Bay Area Fare Coordination and Integration Study and Business Case

Project Overview

Photo: SPUR, Sergio Ruiz

BART Board Update
February 11, 2021

Metropolitan Transportation Commission

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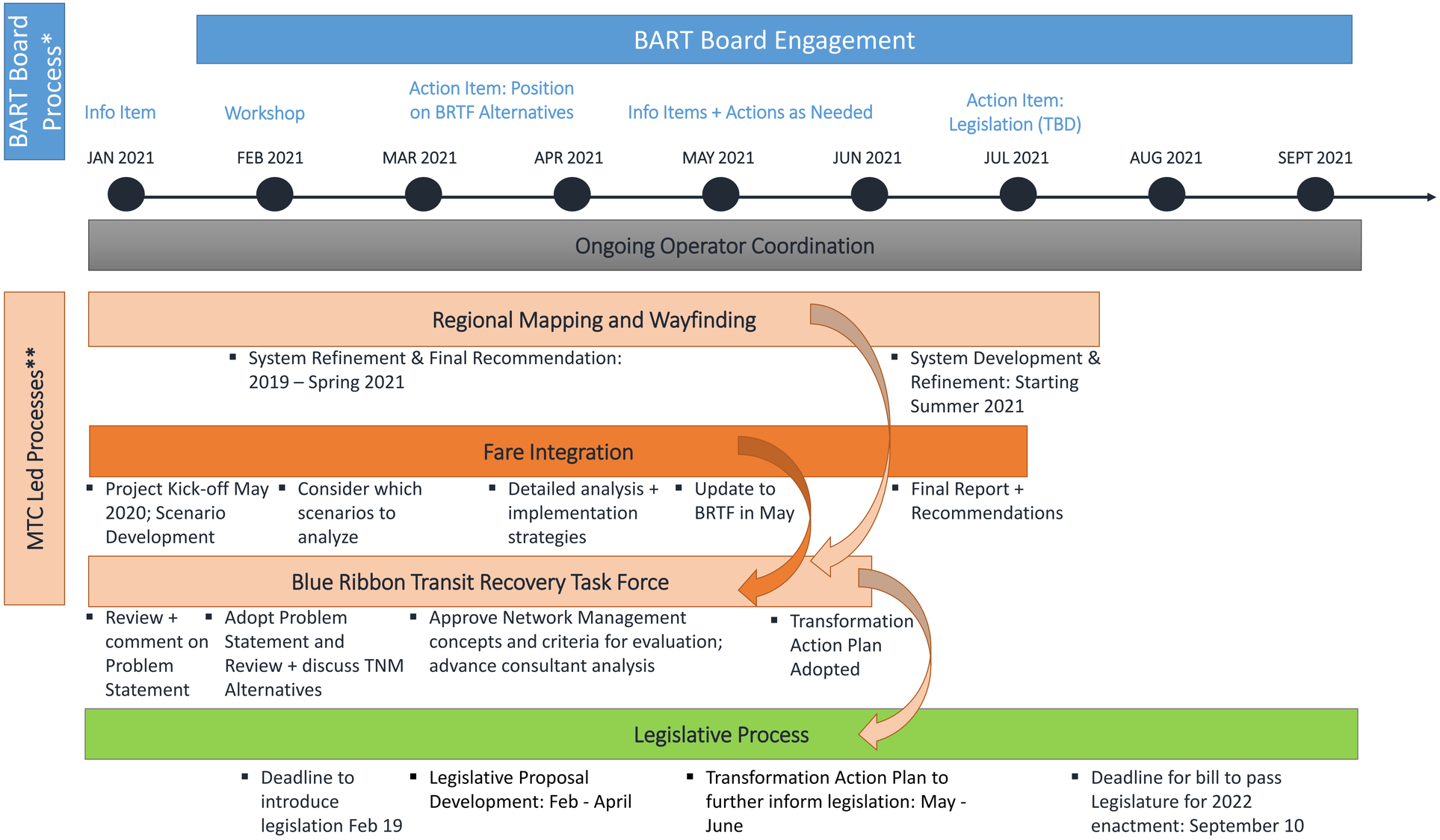
Fare Integration & Coordination in Context



* The BART Board Adopted the Seamless Principles (Nov 2020)

** MTC is also leading Bay Bridge Forward which includes **transit priority** projects, Hub Program, and Safe & Seamless Mobility Quick-Strike Program

Project Overview

Fare Coordination/Integration Study

Project Objectives

- Develop goals for the regional fare system that will support an improved user experience, increased transit ridership and build on robust public outreach;
- Identify barriers, especially barriers related to fares and the user experience, that are impeding increased ridership;
- Identify opportunities to increase transit ridership by improving the regional fare system through regional fare coordination and integration strategies; and
- Develop a detailed implementation plan, including funding plan, for recommended improvements.

Transit Operators & MTC Working Together

Fare Integration Task Force – Project Ownership

Co-Project Managers – BART & MTC staff

Transit Operator Staff Working Group

Consultant team led by the firm Steer

Policymaker and Stakeholder Engagement

Policymaker Forum on Fare Coordination/Integration

MTC Policy Advisory Council Subcommittee on Fare Coordination/Integration

Blue Ribbon Transit Recovery Task Force

Fare Integration Task Force

AC Transit
NVTA Napa Valley Transportation Authority
BART
San Francisco Bay Ferry
Caltrain
SFMTA
County Connection
samTrans
Golden Gate Bridge Highway & Transportation District
STA Solano Transportation Authority
Tri-Valley Wheels
Valley Transportation Authority
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Overview of Current Transit Fares and Products

Local Bus/LRT Fare

(Adult Clipper Fare)

$1.50	$1.60	$1.75	$1.80	$2.00	$2.05	$2.25	$2.50
Petaluma Transit	Napa Vine*	FAST*	Golden Gate Transit*	CCCTA*	SamTrans*	AC Transit*	SFMTA
Sonoma County Transit		WestCAT*	Marin Transit	SolTrans*			VTA*
Vacaville City Coach				Tri Delta Transit*			
Santa Rosa City Bus				Union City Transit			
				LAVTA			

* = Higher fare for express/regional bus services

Zone Based Fares

- Caltrain
- Golden Gate Transit
- SMART
- Sonoma County Transit

Distance/Route Based Fares

10 miles

- ACE
- BART
- Golden Gate Ferry
- WETA

Offers Pass Product

Does Not Offer Pass Product

Information as of 2020, prior to COVID-19 Pandemic.

Overview: Bay Area Fare Coordination and Integration Study Scope Progress

		What we have done	In progress	What is next
1	**Problem Statement + Goals**	Problem statement Key issues	Goal setting	Map of benefits
2	**Existing Conditions and Background Research**	Market research (NHTS) Previous studies Peer agencies review		
3	**Barriers to Transit Ridership**		Synthesis of user research and existing conditions	
4	**Alternatives Development**		Development and selection of alternatives	
5	**Alternatives Analysis/ Business Case**		Development of business case methodology note	Performance comparison
6	**Recommendations and Implementation Plan**			Recommendations and implementation plan
7	**Stakeholder Engagement and User Research**	Stakeholder approach plan Pilot user research workshop	1-1 interviews and “Sensemaker” survey tool	Additional interviews and surveys

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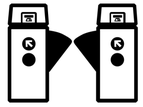
Project Problem Statement

Fare policy is one among several factors that have constrained the growth of transit ridership in recent years. Current fare policies are informed by funding and governance models that incentivize locally-focused fares without providing a coherent set of policies to set fares that support ridership growth.

As a result, Fare Coordination and Integration has a role to play in restoring transit ridership, supporting recovery from the COVID-19 pandemic, and delivering the transportation system the Bay Area needs for its coming decades of growth.

The following key issues define how fares impact ridership and contribute to the key problems facing the region detract from rider experience:

Customer Value – Current fare policies can lead to a disconnect between the fare charged and the value a customer places on their trip.



Payment Experience – Current fare products, passes, payment technologies, and payment experiences may not be legible.

Equity – Current fares may not consistently meet the needs of vulnerable populations.

Future Transit – Current fares may not optimize the ridership and benefits of proposed transportation investments.

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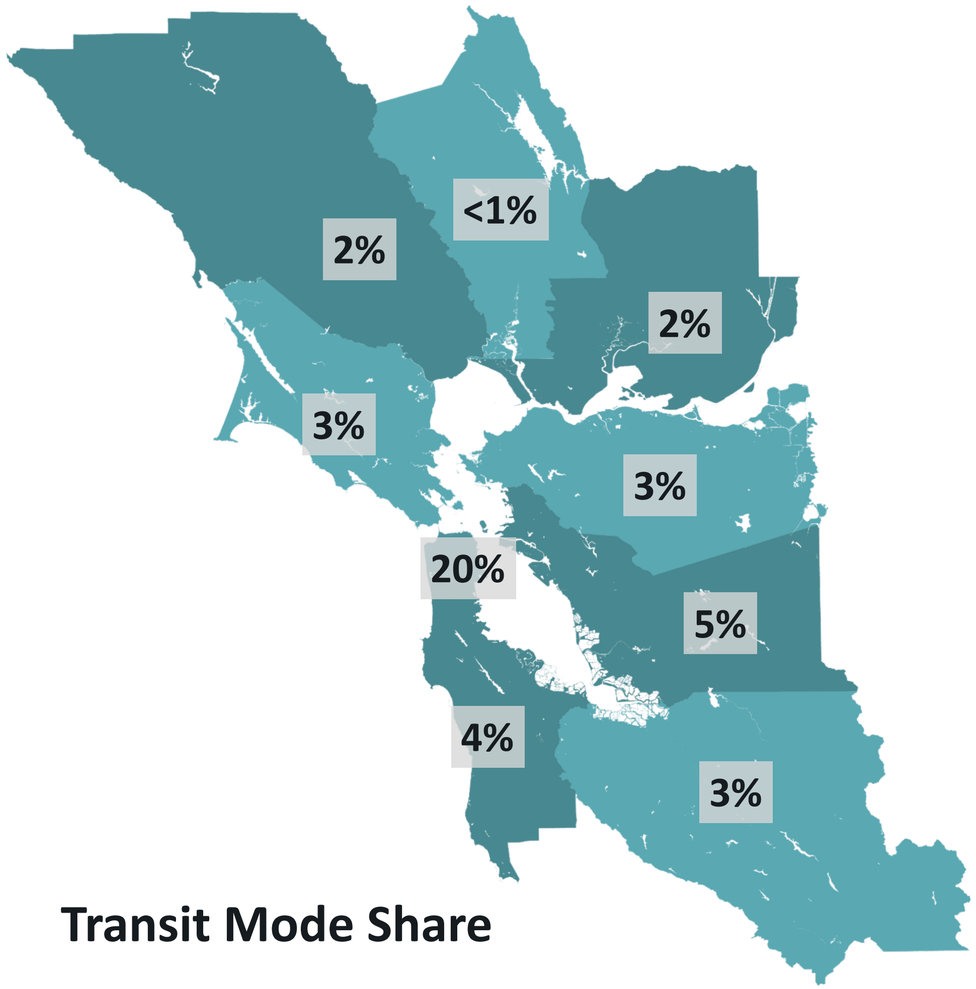
Pre-COVID Travel Patterns

Pre-COVID-19 Travel Patterns – at a High-Level

- 27 million trips made daily in the Bay Area.
  - 1.8 million (or 6-7%) made on transit.
  - 20% of all trips in San Francisco were made on transit, but transit was only used for 5% or less of all trips in all other counties

- 4.7 million daily trips by all modes crossed county boundaries (17% of daily trips).
  - Of those inter-county trips, 740,000 (16%) were made on transit – this is equal to nearly half of all transit usage in the region

This means that pre COVID-19, the transit mode share for inter-county trips was higher than the mode share for trips within a county – this is largely driven by the high transit share to/from San Francisco.



Transit Mode Share

Based on the NHTS California Add-on, 2017

Four out of the five most common transfer pairs involved BART

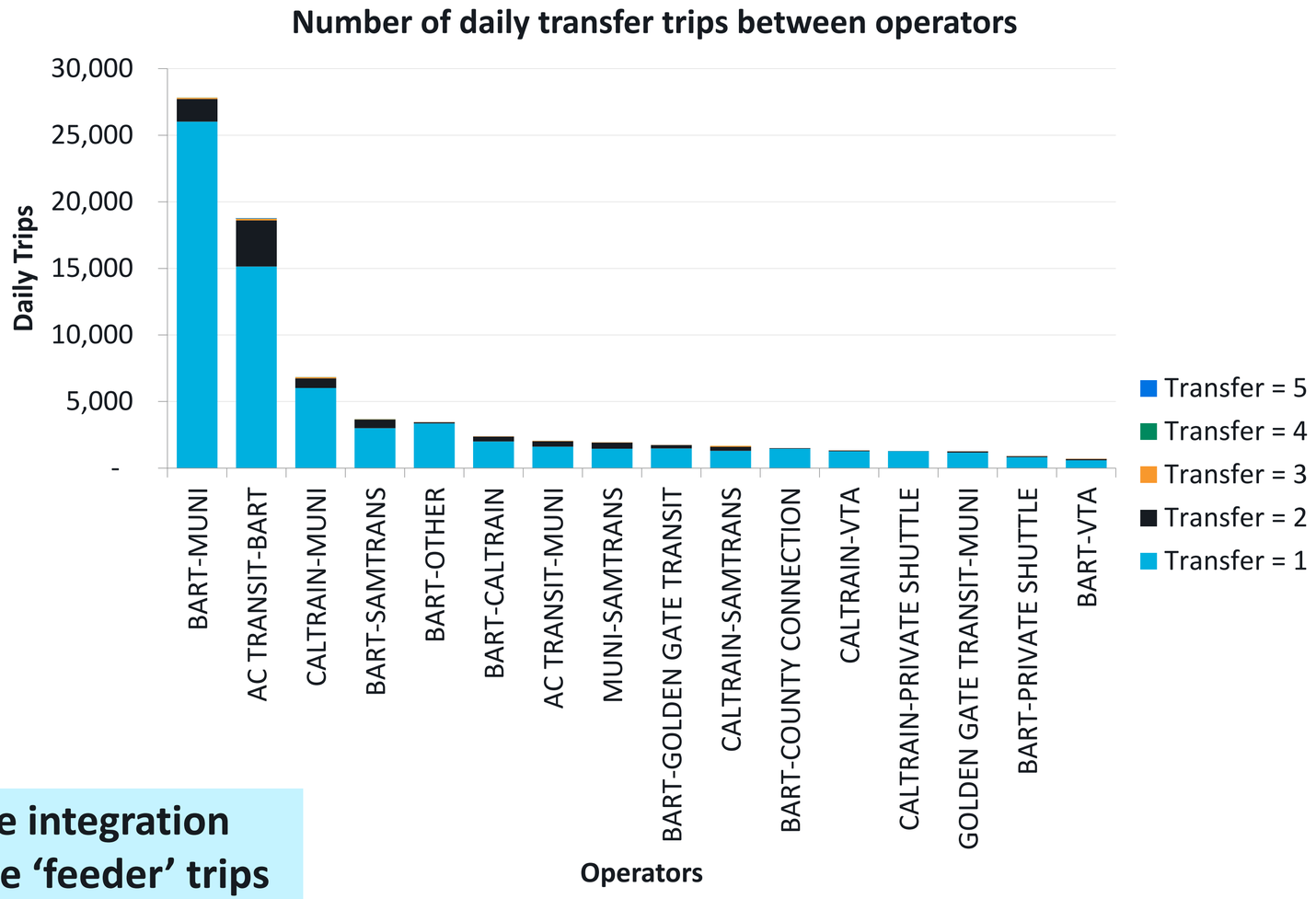
Using on board survey data, 8% of all trips on a daily basis involved multiple agencies.

This is consistent with Clipper data.

BART, Muni, and AC Transit account for the largest number of transfers.

The top 5 transfer pairs include:

1. BART – Muni
2. AC Transit – BART
3. Caltrain – Muni
4. BART – SamTrans
5. BART - Other

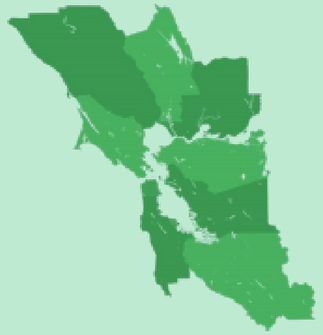


This suggests that a significant majority of fare integration use cases under Pre-COVID-19 conditions were ‘feeder’ trips to/from BART.

Alternatives Development & Next Steps

Six Elements of Fare Coordination and Integration

Strategic Elements



Integration Model

- Which agencies could be included in the coordinated/ integrated structure?

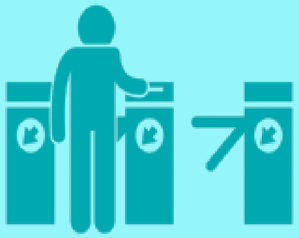
Fare Management Model

- Who could make decisions and how are decisions made to coordinate/ integrate fares?

Customer Facing Elements

Pricing Model

- How could prices be set in the coordinated/ integrated fare structure?



Fare Payment Model

- How could customers pay for coordinated/ integrated fares?

Implementation Elements

Funding Model

- How could new capital and operating costs and revenue impacts be managed?

Delivery Model

- How could the coordinated/ integrated fare structure be phased and implemented?

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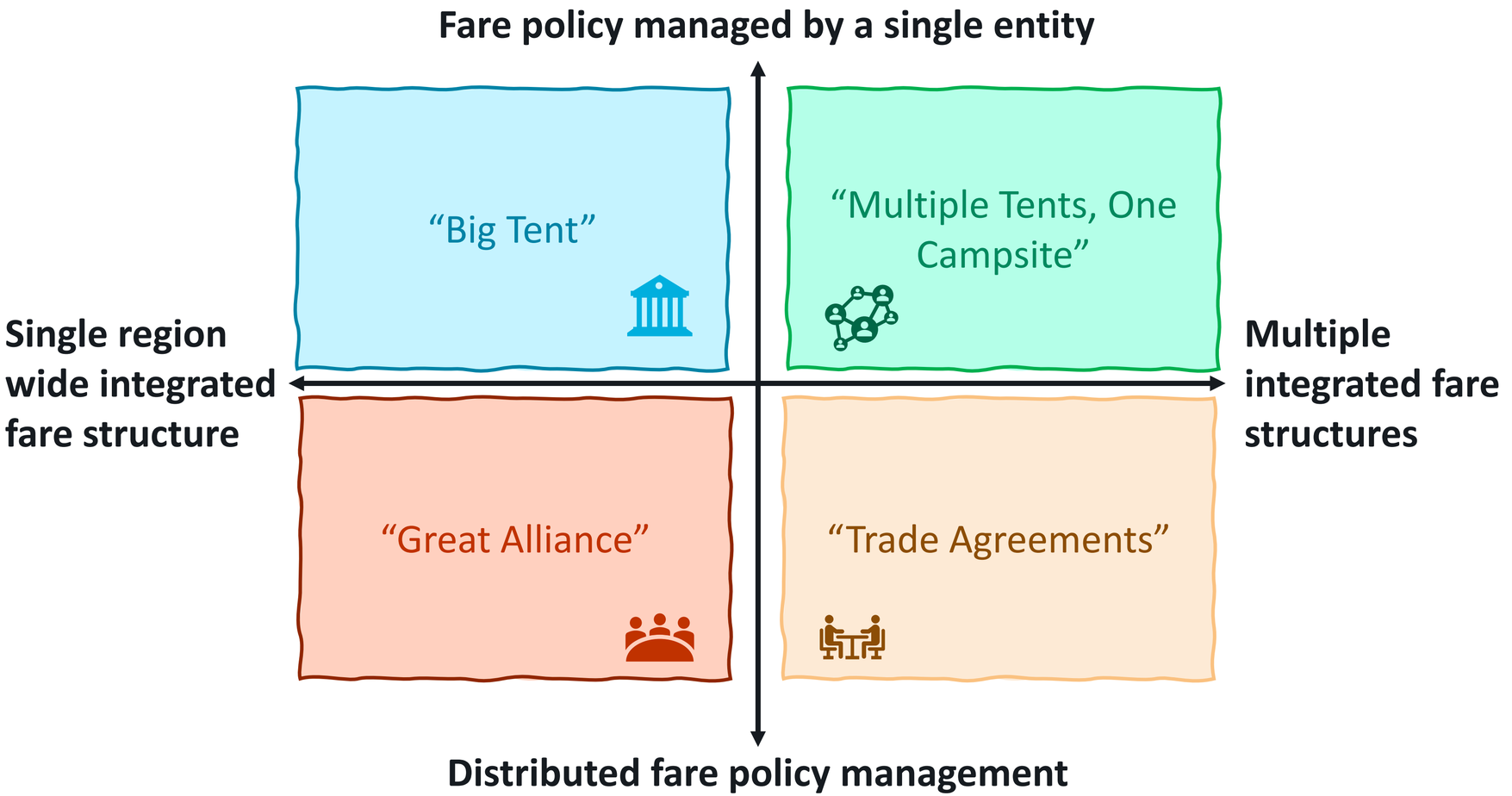
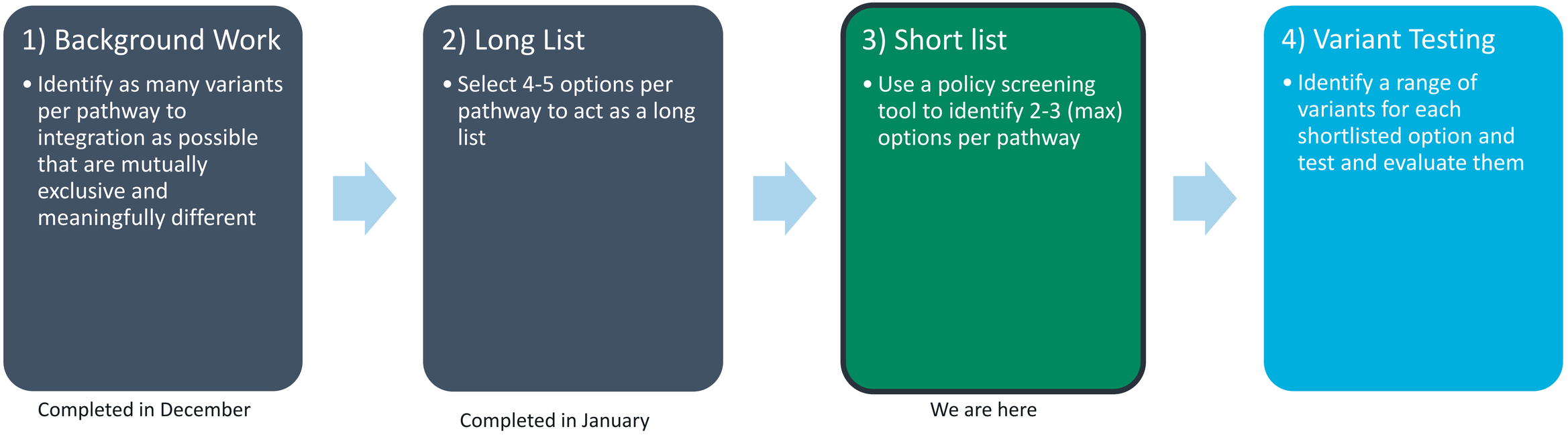
Potential Pathways to Fare Coordination/Integration



Option Development Process Overview

An option is defined as a potential ‘high-level’ fare structure for the region that uses a combination of single and multiple trip pricing tools to integrate fares. Variants based on specific prices, passes, caps, or products are considered in steps 3 and 4.



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Project Schedule/Next Steps

MAY 2020
Project team kick off

DEC. 2020 - FEB. 2021
Project team develops fare coordination and integration scenarios for detailed analysis

FEB. 2021
Fare Integration Task Force considers which coordination and integration scenarios to analyze

SPRING 2021
Project team conducts detailed analysis of financial, ridership, and user impacts and develops implementation strategies

SUMMER 2021
Project team presents final report and recommendations to the Fare Integration Task Force and MTC

Appendix

Preliminary Goals and Evaluation Criteria

Goals	What Does Success Look Like?
Increase transit ridership in the Bay Area	Higher ridership and transit mode share across the Bay Area
Improves Customer Experience	Improves legibility and ease of use of regional transit system
Promotes Equity	Maintains and improves system access for people with low incomes
Supports Fiscal Recovery for Bay Area Transit	Consistent with increasing total operating revenue

Risks and Impacts to Mitigate When Advancing Fare Coordination/Integration

The following factors should be considered as potential risks or issues to mitigate when advancing fare integration actions:

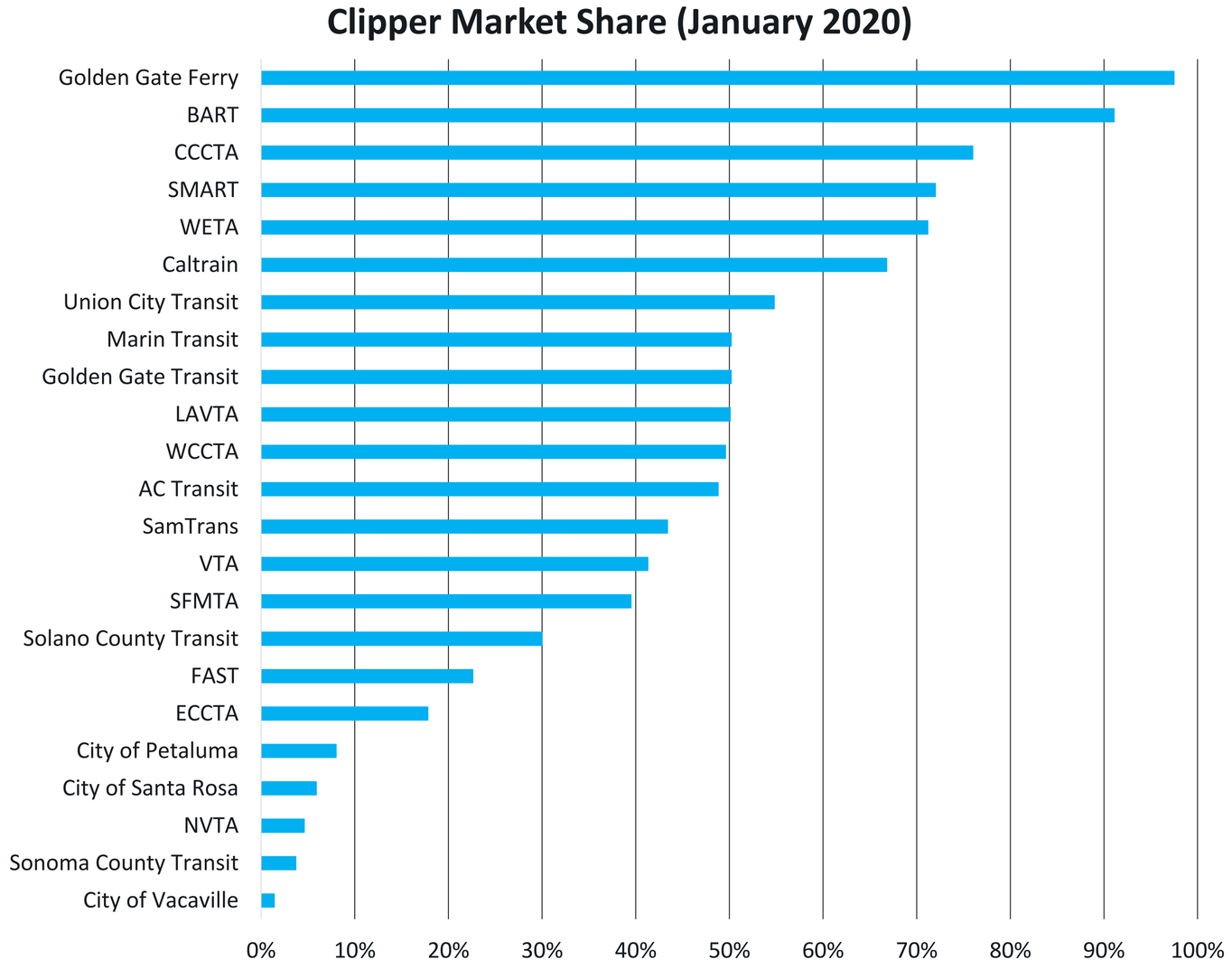
Loss of revenue	Increased operating costs	New demand is sub optimal (demand shifts to crowded modes)
Cost of changes (capital, administrative, etc.)	Fares might not be right motivator to cause behavior shift in these markets	Customer experience might not be right motivator to shift behavior in these markets

Clipper market share is growing but varies by operator and mode

As of January 2020, Clipper market share varied by operator from 2% (City Coach) to 99% (Golden Gate Ferry) – these market shares should be considered when interpreting findings from Clipper data.

- Roughly 28% of operators (7/25) had a Clipper market share above 50%.
- More than 70% of transit riders on BART, Caltrain, Golden Gate Ferry, SMART, and SF Ferry used Clipper.
- Conversely, only 16% of customers in the Napa/Solano Operator Group and 30% in the East Bay Operator Group used Clipper.
- Recent (post-COVID) Clipper market share is generally up across most operators.

Source: January 2020 Clipper Market Share



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Most users only interacted with one fare structure daily

While over the span of a year, nearly 1.7 million Bay Area travelers used multiple agencies, on a day-to-day basis only approximately 8% used multiple agencies in a trip, while 14% may used multiple agencies across a day.

About 87% who interacted with more than one fare structure ride BART, SFMTA/Muni, or AC Transit as their primary agency.