

Date: May 23, 2018
W.I.: 1311
Referred by: PAC
Revised: 08/26/2020-C
06/23/2021-C

ABSTRACT

MTC Resolution No. 4320, Revised

This resolution approves the Regional Means-Based Fare Program Framework, a regional low-income discount fare program for eligible transit riders.

On August 26, 2020, Attachment A was revised to expand the Regional Means-Based Transit Fare Pilot to additional eligible transit operators.

On June 23, 2021, Attachment A was revised to extend the pilot period of Clipper START until June 30, 2023.

Further discussion of this action is contained in the MTC Programming and Allocations Summary Sheet dated May 9, 2018 and Executive Director Memorandum dated May 16, 2018, August 12, 2020, and June 9, 2021.

Date: May 23, 2018
W.I.: 1311
Referred by: PAC

RE: Regional Means-Based Program Framework

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4320

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, transit affordability has been highlighted as a regional issue in MTC's Coordinated Plan, Plan Bay Area and other plans;

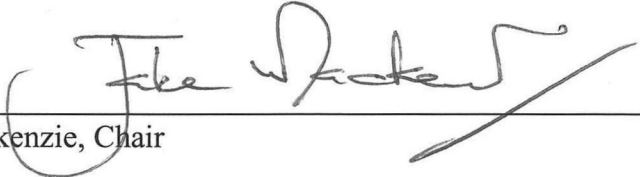
WHEREAS, MTC has conducted the Regional Means-Based Fare Pricing Study;

WHEREAS, the MTC recommends adopting a regional framework for the program, with participating operators, funding guidelines, and program conditions, as shown in Attachment A;

RESOLVED, that MTC approves Regional Means Based Fare Program Framework, subject to the conditions noted therein; and, be it further

RESOLVED, that MTC may annually allocate regional funds to support the Regional Means Based Fare Program per the respective funding program guidelines.

METROPOLITAN TRANSPORTATION COMMISSION



Jake Mackenzie, Chair

The above resolution was approved by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on May 23, 2018.

Date: May 23, 2018
W.I.: 1311
Referred by: PAC
Revised: 08/26/20-C
06/23/2021-C

Attachment A
Resolution No. 4320
Page 1 of 2

Regional Means Based Transit Fare Pilot Program Framework

Participating Agencies

Initial Group (Cohort 1):

1. Bay Area Rapid Transit (BART)
2. Caltrain
3. Golden Gate Bridge, Highway and Transportation District (GGBHTD)
4. San Francisco Municipal Transportation Agency (SFMTA)

Expanded Group (Cohort 2):

As of August 26, 2020, additional transit agencies serving within the nine-Bay Area region may participate in the Pilot.

Means-based Discount

A minimum 20% per trip discount off the adult fare (in addition to any existing Clipper® discounts) will be offered to eligible persons.

Eligibility

Adults earning less than 200% Federal Poverty Level (FPL)

Funding

Overall Funding Estimates and Program Administration Funding:

Cohort 1: MTC to make available an estimated \$11 million in funding per year (subject to annual allocation action by MTC and fluctuations in annual revenues), which would be used for subsidy, with administrative costs funded first. The MTC contribution comes from State Transit Assistance population-based funds (approximately \$8 million per year) and Low Carbon Transit Operations Program (LCTOP) population-based funds (approximately \$3 million per year). Funding from these programs is approved through MTC Resolution Nos. 4321, 4130, and 4420.

Cohort 2: A one-time commitment of funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act is being provided specifically for Cohort 2 (approximately \$5 million). Funding from these programs is approved through MTC Resolution No. 4420.

Initial Group (Cohort 1) Subsidy:

Of the estimated \$11 million being made available in funding per year (12 months) referenced above for the pilot period, a total of \$12 million over 36 months is being made available to subsidize fares up to 10% during the pilot period. Participating operators are to cover the remainder of the discount or any additional revenue losses from other sources.

Expanded Group (Cohort 2) Subsidy:

A total of \$5 million over the pilot period (actual start date may vary but pilot end date will be the same as Cohort 1) is being made available to subsidize fares up to 10% for operators in Cohort 2. Participating operators are to cover the remainder of the discount or any additional revenue losses from other sources.

Implementation

- Program will be a 36-month pilot. (*The initial pilot period was established at 18 months. On June 23, 2021, the pilot was extended by an additional 18 months to June 30, 2023.*)
- Program to be implemented on Clipper through a discount coupon approach.
- Program will be centrally administered on behalf of all participating agencies.
- Program will be evaluated for continual improvements and is subject to revision based on financial sustainability, efficiency, and effectiveness.

Timing of transit operator launch is contingent on Clipper system capabilities and appropriate transit operator Board approvals.

Conditions

- Operators to conduct Title VI analysis per Federal Transit Administration (FTA) as required.
- The formula for distributing regional funds to transit operators will be based on actual trips taken and is subject to refinement based on the rider participation rates and amount of regional funding available.
- SFMTA can continue, expand, or eliminate its current Lifeline monthly program; however, the regional funding will only be used to compensate for participation in the new regional program. Other operators with existing low-income rider discount programs, who are not participating in the regional program, would not be eligible for regional Means-Based Fare Program funding.