

Meeting Notes

MTC Regional Means-Based Transit Fare Pricing Study

TAC Meeting #1: Existing Policies and Conditions

Thursday, May 28, 2015, 10:00 AM – 12:00 PM

MTC Office, 101 Eighth Street, Oakland

Presentation Comments:

- MTC Staff and the consultant team presented the presentation slides.
- Slide 11: Double check S/D monthly pass discount for AC Transit; add reference to Free Muni for Low & Moderate Income S/D and Youth.
- Slide 12: clarification requested on numbers in each category and what was included in Other.
- Free Muni for S/D had anticipated 20,000 registrants; as of March 1, 2015, 46,000 S/D riders had registered.

Post Presentation Discussion:

- TAC member question: where is Clipper available? MTC Clipper staff answered that it is now available for 13 agencies. Clipper was just launched in Napa/Solano. In future, Clipper will be accepted on SMART, County Connection, Wheels, etc. for a total of 20-25 agencies on Clipper.
- There was a question of whether specific areas should be targeted, e.g., priority development areas (PDAs). Translink for TOD targeted specific areas.
- Goal clarification: do we want to attract new riders or serve existing low income riders? They are not mutually exclusive. Are we trying to make transit more affordable or to address spatial entrapment. Affordability is limiting trip making. If we want low income riders to be able to take more discretionary trips because it's more affordable, it also can increase ridership.
- TAC member question: what is an "affordable" fare for transit riders? Is there a household standard or threshold? MTC staff referenced California Necessities Index but there is nothing specific to transit. The question came up about whether affordability should be measured in terms of transportation plus housing costs.
- Center for Neighborhood Technology (based in Chicago) has looked at bundling housing and transportation costs. Problem is that it is difficult to increase housing subsidy. It is easier to move the needle on transit affordability.
- Another issue is the suburbanization of poverty and county migration of poverty. Low income populations being displaced to outer parts of the region. Eastern Contra Costa county has a 20% increase in poverty. Need to consider inter-county travel costs, not just intra-county travel costs.
- There was a question of whether there would be new funding or shifting around funding and corresponding question about whether transit pays for itself or is subsidized. MTC staff said this can be discussed during scenario development and analysis. Yes, transit is already subsidized. Consultant staff said farebox recovery nationally is 25%. TAC member said that BART's farebox recovery is around 80%.
- Desire for analysis of projected cost and actual incurred cost. Muni budget analysis report considered tagging and crowding on vehicles. Need to understand all additional costs.

- TAC member question: will this be a zero sum game? Is there more money to fund these programs? Agencies (e.g., AC Transit) are finally restoring service; do not want to have to cut service to fund program.
- TAC member comment: Potential funding from county social services.
- TAC member comment: VTA receives funding from County Social Services money to subsidize their existing means-based program.

Scenario Development Discussion:

- TAC member comments: Scenarios need to think what can be done short of means-testing, e.g., accumulator or time of day, pricing that would provide benefit to everyone. Fare accumulator on Clipper would be great; interested in peak and off peak pricing.
- MTC staff comment: we can look at fare structure – big picture – or more traditional way of providing discounts. Scenarios should look at discounts and the way the fare structure is set up that might help/hurt low income riders. E.g., off-peak pricing aids low income workers who work off-peak hours.
- How much do we want to reform?
 - TAC Member comment: is off-peak pricing really addressing the goal?
 - TAC member comment: not convinced that study should take on modifying the fare structure but instead operate within discounts provided.
- There was an interest in hearing from riders. Consultant staff said that there will be focus groups with low income residents (transit riders and non-riders).
- TAC member comment: Clipper is great resource but need to remove barriers, e.g., eliminating tag on and tag off structure would be beneficial for low income riders who pay cash to prevent being charged max fare.
- TAC Member comment: AC Transit youth not using Clipper. There are issues with access to load card, especially in Richmond. Also low income less likely to have credit cards. Need to look at more than just cost of transit.
- TAC member comment: low income people not even able to buy weekly pass. In favor of an accumulator.
- TAC member comment: potential to have two tiers for accumulators with a lower cap for low income.
- TAC member comment: SFMTA's \$34 low income Lifeline monthly pass is cost prohibitive. Riders are weighing the cost of the pass against fare evasion.
- Rolling passes help stagger payments to reduce costs at the beginning of the month when other payments are due.
- Technology should not be a barrier to increasing efficiency. Need to focus on streamlining the Clipper program and improving Clipper efficiencies to get better bang for the buck. The more automated, the better off we are. Technical challenges shouldn't be a barrier.
- Some people do not use Clipper due to privacy concerns and concerns about government having access to the data.
- How big a step would it be to move to a regional standard? Need to consider long-term vs. short-term implementation. Are there intermediate steps that may be required?
- TAC member comment: concerned about means-testing. Many riders not part of a program or are undocumented (may not have income verification; may not be enrolled in PG&E program)

because there are multiple families in one home). Also concerned about Spanish speaking households.

- Different parts of the region have different needs.
- TAC member comment: SFMTA is interested in single ride Seattle program, ORCA LIFT. Certifying eligibility is a challenge.
- TAC member comment: Need to consider communications to target populations. How do you address day laborers?
- TAC member comment: who would do means testing, how would it work? MTC staff has heard from operators that they do not want to be responsible for means-testing.