

Clipper® Executive Board Fare Integration Task Force

October 23, 2023

Agenda Item 4a

Update on No-Cost/Reduced-Cost Interagency Transfer Pilot

Subject:

Project staff will present an update on the development of a memorandum of understanding to facilitate the launch of the No-Cost/Reduced-Cost Interagency Transfer Pilot in 2024, concurrent with the Next Generation Clipper® system.

Background:

In March 2023 the Fare Integration Task Force adopted a policy framework to support the deployment of a No-Cost and Reduced-Cost Interagency Transfer Pilot as a part of the Next Generation Clipper® system launch in 2024. This policy was identified as the second recommended action in the Transit Fare Policy Vision Statement, which the Task Force adopted in November 2021 at the conclusion of the Transit Fare Coordination/Integration Study + Business Case. According to the Study, this Pilot is expected to increase daily ridership across the Bay Area by approximately 27,000 trips per day.

No-Cost and Reduced-Cost Interagency Transfer Pilot is funded with \$22 million set aside through the Transit Transformation Action Plan by MTC and transit operators. As a part of the Pilot, transit operators will be reimbursed for the additional cost of the customer transit discount for eligible trips as defined in the Task Force-adopted policy framework. Due to the limited amount of funding available for the Pilot, it is currently expected that the Pilot will last for between 18-24 months starting at the launch of the Next Generation Clipper® system.

Continuing this user benefit will be a key topic of discussion in 2024 – the team expects to evaluate the potential for new fare revenue from expected ridership growth and identify other funding options to support this integrated fare policy change longer-term.

The project team staff from MTC and BART are currently working in coordination with the Fare Programs Staff Working Group to develop a memorandum of understanding (MOU) for the Pilot, which will formalize the policy framework adopted by the Task Force. The project team

expects to return to the Task Force in the winter of 2023/24 to seek approval of the MOU and to subsequently submit the MOU to transit agencies for signature by May 2024.

Issues:

None identified.

Recommendations:

Information Item Only.

Attachments:

- Attachment A: PowerPoint



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