



MTC Regional Means-Based Transit
Fare Pilot Program (Clipper[®] STARTSM)

Key Findings and Lessons from the First Two Years of the Pilot (July 2020 - July 2022)

May 2023



METROPOLITAN
TRANSPORTATION
COMMISSION

N NELSON
NYGAARD



raimi+
associates

JACOBS

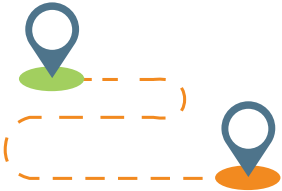
Twenty One Transit Agencies Participating in Clipper START





Key Accomplishments of the Pilot Program

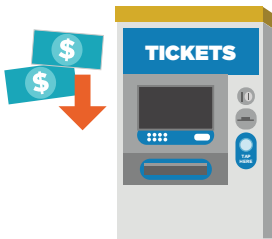
Baseline program accomplishments, so far...



Improved regional access to transit for residents earning a low income



Increased number of trips, despite being launched during the Covid-19 pandemic



Regional learning model for equity-centered, income-based fares and mobility policies, programs, and practices



Demonstrated success in reducing the burden of transportation costs on household budgets



Improved transit access and affordability for women and women of color



This document provides an overview of the results of the first two years of the Clipper® STARTSM Pilot Program.

PROGRAM INTRODUCTION

Between July 2020 and January 2021, MTC launched a 3-year regional means-based per-ride transit fare discount pilot on 21 of the San Francisco Bay Area transit agencies. Adults are eligible for discounts if they earn less than 200% of the Federal Poverty Level of household income. Eligible riders can access single-ride fare discounts of either 20% or 50%, depending on the operator.

20%

DISCOUNT

AC Transit
BART
County Connection
FAST
Napa VINE
Petaluma Transit
Santa Rosa CityBus
SolTrans
Sonoma County Transit
Tri Delta Transit
Union City Transit
Vacaville City Coach
WestCAT
Wheels

50%

DISCOUNT

Caltrain
Golden Gate Transit and Ferry
Marin Transit
Muni
SamTrans
San Francisco Bay Ferry
SMART

The Clipper® STARTSM Pilot Program is a direct result of Metropolitan Transportation Commission's (MTC) equity and access policy initiatives (e.g., Lifeline Transportation Program, Coordinated Human Services Plan, Plan Bay Area) and a 2015 3-year "Regional Means-Based Transit Fare Pricing Study". The pilot is funded by State Transit Assistance, Cap and Trade, and the one-time programming of fixed funds from the Corona-virus Aid, Relief, and Economic Security (CARES) Act.

PROGRAM GOALS

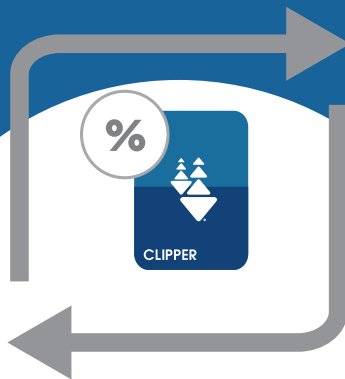
The Clipper® STARTSM program aims to address the systemic challenges in the region with the goals of:



Making transit more affordable for transit-reliant individuals earning low-income



Developing implementation options that are financially viable and administratively feasible

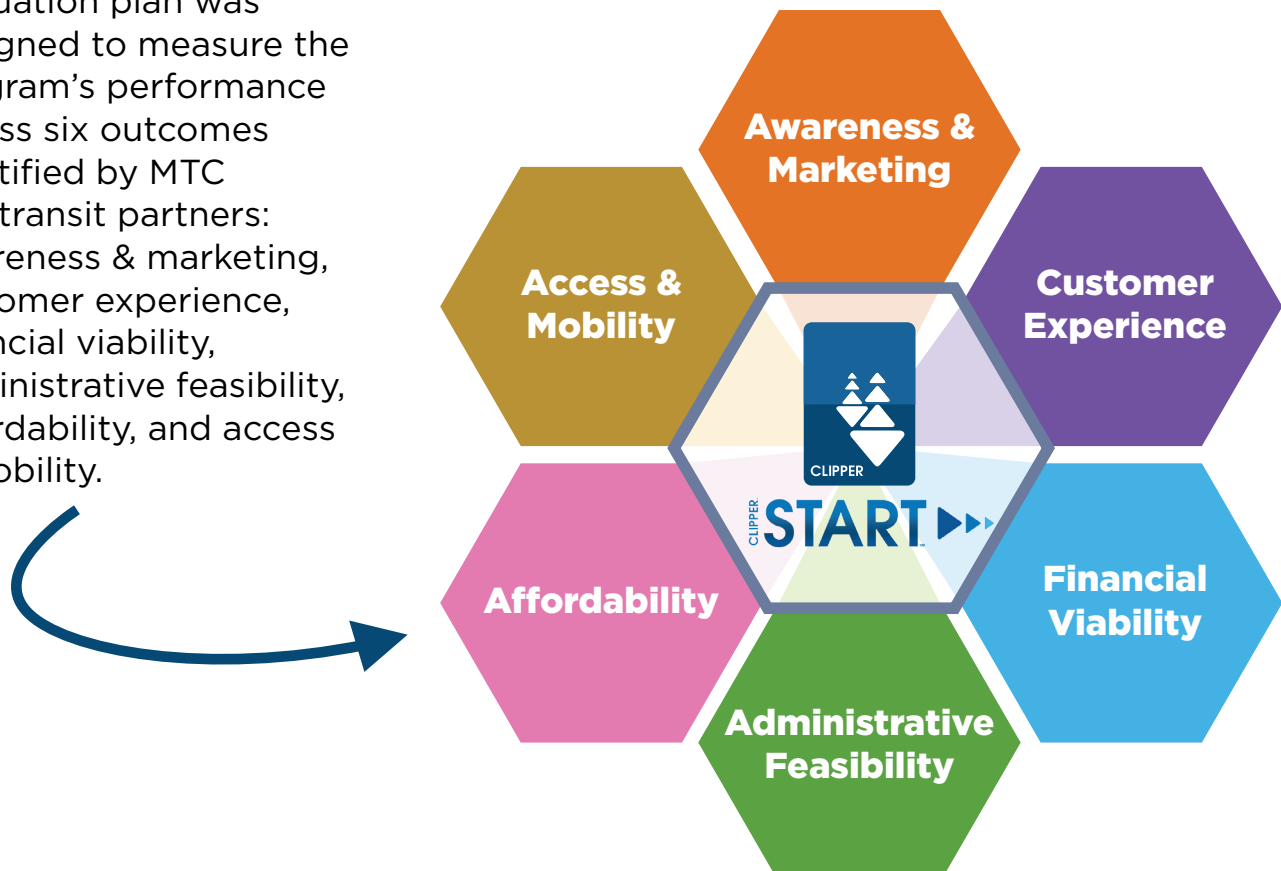


Moving towards a more consistent regional standard for fare discounts

EVALUATION OVERVIEW

To learn from, assess, and analyze the success of the program, an evaluation plan was designed to measure the program's performance across six outcomes identified by MTC and transit partners: awareness & marketing, customer experience, financial viability, administrative feasibility, affordability, and access & mobility.

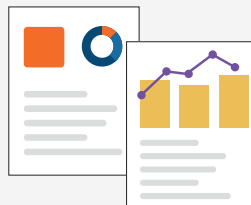
Clipper® STARTSM Pilot Program Identified Outcomes



The research goals of the evaluation are to:



Better understand and respond to issues of Affordability, economic mobility, and equity within the region



Build evidence about what works to reduce poverty and improve mobility so the region can allocate resources effectively and efficiently



Apply data, technology, and product design to facilitate more holistic, equitable, and effective service delivery

EVALUATION RESULTS

The key findings from the first two years of the pilot (July 2020-July 2022) are presented across the six program outcomes. The metrics in this report summarize key findings identified through analysis of program applications, Clipper® Data Store trip data, marketing impressions, regional transit ridership, administrative data from MTC, program outreach to community based organizations and social service agencies, surveys about enrollees' experience and public general program awareness, interviews with participating transit operators, and multilingual focus groups with enrollees conducted throughout the pilot.

Summary of 2 Year Findings



15,000

Applications
Submitted



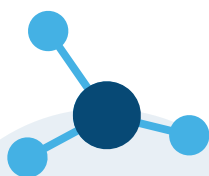
13,000

Program
Enrollees



9,800

Active
Program
Users



1.1 million

Number of
Trips



250,000

Number of
Transfers

Source: Clipper® STARTSM Application Survey, Clipper® Data Store, National Transit Database, MTC Lifeline Program

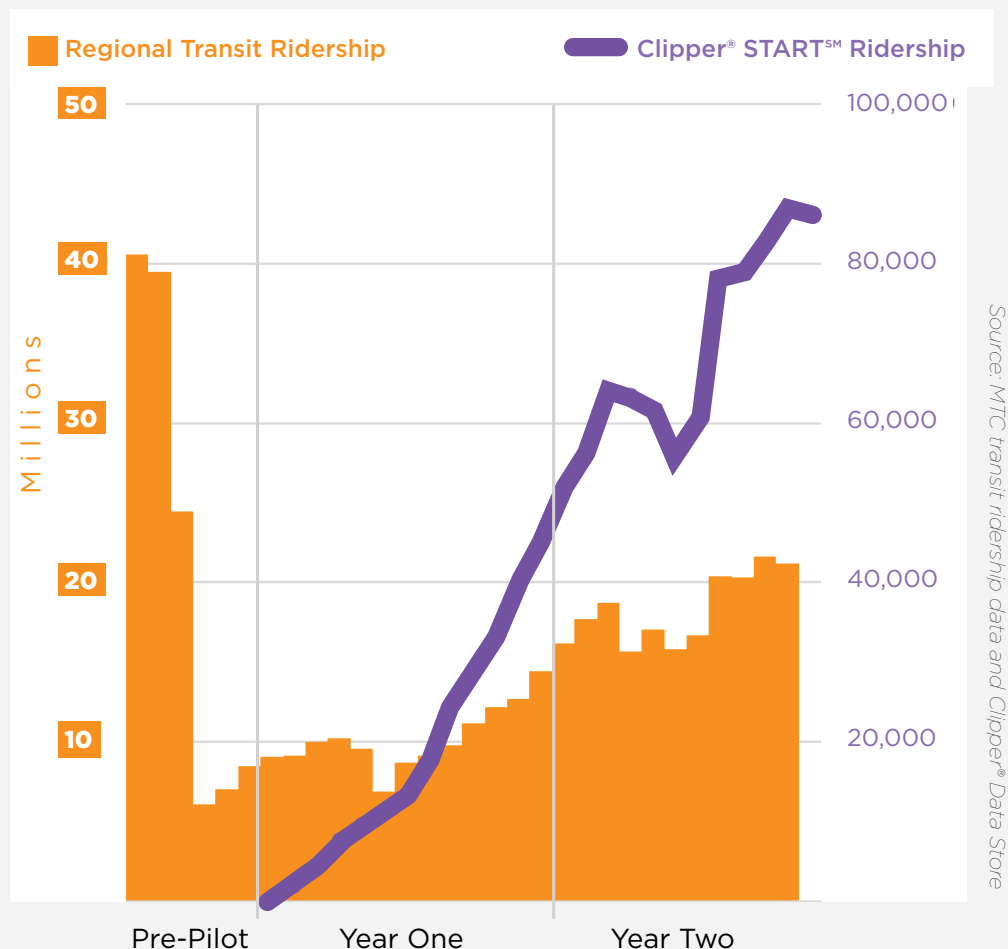
*Program uptake was calculated by comparing program applications by transit agency used to the estimated number of unique transit riders for each transit agency. Unique transit riders were estimated using transit ridership between July 2020 and July 2021, percentage of low-income ridership by agency, and the assumption that each rider takes 520 trips per year (10 trips per week).

Measuring Success During COVID-19 Pandemic

Given the launch of the Clipper® STARTSM Pilot Program during the COVID-19 pandemic, the Year 1 results of the pilot should not be separated from the fact that the region saw significant reductions in travel, including among transit trips. Following public health travel restrictions, the region's transit agencies cut service and transit ridership dropped by 85% between February and April 2020. Of the 15% of riders that continued using the agencies, it is likely that many were performing essential work services and/or had no other means of transportation.

By the end of the first year of the pilot, regional ridership was down 65% from July 2019 to July 2021. Clipper® STARTSM ridership, however, has increased at a faster rate than ridership recovery in the Bay Area. Launching Clipper® STARTSM during the pandemic highlighted the critical role transit plays for many Bay Area residents. The results in this report highlight the importance of the program on equity, economics, accessibility, and mobility—truly providing a lifeline for essential riders during the pandemic. Considering the service reductions and the reduced ridership, the impacts of COVID-19 are expected to have affected the outcomes presented in this report.

Regional Transit Ridership vs. Clipper® STARTSM Ridership



OUTCOME 1

AWARENESS & MARKETING

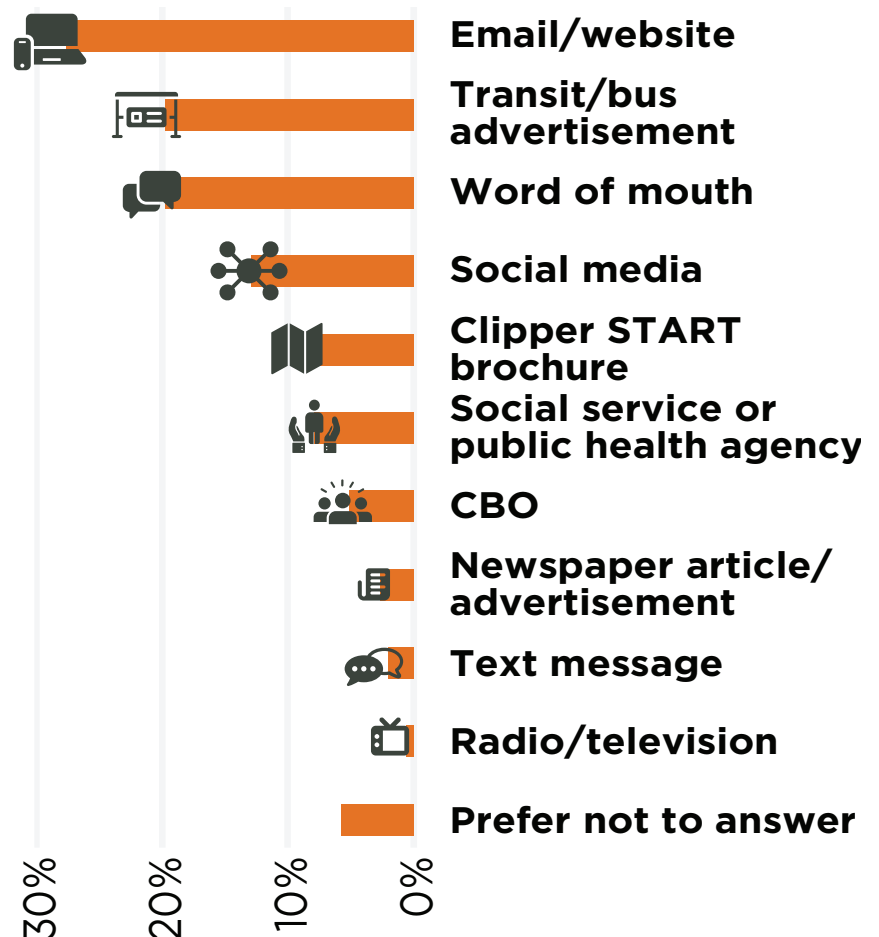
How effective was the outreach program in reaching eligible riders?

MTC developed and implemented a multilingual marketing campaign for the Clipper® STARTSM program throughout the Bay Area. The campaign was distributed through partnerships with the transit agencies, community-based organizations, and social service agencies across multiple mediums (e.g., website, social media, transit, newspaper, radio, TV, email). Project materials included information about the program and how to enroll.

KEY FINDINGS

- More outreach than expected was needed.
- A multi-pronged approach to marketing was important—focusing on users by demographic audience and cultural preference—because people learned about the program in different ways over time.

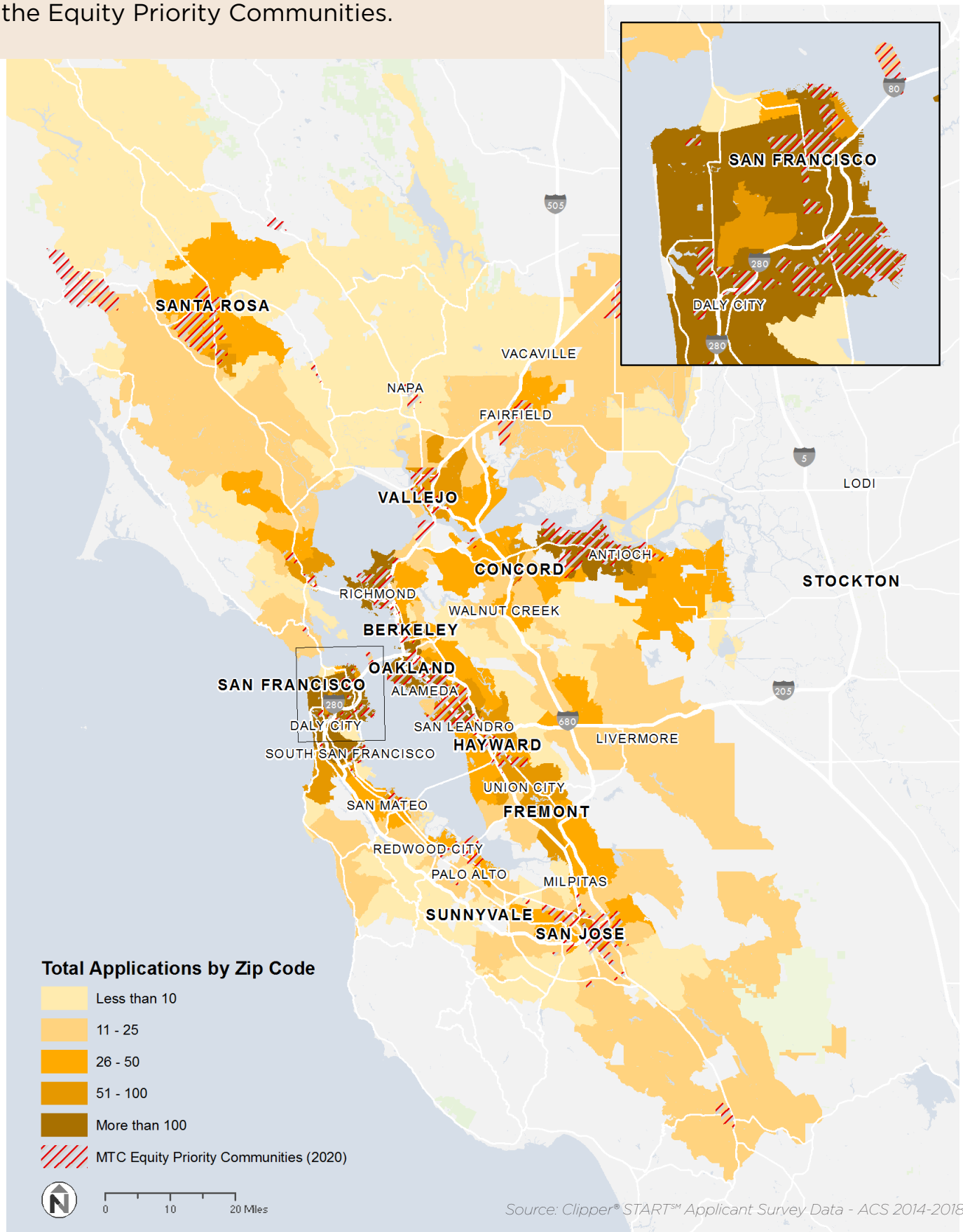
Completed Applications by How Applicant Learned About Program (n = 14,844)



Source: Clipper® STARTSM Applicant Survey Data

KEY FINDING

The program has concentrated enrollment rates in the Equity Priority Communities.



Public General Awareness Survey

(n = 6,720)

KEY FINDING

- Almost 3/4s of the respondents who previously didn't know about the Clipper® STARTSM program say they would like to apply.



Completed Applications by Household Income, Gender, and Race/Ethnicity

(n = 6,720)



have household income less than \$20K



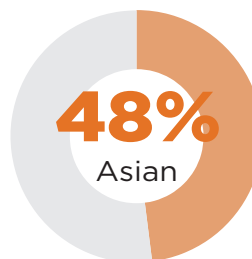
women

KEY FINDING

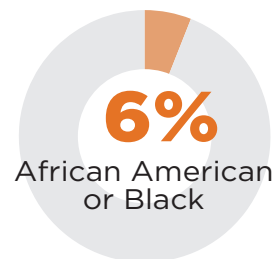
- The majority of program applicants overwhelmingly represent the critical populations for which the program was designed.



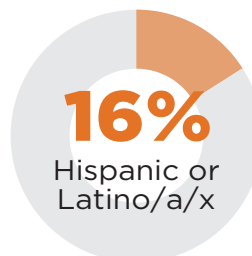
76%
BIPOC
(Black, Indigenous, People of Color)



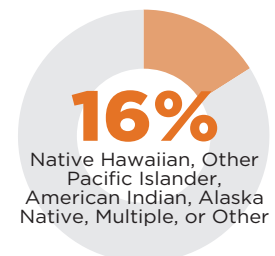
48%
Asian



6%
African American or Black



16%
Hispanic or Latino/a/x



16%
Native Hawaiian, Other Pacific Islander, American Indian, Alaska Native, Multiple, or Other

Source: Clipper® STARTSM Applicant Survey Data

OUTCOME 2

CUSTOMER EXPERIENCE

How easy was it to get the benefit?

Making the application process simple and clear is an important goal of the program. A burdensome and complex application experience was identified as a potential barrier to enrollment due to the impact it would have on enrollee's time.

KEY FINDINGS

- Applicants felt that the ease of applying is high, with over 72% of applicants reporting that the process was easy or very easy.
- Surveyed Clipper® STARTSM riders and potential participants expressed a desire for more Clipper® STARTSM options when purchasing passes, such as the option to get discounted monthly passes and fare capping/accumulator passes.

Applicant Perception of Ease of Filling out Application (n = 6,720)



Source: Clipper® STARTSM Applicant Survey Data

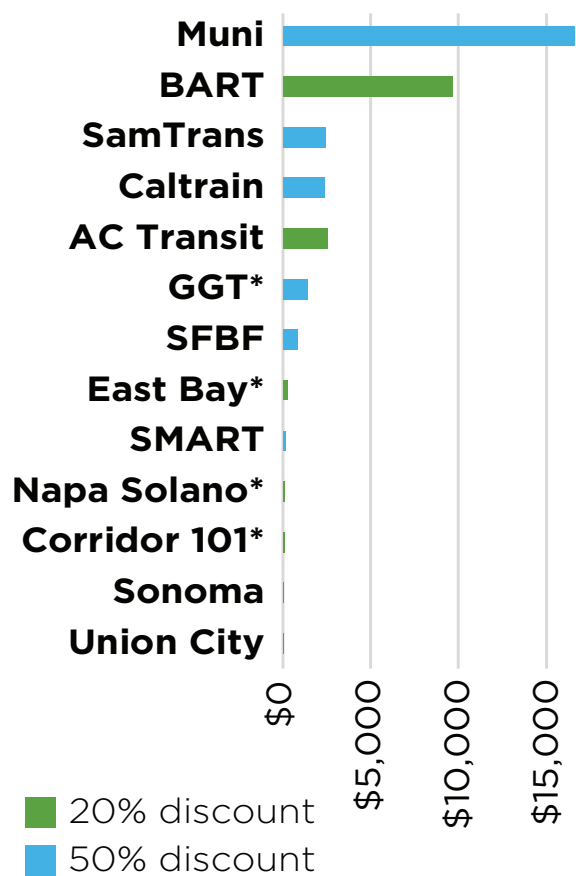
OUTCOME 3

FINANCIAL VIABILITY

What are the financial impacts of Clipper® STARTSM to MTC and transit operators?

MTC Resolutions established the financial structure of the Pilot, which is funded through a mix of regional funds administered by MTC. MTC is subsidizing 10% of full fare and reimburses transit operator revenue up to another 10% during the Pilot. Participating operators are responsible for the remainder of the discount or any additional revenue losses from other sources. The foregone revenue per transit operator varies by the number of trips taken, with agencies experiencing higher trip rates such as SF Muni and BART incurring greater revenue impacts.

Average Monthly Foregone Revenue by Agency



KEY FINDINGS

- Revenue impact from the 2 year pilot represents less than 1% of overall operator revenue.
- MTC provided just over \$300,000 in fare discount reimbursements across all participating operators.
- Participating transit agencies contributed about \$1,169,000 in discounted fares—or foregone fare revenue—after MTC reimbursements.

Source: MTC program reimbursement data

East Bay includes County Connection, LAVTA (Wheels), Tri Delta Transit, and WestCAT. *Napa Solano* includes FAST, Napa VINE, SolTrans, and Vacaville City Coach. Golden Gate Transit (GGT) includes Marin Transit. *Corridor 101* includes Petaluma Transit and Santa Rosa City Bus.

OUTCOME 4

ADMINISTRATIVE FEASIBILITY

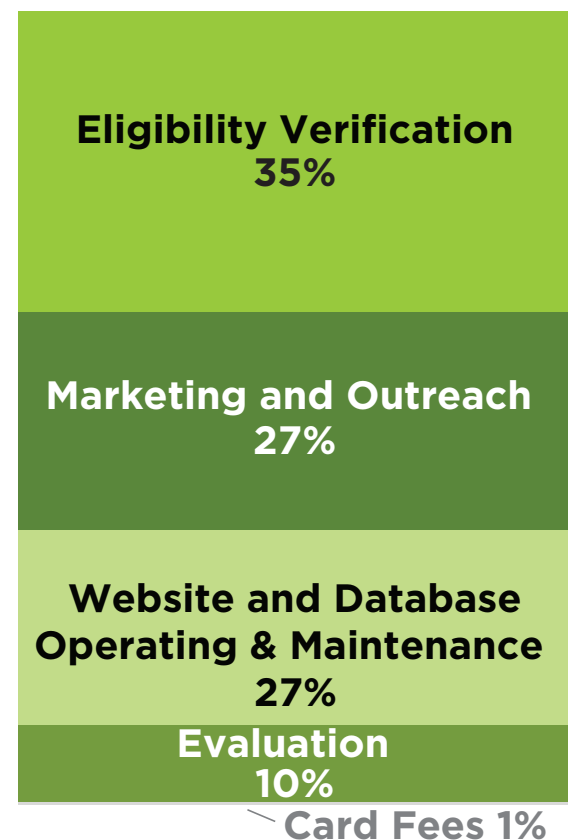
Can the program be efficiently administered w/the current model of 3rd party eligibility verifier, web portal tool, and transit and social service agencies?

The development and implementation of the Clipper® STARTSM program involved teams across multiple programs at MTC including Electronic Payment Services, Technology Systems, and Funding Policy and Programs, with input from Legal, Finance, and Legislation and Public Affairs. It also involved external partners such as the twenty-one transit operators participating in Clipper® STARTSM, the community-based organizations and human/social service agencies assisting with promotion and enrollment, and companies assisting with technology, marketing, and evaluation. MTC funded \$5 million in one-time start-up costs and on-going program administrative costs of up to \$3 million.

KEY FINDINGS

- The pilot operated smoothly over the two year period, despite the complexity of implementation during a pandemic.
- Overall two-year administrative costs were approximately \$2.1 million, which included accounting, invoicing and coordination with transit operators.
- Eligibility verification continues to be the largest administrative cost for the program.
- Customized, evidence-based marketing and outreach strategies are necessary to reach demographics that are historically underrepresented.

MTC Administrative Costs



Source: MTC program administration data

OUTCOME 5

AFFORDABILITY

To what degree does the program lower the cost of transportation for participants?

Because of the nature of the fare discount, the program is expected to reduce transit costs for program participants. The fare discount for each trip varies based on the discount provided by each operator (e.g., 20%, 50%).

KEY FINDINGS

- The average fare discount was \$1.20 per trip, which enabled riders to take more transit trips without increasing their spending on transportation.
- Focus group and end point survey participants shared that the program has resulted in cost savings and improved affordability of transit.

"I have been able to rely solely on Bay Area public transportation to get to school and work! I rarely drive which is better for the environment and has helped me tremendously. I am extremely grateful for Clipper® STARTSM."



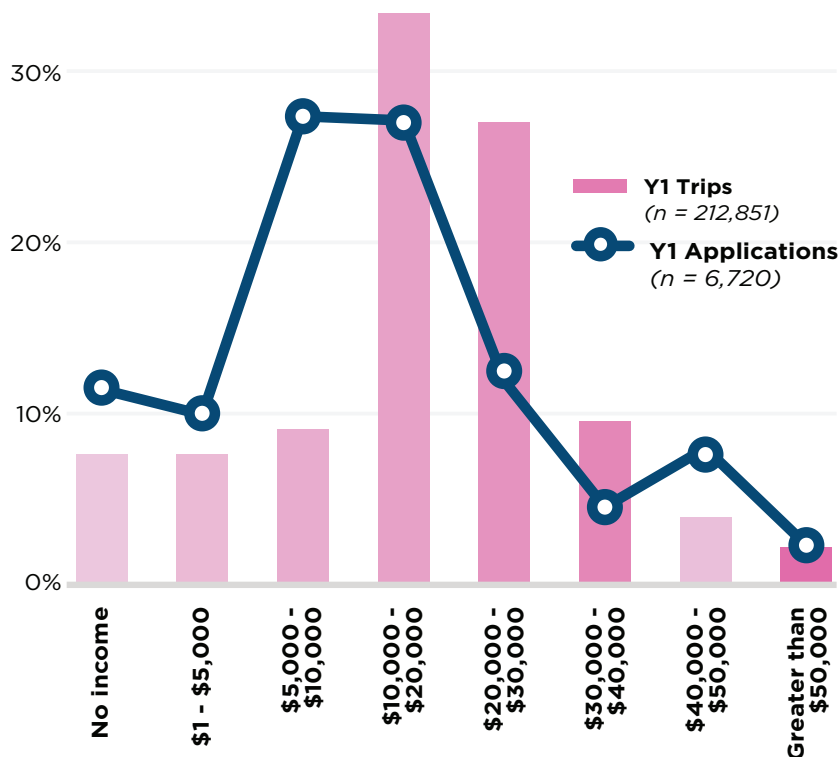
*"I used to have to walk everywhere. **Clipper® STARTSM has saved my finances.** 20% may seem like so little of a discount to some people, but that means that is money that I can use for food or to put away for a rainy day."*



Clipper® STARTSM Trips and Applications by Household Income

KEY FINDINGS

- Participants with a household income between \$10,000 - \$40,000 take 70% of trips, far more than lower or higher earners. Users report improvements in many aspects of everyday life.



Clipper® STARTSM Lifestyle Improvements



64%

I make more trips on public transportation than I used to



44%

I now regularly use more transit agencies than before

(for example, regularly riding BART and MUNI instead of regularly riding MUNI but rarely riding BART)



38%

I can now afford to use a faster route



61%

It is now easier for me to cover all my expenses



28%

I make fewer trips using my own (or my household's) vehicle



31%

It is now easier for me to put money into savings
(for example: in case I am laid off, for retirement, for my child's education)



32%

I make fewer trips using a taxi or "rideshare" app (Uber/Lyft)

OUTCOME 6

ACCESS & MOBILITY

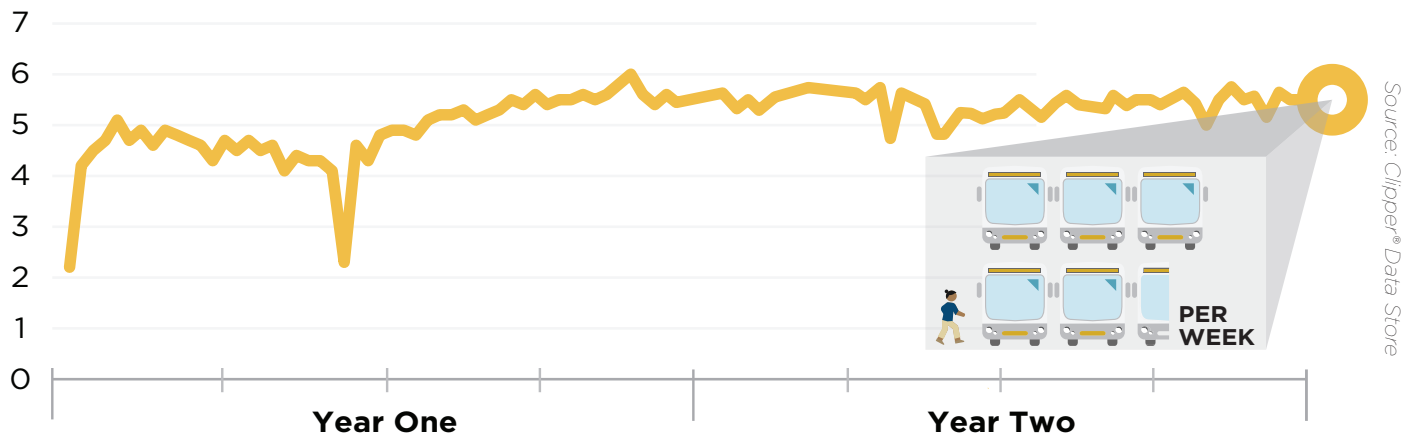
Do enrollees have improved mobility and access to opportunities by transit because of the discount?

By improving the affordability of transit trips, the Clipper® STARTSM program allows riders to take additional transit trips without spending additional money, in turn promoting additional access and mobility across the region.

KEY FINDINGS

- By the end of the pilot, program participants were taking up to 20,000 weekly Clipper® STARTSM trips.²
- Program participants are taking an average of 5.6 trips per week.

Average Clipper® STARTSM Participant Trips by Week

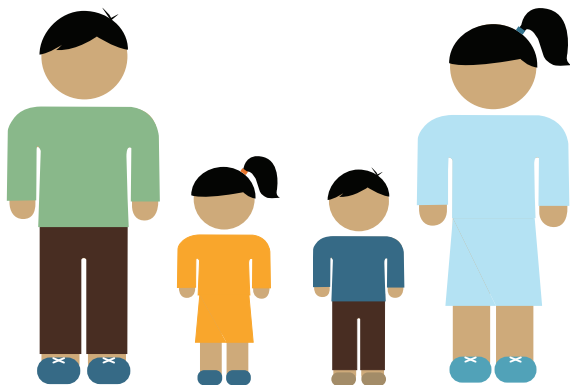
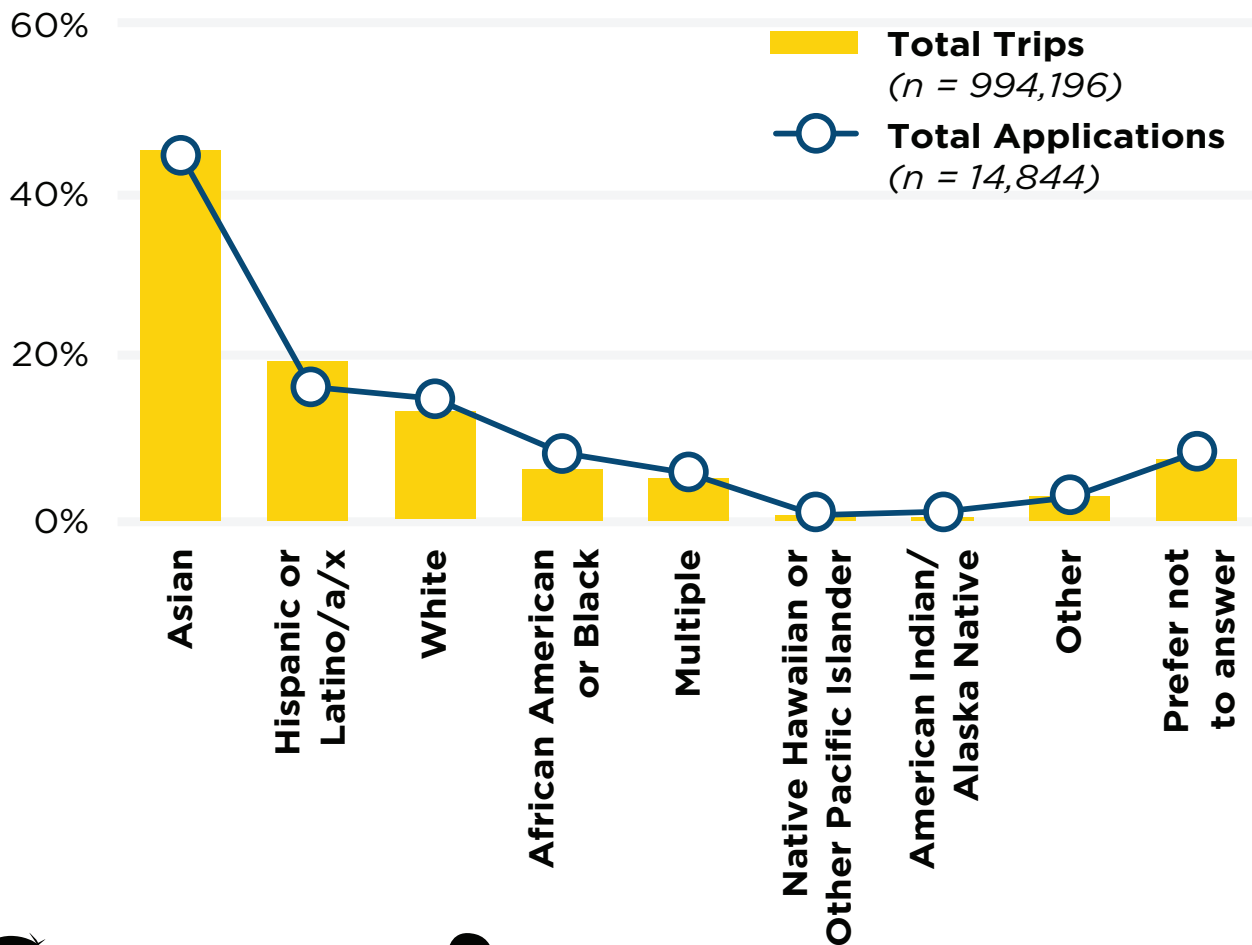


“Makes me want to do more for me and my family on public transportation for necessity, but also for fun—like going to SF for free museum days!”

KEY FINDINGS

- Most of the Clipper® STARTSM trips were taken on Muni (38%), BART (40%), AC Transit (8%), and SamTrans (7%).
- People who identify as Asian and Hispanic or Latino/a/x (65%) and women (59%) applicants took the majority of Clipper® STARTSM trips and took more trips, on average, than White and male participants.
- Focus group participants shared that the program has resulted in increased mobility. There is a significant opportunity for all demographics to benefit from the Program.

Clipper® STARTSM Trips and Applications by Race/Ethnicity



OPPORTUNITIES FOR CHANGE

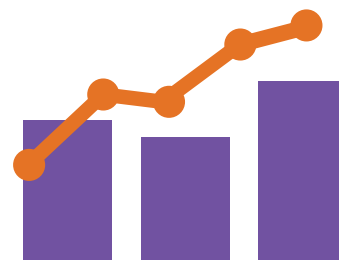
Lessons from the First Two Years of the Pilot

The first two years of the Clipper® STARTSM pilot period enrolled over 13,000 eligible individuals and made a significant difference in the transportation experience of enrollees through decreased transportation costs and improved mobility. This impact was even more notable given the program's implementation in the midst of a worldwide pandemic that continues to influence travel behavior in the region.

MTC identified three goals going into the next phase of the Clipper® STARTSM pilot: increase uptake among eligible individuals, improve customer experience, and

Potential Strategies	Desired Goal(s)	Relevant Outcomes
1 Design and implement a Customer-Focused Marketing Campaign, Grounded in Engagement, Education, and Equity Partnerships 		
• Use of structured, intentional and relational outreach by travel behavior (hubs). Build upon those already serving EPCs. • Engage through identified champions by geography, culture, agency for promotion and education (promatores/community ambassador model) • Educate customers, CBOs, and transit station/drivers/security staff about the program and how it works.	→ Increase Uptake	1 Awareness & Marketing 2 Customer Experience 5 Affordability 6 Access & Mobility
• Review marketing strategies by experts/community serving the demographic • Review website and print materials for understanding and comprehensiveness of information provided	→ Increase Uptake → Improve Customer Experience	1 Awareness & Marketing 2 Customer Experience 6 Access & Mobility
2 Improve Product for Better Customer Experience 		
• Consistent discount across participating Agencies. Increase discount offered to customer to 50% off single-ride fare. MTC to increase reimbursement for those opting to provide 50% discount. Encourage participation of VTA to serve regional/South Bay residents	→ Improve Customer Experience	1 Awareness & Marketing 2 Customer Experience 3 Financial Viability 4 Administrative Feasibility 5 Affordability 6 Access & Mobility

decrease program costs. Potential strategies to achieve these goals and the pilot outcomes fall within three customer-centric themes and six focus areas: engagement, education, and equity partnerships (3E's), marketing, fare policy, and eligibility requirements.



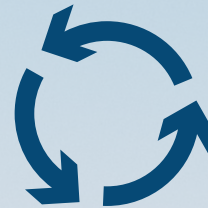
Potential Strategies	Desired Goal(s)	Relevant Outcomes
• Fare cap/accumulator pass: Cap fares when they reach the cost of an unlimited ride pass (daily, weekly or monthly pass). To address enrollees not having cash layout of full monthly pass. Benefits frequent transit riders.	→ Increase Uptake → Improve Customer Experience	2 Customer Experience 3 Financial Viability 4 Administrative Feasibility 5 Affordability 6 Access & Mobility

3 Simplify Access to the Clipper® STARTSM card

• Auto-enroll individuals that receive other social benefits (e.g. Cal-Fresh) in Clipper® STARTSM. Eliminates burden of providing documentation during Clipper® STARTSM application process; reduces costs associated with eligibility verification.	→ Increase Uptake → Decrease Program Costs → Improve Customer Experience	1 Awareness & Marketing 2 Customer Experience 4 Administrative Feasibility 5 Affordability 6 Access & Mobility
• Increase income eligibility threshold above 200% FPL (tiered model) to increase potential rider pool eligible for discount. May accurately reflect high cost of living in Bay Area. Larger pool does not mean greater percentage of uptake- may not affect low uptake percentages of 200% FPL.	→ Increase Uptake	2 Customer Experience 3 Financial Viability 5 Affordability 6 Access & Mobility
• Self-verification of eligibility (e.g. income) during application process. Eliminates burden of providing documentation and reduces costs associated with eligibility verification. Potential for program abuse – individuals enrolling who do not meet eligibility criteria.	→ Increase Uptake → Decrease Program Costs → Improve Customer Experience	1 Awareness & Marketing 2 Customer Experience 4 Administrative Feasibility 5 Affordability 6 Access & Mobility

Linkages with Other Regional Efforts

Staff at MTC should continue to coordinate with Bay Area transit agencies and county transportation agencies that are researching ways to make the region's transit network better coordinated and more affordable. This includes aligning with regional fare coordination work and working with staff agencies with existing low-income fare programs, like Muni and VTA. PlanBayArea 2050 calls for seeking greater strategic alignment amongst all of MTC's means-based initiatives including the Community Based Transportation Plans, Clipper® STARTSM, the I-880 Express Lanes Toll Discount Pilot, and the Fare Coordination and Integration Study, amongst others.



Additionally, various operators and stakeholders are implementing marketing and limited fare discount promotions to entice the public to ride transit. As transit confidence and ridership increases with reductions in COVID-19 rates, eligible residents are anticipated to enroll in the pilot and ride transit.

Acknowledgments

Clipper START Participants

Participating Community-Based Organizations

Regional Social Service Agencies

Transit Partners

- Clipper START Working Group
- Clipper Executive Board
- Fare Integration Task Force

MTC

- Commission
- Policy Advisory Council's Equity and Access Sub-Committee
- MTC Executive Committee
- Clipper START Team: Lysa Hale (PM), Helise Cohn, Sarah Doggett, Carol Kuester, Melanie Choy, Drennen Shelton, Theresa Romell, Brooke Fotheringham, Shauna Callow

Evaluation Team

- MTC Lead: Judis Santos
- Nelson Nygaard Team Lead: Tracy McMillan
- Raimi and Associates
- Jacobs



Community-Based Organization and Social Service Agencies Available for Outreach

