



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: Regional Means-Based Transit Fare Pricing Study
Technical Advisory Committee (TAC) Members

DATE: July 27, 2015

FR: Kristen Mazur

RE: Scenario Overview and TAC Meeting #2 Goals

MTC is conducting the Regional Means-Based Transit Fare Pricing Study to develop scenarios for funding and implementing a regional means-based transit fare program or programs in the nine-county Bay Area, and to determine the feasibility of implementing the scenarios. Each of the scenarios must be consistent with the following three objectives:

1. Make transit more **affordable** for the Bay Area's low-income residents.
2. Move towards a more **consistent regional standard** for fare discount policies.
3. Define a transit affordability solution that is **financially viable and administratively feasible**, and does not adversely affect the transit system's service levels and performance.

Fare Scenario Building Blocks

Each fare scenario will eventually have a set of building blocks, including the following:

- **Discount Structure:** What discount and/or other policy tool will be implemented?
- **Geographic Scope:** Which operators will participate? Will it be an opt-in program? Will there be a limited demonstration project? Will there be regional consistency in discounts offered?
- **Target Population & Income Threshold:** Who is the target market? What income threshold will be used to determine eligibility?
- **Means-Testing:** Who will conduct the means-testing if eligibility assessments are required?
- **Distribution:** How will the benefits or discounts be distributed?
- **Fare Media:** What media will be used to distribute the discounts (e.g., Clipper, paper)?

TAC Meeting #2 Goals

At TAC Meeting #2 on August 3, 2015, staff welcomes input on any of the building blocks listed above, but the discussion will be focused on the first building block: the discount and/or policy tool that will be implemented. MTC staff and the consultant team will present the TAC with several alternative discount structures and policy tools for consideration and discussion.

Ultimately five viable alternative scenarios will be selected for evaluation using input collected from the TAC, as well from the Partnership Transit Finance Working Group, the Policy Advisory Council Equity and Access Subcommittee, and two focus groups with low-income residents (to be conducted in approximately August 2015).

After deciding on the five discount structure/policy tools to be evaluated, details regarding the other building blocks will be fleshed out before the evaluation takes place.

For more information, please contact Kristen Mazur at 510-817-5789 or kmazur@mtc.ca.gov