

ADDED: AUGUST 24, 2020



Agenda Item No. (6)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of August 27, 2020

From: Ron Downing, Director of Planning
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE THE SETTING OF A PUBLIC HEARING TO RECEIVE
PUBLIC COMMENT ON THE PROPOSED EXPANSION OF CLIPPER
START FARES TO INCLUDE MARIN LOCAL RIDES ON GOLDEN
GATE TRANSIT BUS SERVICE**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize the setting of a public hearing to receive public comment on the expansion of means-based fares, known as “Clipper START” fares, to include local rides within Marin County on Golden Gate Transit buses. The public hearing would take place via audioconference on Thursday, September 24, 2020, at 9:00 a.m.

This matter will be presented to the Board of Directors at its August 28, 2020, meeting for appropriate action.

Background

Transit affordability has been identified as a key issue in the Bay Area. In 2018 the Metropolitan Transportation Commission (MTC) proposed implementation of a pilot program lasting 12 to 18 months to provide means-based fares for low-income persons on participating transit systems. Persons with income below 200% of the Federal Poverty Level (approximately \$75,000 per year for a family of four in the Bay Area) are eligible to enroll in the program. The program issues special Clipper cards to qualifying persons that provide discounts of 20% or 50% off current adult cash fares, depending on the transit agency’s level of participation.

The Golden Gate Bridge, Highway and Transportation District (District) Board of Directors (Board) voted in September 2019 to participate in the means-based fare program with a 50% discount for primarily regional trips on Golden Gate Transit buses and regular (non-special event) Golden Gate Ferry service. The program, which was subsequently branded “Clipper START,” began on July 15, 2020. MTC identified the District, BART, Caltrain, and SFMTA for participation in program. The Clipper START program currently provides a fare discount for low-income riders taking primarily regional trips on Golden Gate Transit buses and regular (non-special event) Golden Gate Ferry service.

Multiple additional Bay Area transit agencies have expressed an interest in means-based fares, and MTC recently offered to expand Clipper START to these agencies. As part of this expansion, Marin Transit would join the program starting in November 2020 and offer a 50% discount off the current adult cash fare for travel within Marin County.

The District observes Marin Transit fares for local travel within Marin County on Golden Gate Transit buses, due to the historical relationship between the two agencies. Therefore, in order to provide a seamless experience for passengers who use Marin Transit and Golden Gate Transit interchangeably for local travel within Marin County, and would be eligible for Clipper START fares, the District needs to match those local Marin fares. However, the discounts for Golden Gate Transit bus service authorized by the Board in September 2019 excluded local travel in Marin County, so further action by the Board is required.

Prior to the COVID-19 pandemic, the overall extent of revenue loss was estimated to be between \$500,000 and \$1,000,000 per year for the District's bus and ferry services. Of this amount, regional funding between \$300,000 and \$500,000 would be available to offset the lost revenue. These estimates did not make any assumptions on ridership changes, and actual costs would be dependent upon participation rates. Using the same pre-pandemic methodology, inclusion of the Marin local fare discount would add between \$22,000 and \$44,000 to the annual cost of the program.

In light of COVID-19 pandemic ridership levels, the District estimates that the cost of the existing Clipper START program could be significantly lower. Using current ridership levels, the cost of the existing program would be between \$53,000 and \$106,000 per year. Inclusion of the Marin local fare discount would add between \$15,000 and \$30,000 to the annual cost of the program.

It is unlikely that ridership will remain constant at current levels or immediately rebound to pre-pandemic levels. Therefore, assuming ridership returns to pre-pandemic levels over the course of one year, the annual cost of the revised means-based fare program would be between \$230,000 and \$460,000. This is slightly less than half of what was previously authorized by the Board, and it is possible that the cost of the program could be completely offset by available regional funding.

Discussion

Board policy identifies that establishing a new fare requires a public engagement process that includes a formal public hearing.

The current adult cash fare for local travel within Marin County is \$2.00. Clipper START would provide a 50% discount to eligible participants, so the fare would be \$1.00 for these rides.

Public Comment Process

Public comments on this proposal to offer means-based fares for Marin local rides can be submitted in several different ways:

1. Attend the audioconference public hearing;
2. E-mail publichearing@goldengate.org; and/or,
3. Send written comments to the District Secretary.

All comments are considered equally without regard to the manner in which the comments are submitted. Therefore, individuals do not have to attend the public hearing if they have commented through email or written forms. All comments received through the above methods will be considered in the final recommendation. Comments must be received by 4:30 p.m. on Friday, September 25, 2020.

Title VI Equity Analysis

Any fare change is subject to an equity analysis under the requirements of Title VI. Final recommendation to the Board after the Public Hearing would include the results of that Title VI equity analysis. This analysis will be completed after the public hearing in order to reflect any public comments received on the proposal to implement this new fare.

Public Notification

If the proposal to hold this public hearing is approved by the Board, outreach on the proposal to create the new means-based fare would begin immediately and continue into mid-September prior to the public hearing.

Public notification activities will comprise:

- Displays posted on board buses;
- Advertisements in local publications (*Marin Independent Journal* and *La Voz*);
- Press releases to local media;
- Social media postings on Facebook and Twitter; and,
- Email blast to customers and community-based organizations.

Translation of all printed materials and handouts in Spanish will be available, per the District's Limited English Proficiency (LEP) Plan.

Next Steps

Following the public hearing, staff will evaluate all comments received and determine whether changes or modifications need to be made to the proposal to establish a means-based fare for Marin local rides. A final recommendation will be brought back to the October 22, 2020, Finance-Auditing Committee meeting and to the full Board on the following day.

Fiscal Impact

The fiscal impact of providing a public hearing and associated outreach is estimated at less than \$5,000, and will be covered by the existing Marketing and Communications Department budget.

THIS PAGE INTENTIONALLY LEFT BLANK