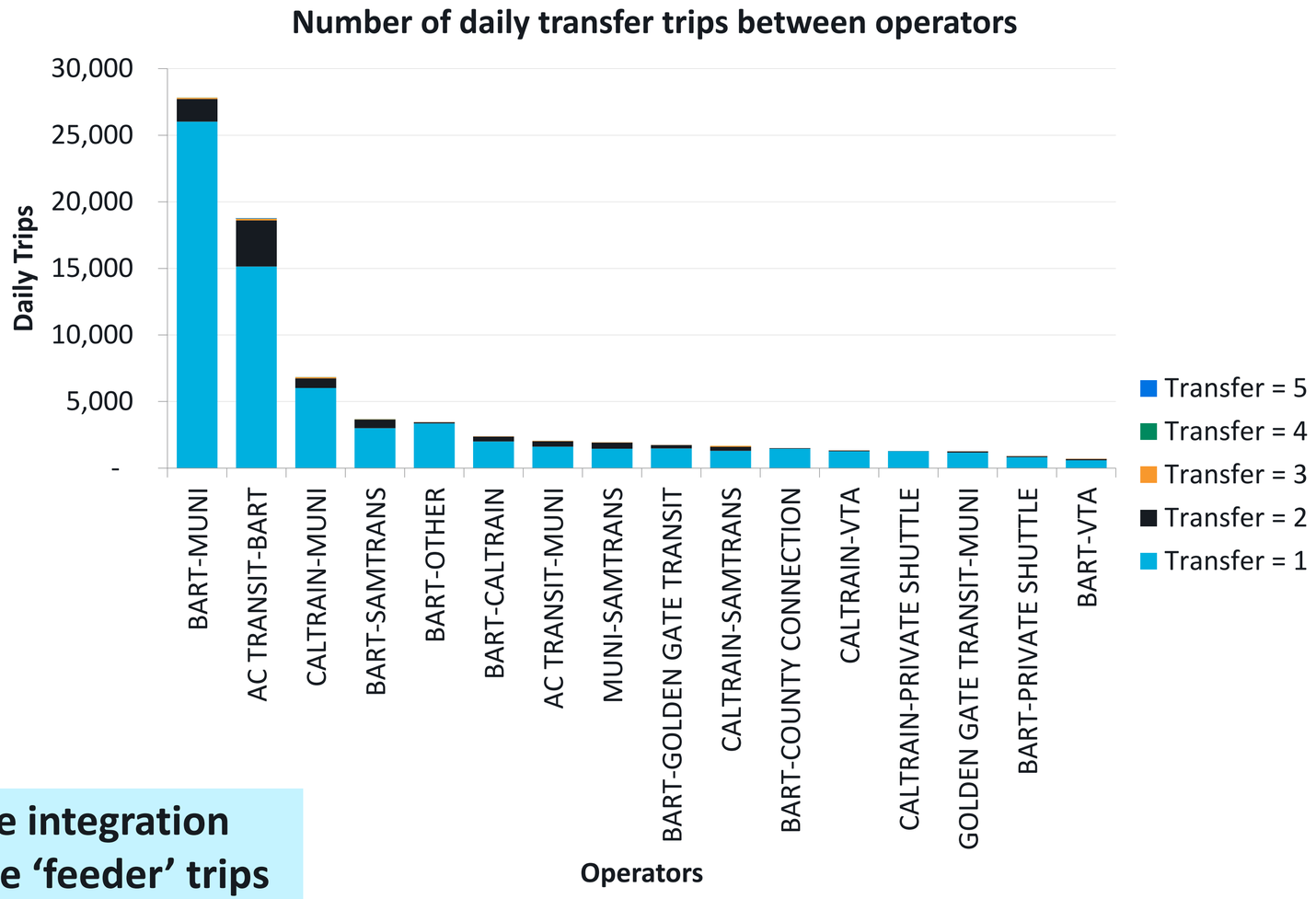
Using on board survey data, 8% of all trips on a daily basis involved multiple agencies.

This is consistent with Clipper data.

BART, Muni, and AC Transit account for the largest number of transfers.

The top 5 transfer pairs include:

1. BART – Muni
2. AC Transit – BART
3. Caltrain – Muni
4. BART – SamTrans
5. BART - Other



This suggests that a significant majority of fare integration use cases under Pre-COVID-19 conditions were ‘feeder’ trips to BART.

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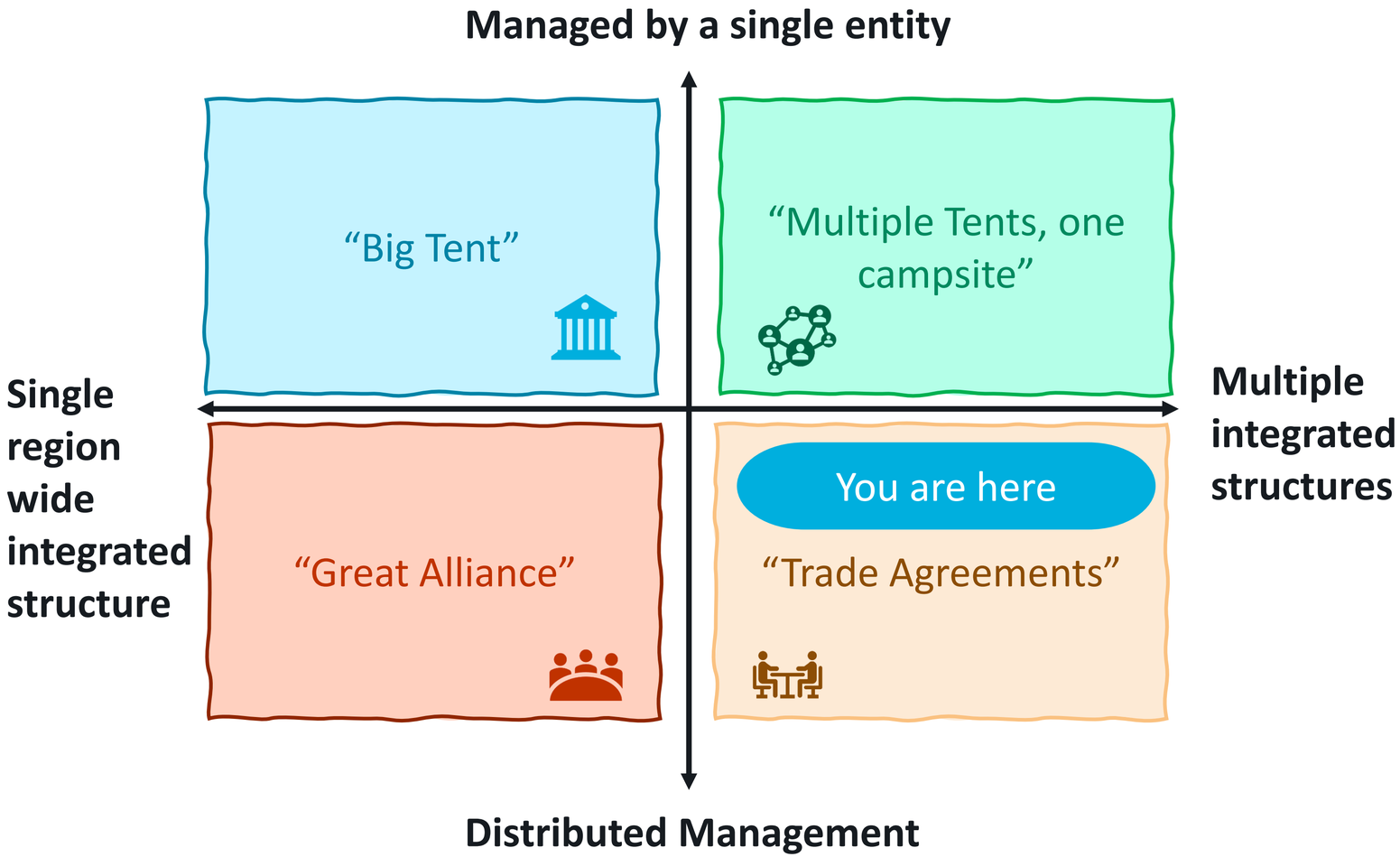
Options Development

Explores the emerging short list of options for detailed analysis

Photo: Paul Chinn

Potential Pathways to Integration



Option Development Process Overview

An option is defined as a potential ‘high-level’ fare structure for the region that uses a combination of single and multiple trip pricing tools to integrate fares. Variants based on specific prices, passes, caps, or products are considered in steps 3 and 4.

1) Background Work

- Identify as many variants per pathway to integration as possible that are mutually exclusive and meaningfully different

Completed in December

2) Long List

- Select 4-5 options per pathway to act as a long list
- 23 total options considered

Completed in January

3) Short list

- Use a policy screening tool to identify 2-3 (max) options per pathway
- Emerging list of 6 policy options across pathways

Today’s Discussion

4) Variant Testing

- Identify a range of variants for each shortlisted option and test and evaluate them

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Screening Framework

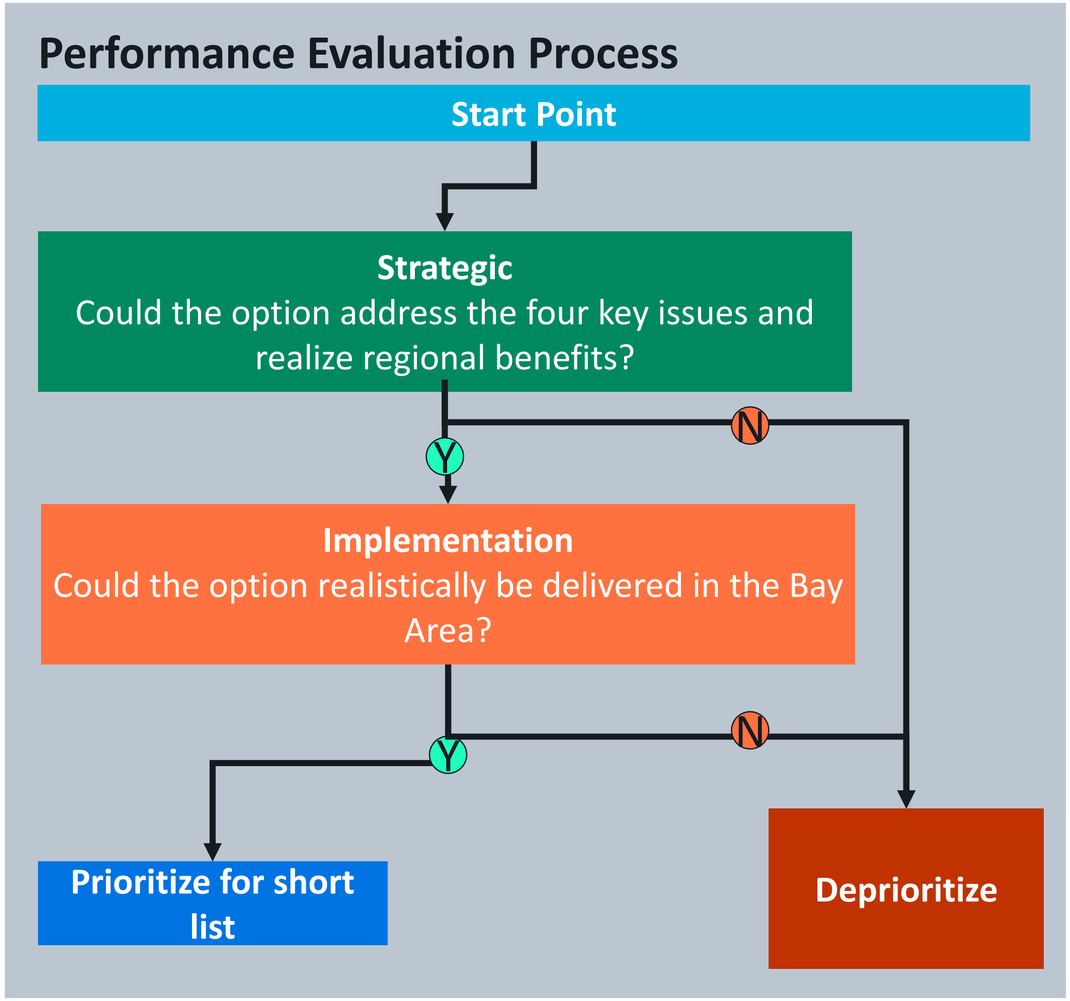
The screening framework focuses on selecting the options that are most likely to perform best in the business case stage. This framework <u>is not</u> used to select a structure for delivery, but it used to prioritize structures for further work.

A set of options will be selected in each delivery pathway to answer the questions: what is the strongest performance fare integration could attain across varying governance and integration models?

The analysis uses two screens each with a set of metrics:

- **Strategic Screen (is the option fit for purpose?)**
  - How will the structure improve the alignment of fare with trip value?
  - How will the structure support an improved customer experience?
  - How will the structure address equity issues?
  - How will the structure support future transit plans?

- **Implementation Screen (does the option have any fatal flaws)?**
  - Is the option readily deliverable within the 'pathway?'

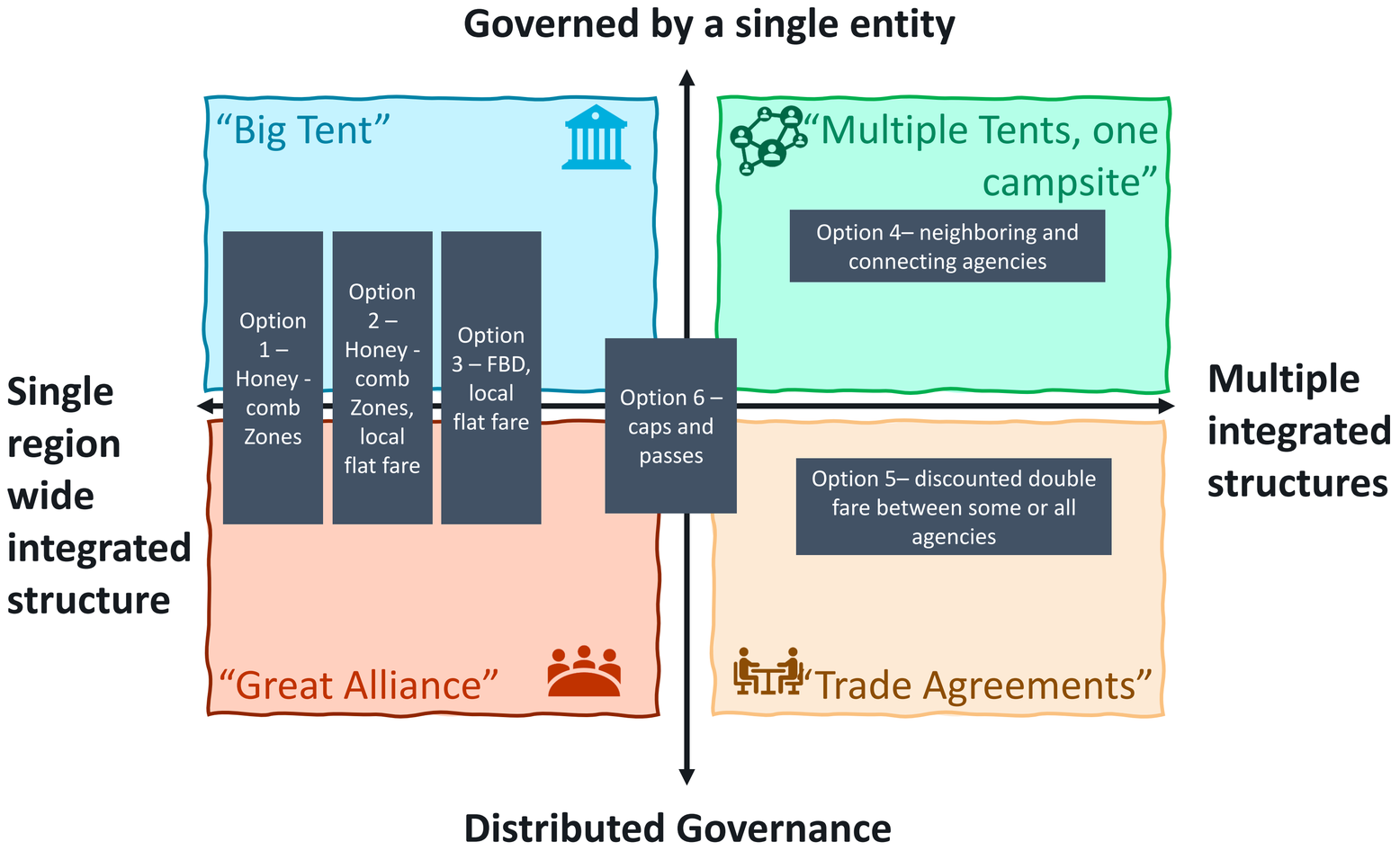


Emerging Shortlist

Short List	Big Tent	Great Alliance	Multiple Camp Sites	Trade Agreements
1. Honeycomb Zones	Yes – A1	Yes – B1 but with agencies setting fares within their service area	No	No
2. Honeycomb Zones, local flat fare	Yes – A2	Yes – B2 - agencies retain ability to set own local service fare	No	No
3. Fare by Distance, local flat Fare	Yes- A4	Yes – B5 agencies retain ability to set own local service fare	No	No
4. Neighboring and Connecting Agencies	No	No	Yes – C2 – this option would aim to align service types where possible and remove barriers between specific agency pairs	No
5. Discounted Double fares	No	No	No	Yes – D1 between select agencies
6. Caps and Passes	Yes – A6 one cap/pass for all operators	Yes – B6 one cap/pass for all operators	Yes – C4 caps/passes for specific groups	Yes – D2 caps/passes 2-3 agencies

Options- mapped against quadrants

This set of options provides at least two options per pathway, meaning the study will review options that are relevant to the Bay Area regardless of future governance models.



Project Outlook

- May 2020 - *Project team kick off – Staff Working Group + Consultants*
- July 2020 – *Initial meeting of MTC Policy Advisory Council Subcommittee on Fare Coordination/Integration*
- Dec. 2020 - Feb. 2021 – *Project team begins to define fare coordination and integration scenarios for detailed analysis*
- Jan. 25, 2021 – *Project update at Blue Ribbon Transit Recovery Task Force meeting*
- Spring 2021 – *Project team conducts detailed analysis of financial, ridership, and user impacts and develops implementation strategies*
- Summer 2021– *Project team presents final report and recommendations to the Fare Integration Task Force*

Feel free to get in touch with questions

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