

# Authorization to Continue Participation in the Clipper START Low-income Transit Fare Subsidy Pilot Program

City Council Meeting October 12, 2021 Shawn Sosa
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#### CURRENT

- The Metropolitan Transportation Commission administers the regional Clipper Card Program that the City has participated in since 2015
- In July 2020 the region's largest operators began participating in an 18-month pilot program to provide a reduced single-ride fare for low-income adult transit riders via Clipper Card
- In November 2020, as a COVID-19 recovery strategy, MTC opened participation to the other transit operators in the region

### CURRENT

- The goals of the program have not been achieved due to the drastically reduced transit ridership in the Bay Area
- MTC has extended the pilot program for an additional 18 months (through June 2023)
- Continued participation requires Council approval

### **CURRENT**

- Continued participation in the Clipper START
   Pilot Program provides a 20% discount on
   single-ride fares for eligible low-income adults
   (earning less than 200% of the federal poverty
   level) through June 2023
  - 50% of lost fare revenue resulting from CityBus' participation in the program would be reimbursed by MTC
  - Transit Enterprise would absorb the remaining 50% in lost fare revenue

#### **PROPOSED**

- Approve continued participation in the Clipper START Means Based Transit Fare Discount Pilot Program
  - Single-ride fare for participating low-income adults (age 18-64) would be \$1.20 rather than \$1.50
  - Based on current assumptions related to ridership recovery and program participation, Transit Enterprise expects to absorb between \$15,000 and \$35,000 in lost fare revenue during pilot period

# BENEFIT

- Provide immediate financial benefit for economically vulnerable riders during pandemic
- Fill gap in current discount program for low-income adults who are ineligible for discounts for youth, seniors, or people with disabilities
- Increase participation in the Clipper Card program (reduces cash-handling and related costs)
- Continue participation in regional program to increase the consistency of discount program for transit riders
- MTC covers program administration and subsidizes
   50% of lost revenue

## RECOMMENDATION

- Authorize the continued participation in the Clipper START Pilot Program
- Direct staff to provide copies of the resolution and related documents as may be appropriate, to MTC, the Sonoma County Transportation Authority, and such other agencies as may be appropriate.
- Questions?