



Agenda Item 4b

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

TO: Clipper® Executive Board

DATE: February 19, 2019

FR: Carol Kuester

RE: Regional Fare Coordination and Integration

This memorandum is to update Board members on recent and upcoming MTC efforts related to regional transit fare coordination and integration.

Transit Fare Integration Seminar

In the fall of 2018, SPUR convened a number of transit agency board members and MTC Commissioners to discuss transit fare harmonization and integration in the Bay Area. At that meeting, many expressed an interest in learning more about fare integration in the Bay Area.

On February 8, 2019, MTC staff organized a charrette that included transit agency General Managers and Board Chairs as well as MTC Commissioners. The group worked together to develop a vision for a regional transit fare policy and how it can be used as a tool to enhance the customer experience, encourage transit ridership, and take advantage of the opportunity from the upcoming launch of the next generation Clipper® system.

MTC staff invited Martin Powell from the Greater Toronto Hamilton Area (GTHA) to speak to the group given the similarities between the Bay Area and the GTHA in size, population, and fare complexity. Mr. Powell discussed in great detail the Toronto region's efforts at regional fare integration and coordination.

MTC staff are currently working at synthesizing the materials and conclusions from the charrette and are developing a report that will be shared with the region within the next couple of weeks. We will report back to this Board about the status and outcome of regional fare coordination and integration and the region's efforts to develop a vision for fare coordination and integration.

Carol Kuester

Attachment:

- Attachment A: Transit Fare Policy Integration Seminar

Transit Fare Policy Integration Seminar

Friday, February 8, 2019
1:00 – 3:30 p.m.

Port Commission Hearing Room
San Francisco Ferry Building



Agenda

Introductions

Why Look at Fares?

Bay Area Background

Guest Speaker: Martin Powell

Coffee Break

Co-creation Workshop

Next Steps

Public Comment



An aerial photograph of a vast vineyard in a valley. The vineyard is divided into numerous rectangular plots, some of which are planted with rows of grapevines. The surrounding landscape includes rolling hills, some covered in dense green forest, and a multi-lane highway that runs through the valley. The lighting suggests a late afternoon or early morning setting, with long shadows cast across the fields.

**Our goal today is
to think big . . .**

. . . about a vision for the future where our fare policies are designed to put the customer first, promote mobility, and remove barriers to using transit.





The Price is Right for Bay Area Transit

Can you match the transit trip and the fare?



Fares Today

9 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

Proposed Means-Based Discount of 20% on SFMTA, BART, Caltrain, Golden Gate

Next Generation Clipper®


\$461 million contract awarded in Sept. 2018

More flexible, “account-based” system

Final go-ahead for system design in late 2021

We have an opportunity to save money and reduce complexity of Next Gen Clipper®

A coherent regional fare policy is one of five key findings from the 2017 Future of Clipper® Survey of 8,700+ users

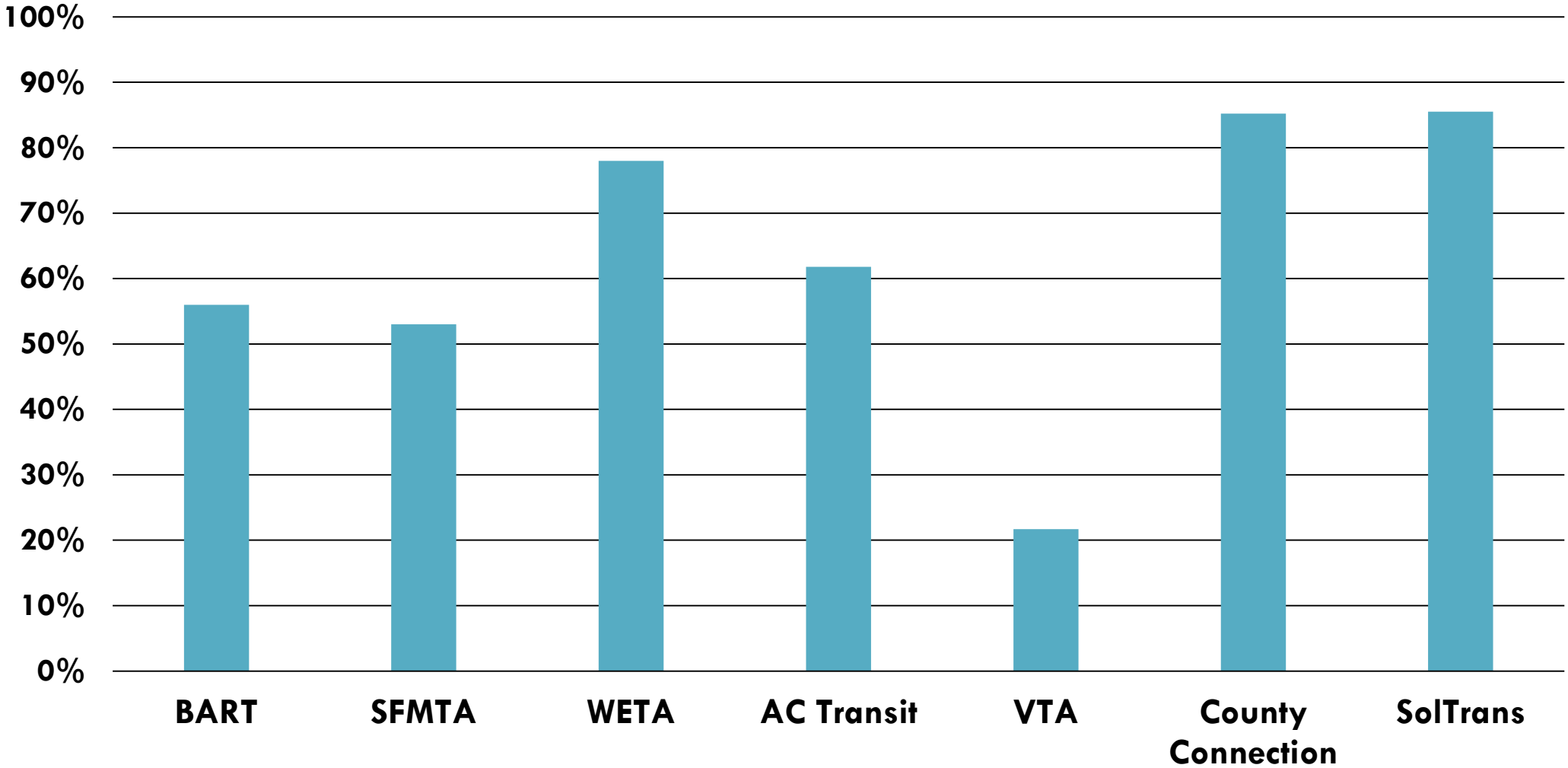


70,000 trips on Clipper® Cards each day involve a direct transfer between two operators, despite the disincentives in the current system

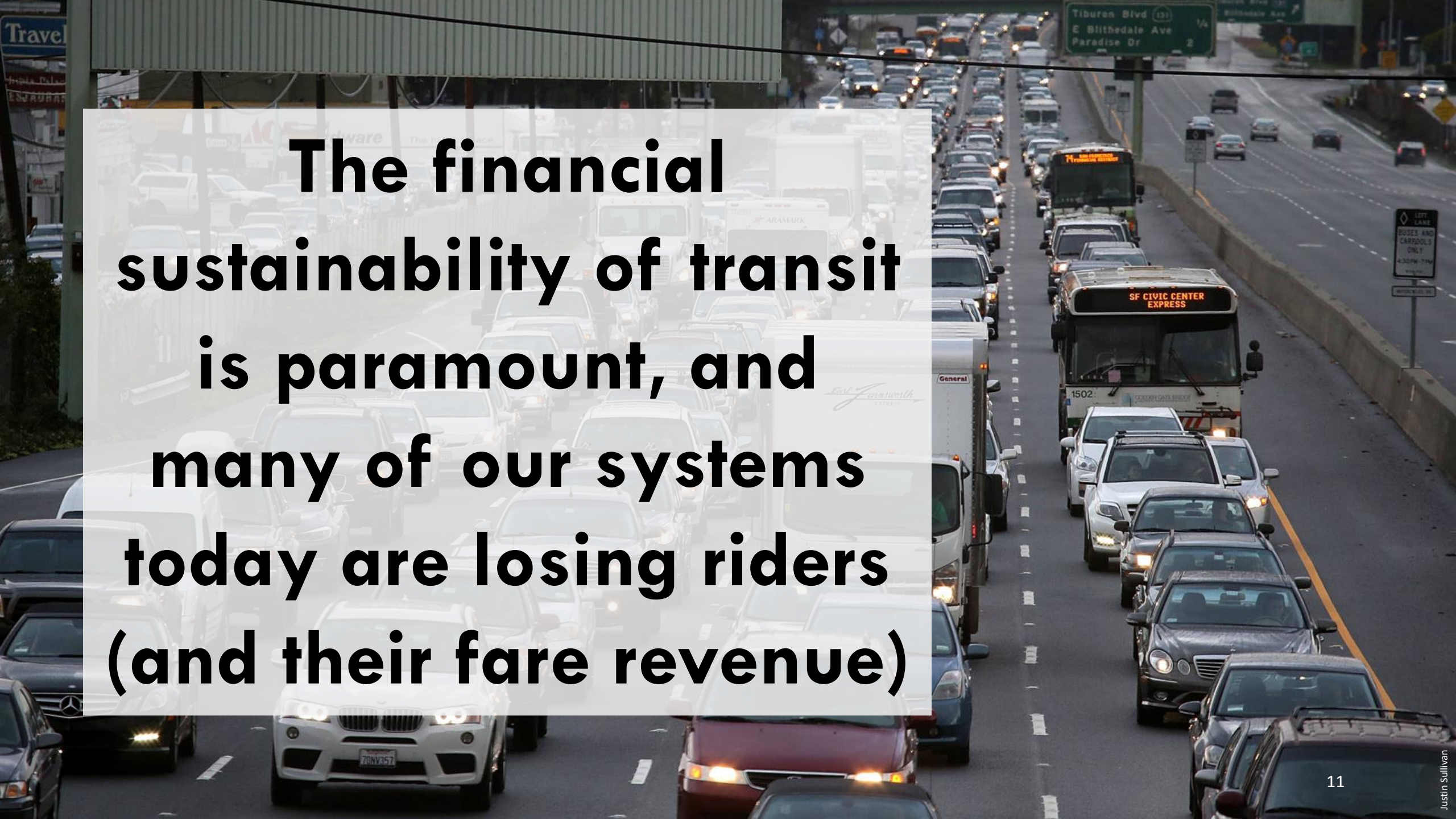
An aerial photograph of a San Francisco Bay Ferry boat, named 'CETUS', moving across the water. The boat is white with a green and blue stripe along its side. In the background, there is a cityscape with various buildings, including a large industrial building with a long roofline and a tall smokestack. The sky is clear and blue.

More than half of Bay Area transit riders use their Clipper® Cards on more than one operator each month

% of Clipper® Cards Used on Listed Operator, Which Were Also Used on At Least One Other Operator

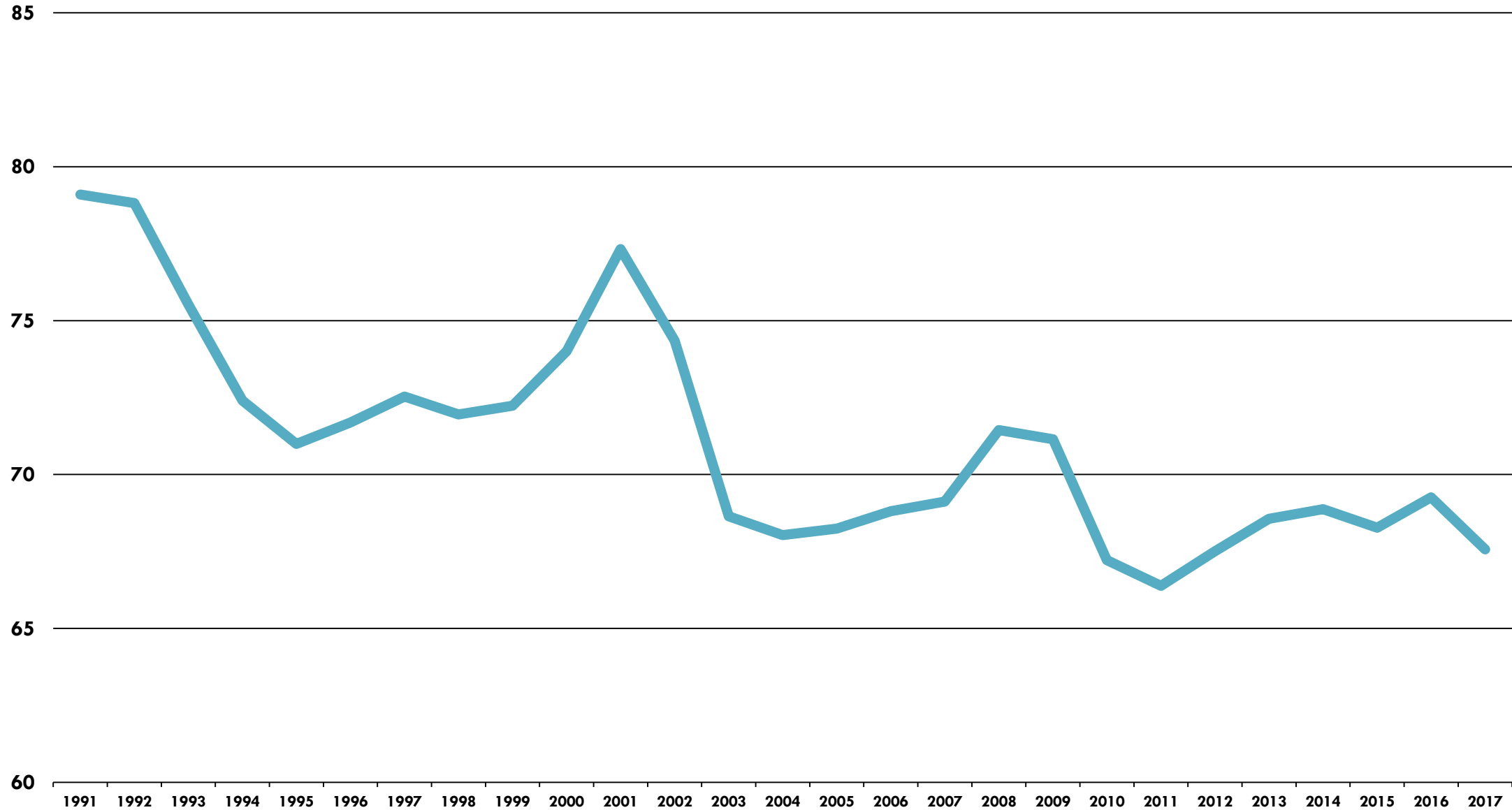


Source: Clipper®

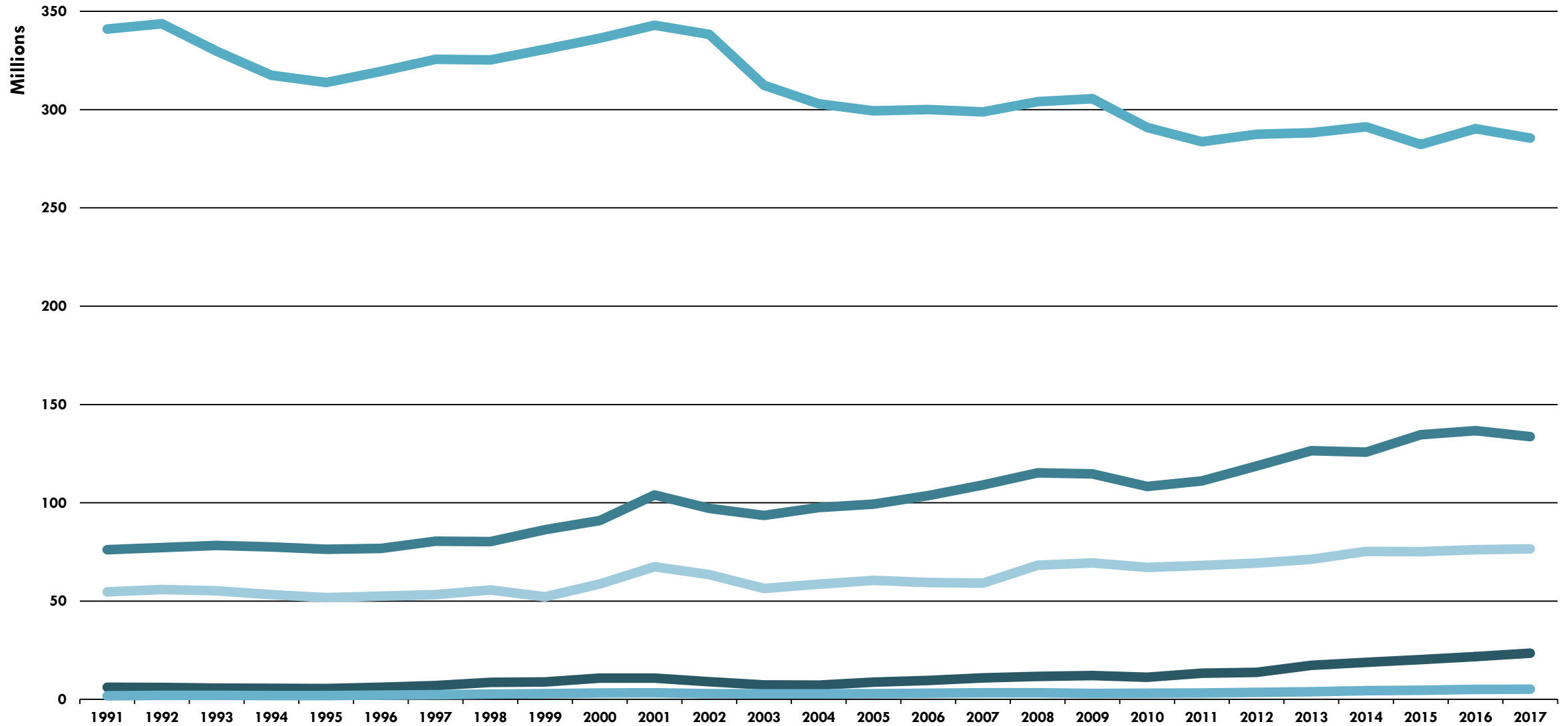


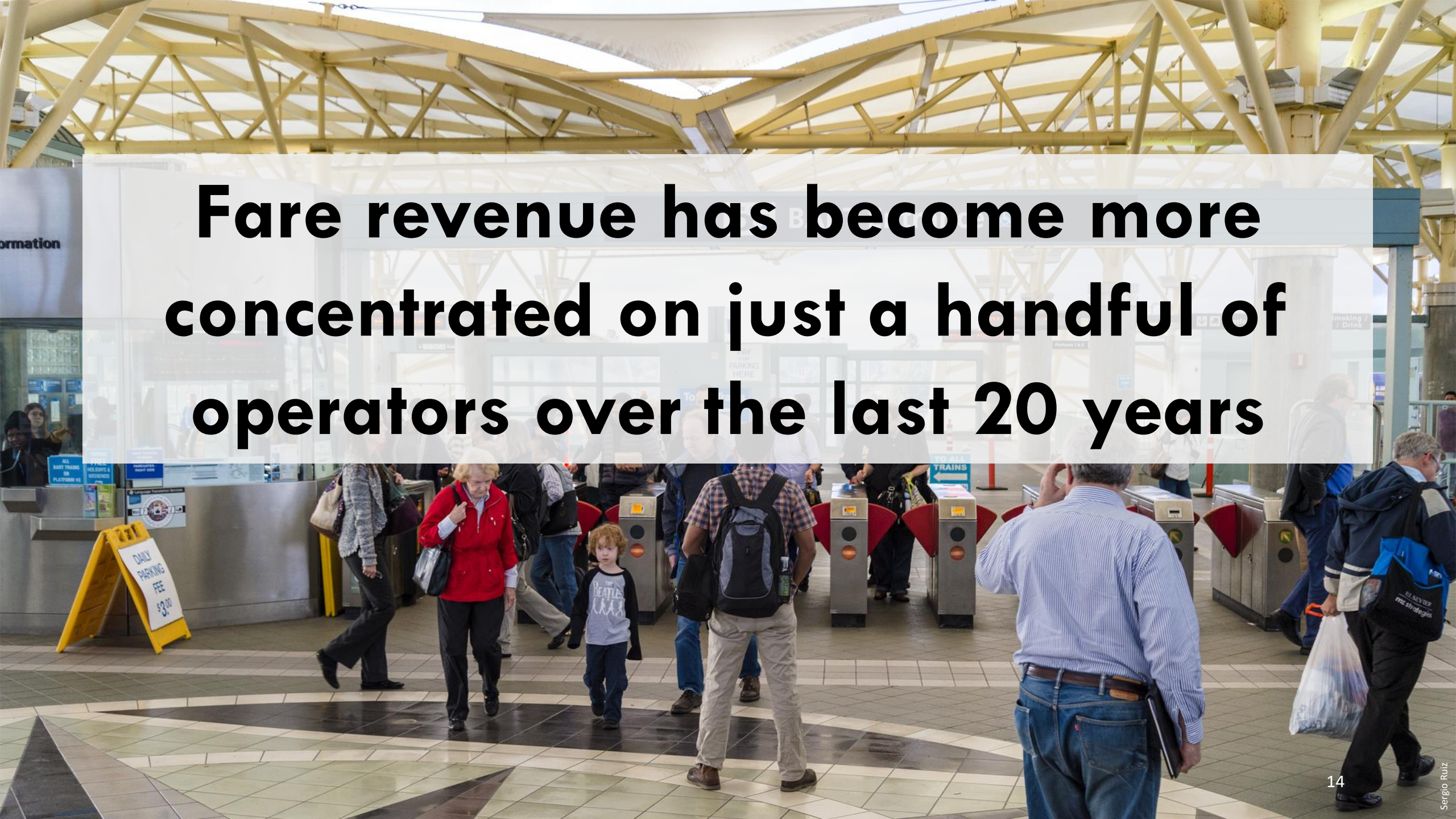
The financial sustainability of transit is paramount, and many of our systems today are losing riders (and their fare revenue)

Total Annual Transit Ridership per Capita (all modes)



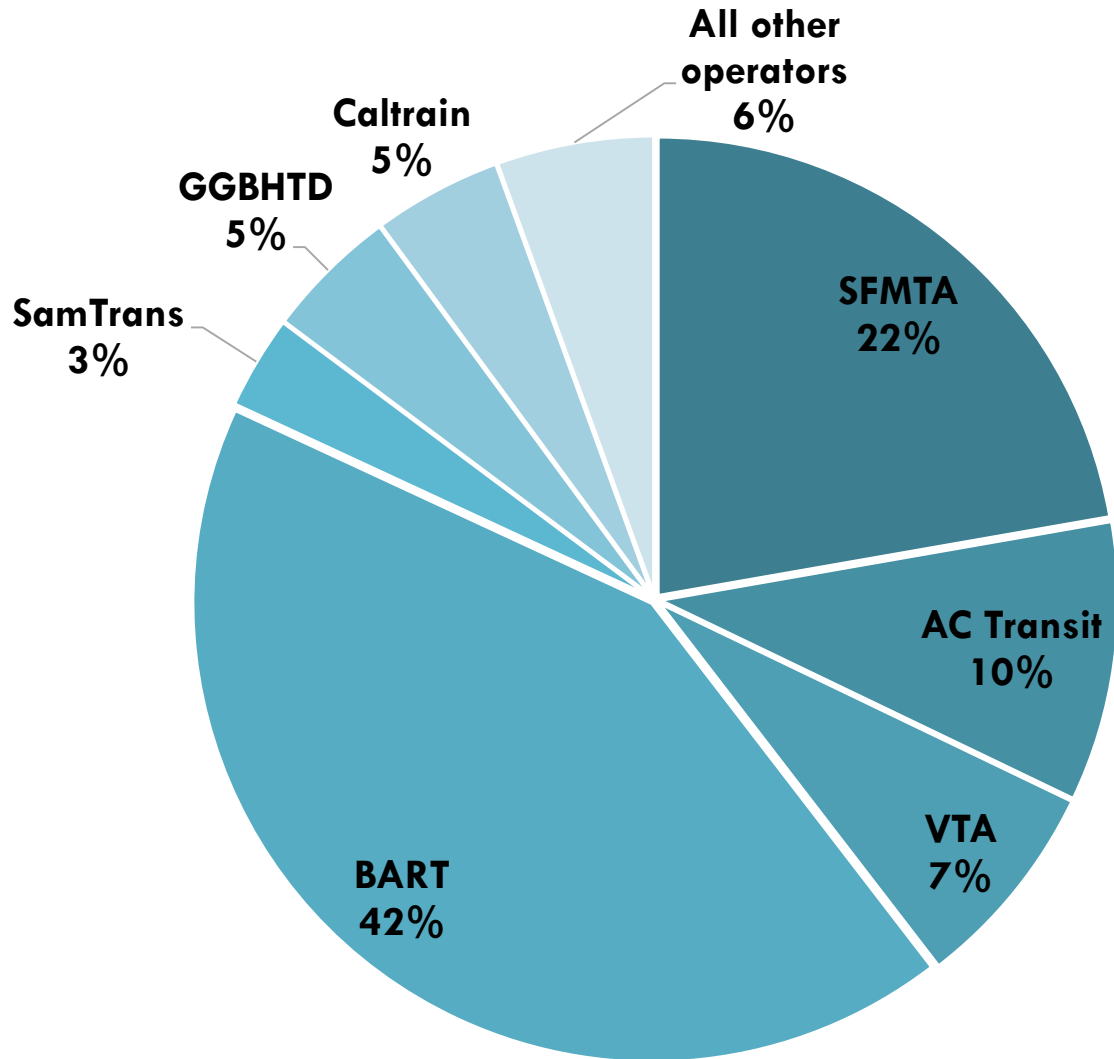
Total Annual Transit Ridership by Mode



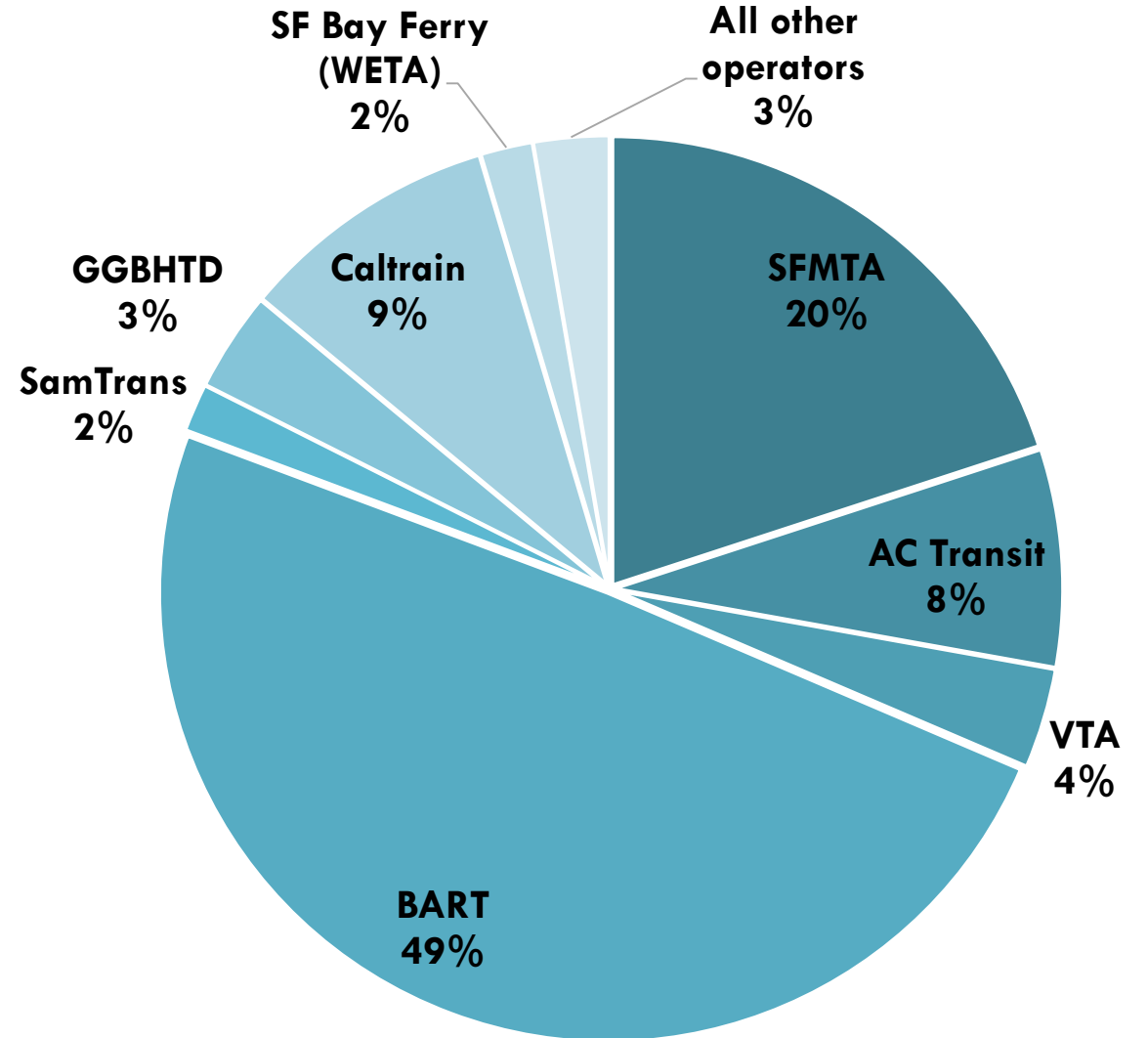


Fare revenue has become more concentrated on just a handful of operators over the last 20 years

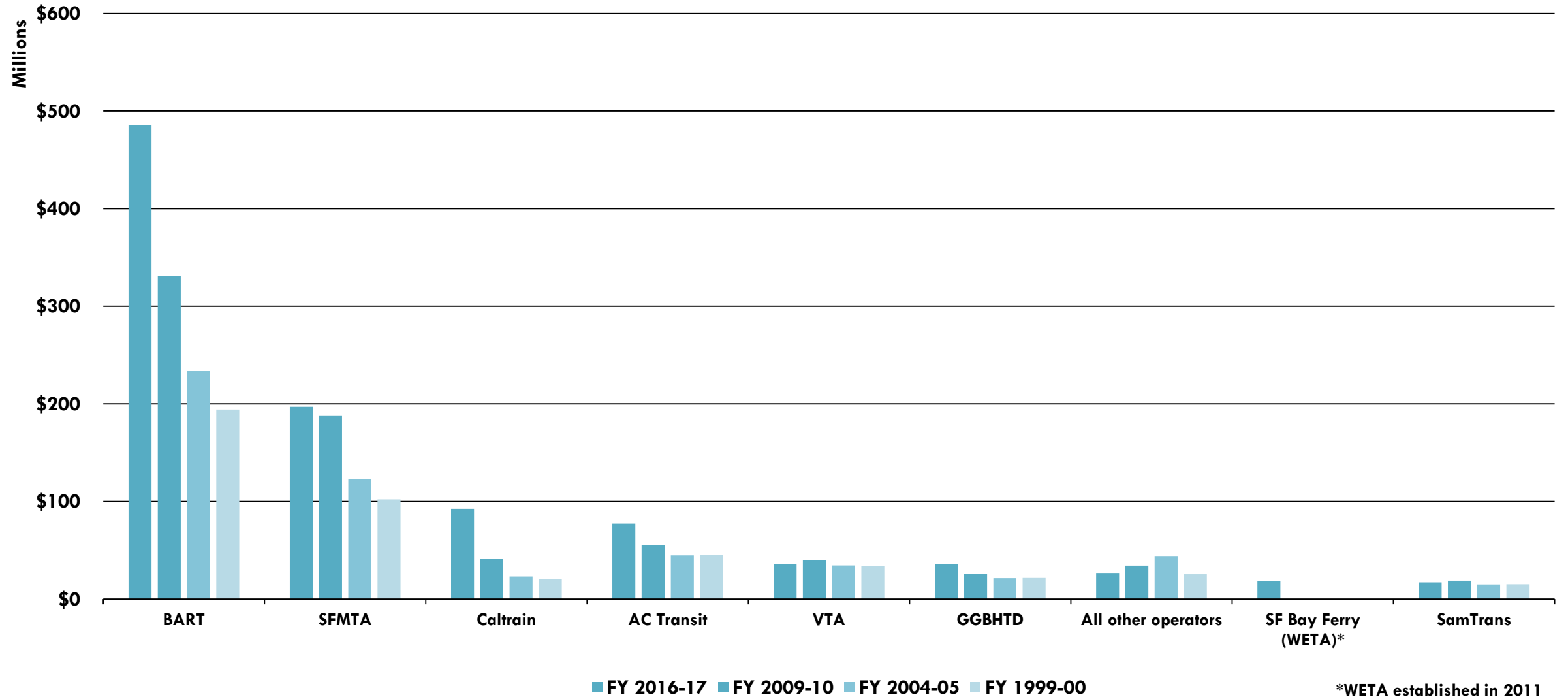
Total Bay Area Fare Revenue, FY 1999-00



Total Bay Area Fare Revenue, FY 2016-17



Fare Revenue by Operator



Components of Fare Policy

Local Transit Fare	Regional Transit Fare
Discounted Fares	
Temporal Pricing	
Transfers (time windows, fare credits)	
Loyalty Incentives	

Fare Systems in the Bay Area

Flat fare = 7 operators

Flat fare/premium hybrid = 9 operators

Zone-based = 5 operators

Distance-based = 1 operator



Accumulator Model

East Bay Day Pass on CCCTA, ECCTA, WestCAT, LAVTA

1st Trip

Regular fare charged



2nd Trip

Fare capped at maximum



3rd+ Trip

Subsequent trips are free



A photograph of a Toronto GO train on tracks. The train is white with green accents and has the number 353 on its front. It is moving along several tracks that recede into the distance. In the background, a city skyline is visible, including the CN Tower and several high-rise buildings. The sky is overcast. A semi-transparent white box is overlaid on the image, containing the title and author's name.

Beyond the Bay: The Case for Fare Integration in Toronto

Martin Powell



Co-creation Workshop

Next Steps

Where do we want to be in six months?

What is the best way to work together to improve the fare experience for customers?



Public Comment