



SMART FARE POLICY

APRIL 3, 2019

SMART FARE POLICY BACKGROUND

Technology Options

SMART-only fare collection system

SMART & Clipper Regional fare collection

 **Clipper-only Regional fare collection system**

**Supplemented with a smartphone app as allowed by Clipper rules*

SMART Board Policy Decision May 2014

SMART FARE POLICY BACKGROUND

Clipper-only Regional fare collection system benefits

- Capital Costs mostly covered by Region (85% or \$2M)
- Clipper MOU regional participant
 - Promotion of Clipper use first
- Standard Definitions between Transit Operators
 - Youth = 5-18 & Senior = 65+
 - Passengers with Disabilities = regional third party defines
- Inter-operability between 22 Bay Area Transit Operators
- Customer service for fare collection, discount class authentication covered in Clipper
 - Transit Operator/Retail Network already developed

SMART FARE POLICY BACKGROUND

- **Fare Policy – Pay as You Go**

- Flat



- Zone – pay more for traveling farther

- **Fare Policy – Passes (31-day, Eco Pass, Day Pass Accumulator)**



- Flat – buy pass to get discounted all system access

- Zone

*SMART Board Policy Decisions & Direction
February 2015, May 2016, January 2017*

SMART FARE POLICY BACKGROUND

- 7 Zones Created – 5 Zone “Lines” Activated at Start Up
No action needed from Board to open Larkspur, Windsor, Downtown Novato



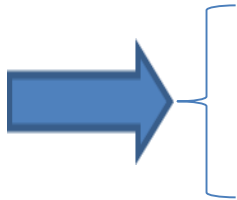
SMART Board Policy Decision February 2015

SMART FARE POLICY BACKGROUND

▪ Transit Transfer Credits

- Local Transit Operators negotiated uniform credits throughout

MOST PROGRESSIVE CREDIT IN BAY AREA



- \$1.50 off bus/ferry rides for adults
- \$.75 off bus/ferry rides for Youth/Senior/Disabled

- Calculated AUTOMATICALLY
- INCLUDES transfer credits for 31-day pass holders to other systems

SMART Board Policy Decision March 2015

SMART FARE POLICY BACKGROUND

▪ Pass Products

- 31-day pass is an All Access Pass to SMART System
 - All Zones & Stations
 - All Days
 - Unlimited Trips
 - Transfer credits to other operators
 - One Low Price - \$200 Adults or \$100 discount passengers

*Compare: Caltrain passes **limited to fixed zones** and range in price from one zone for \$96 to full system for \$434.*

SMART Board Policy Decision January 2017

SMART FARE EQUIPMENT SELECTION



- Local Manufacturer – VenTek, Inc., Petaluma, CA
- Clipper enabled
- Cash acceptance at machines & EMV compliant (“The Chip”)
- Unique “screen flows” developed for SMART
- VenTek contracted for ‘cash handling’ and maintenance

- Transit Operators around Region interested acquiring VenTek machine developed for SMART

SMART Board Policy Decision August 2015

SMART FARE BACKGROUND - PRICING

- Examined Pricing for
 - Local Bus Transit Providers
 - Peer Rail Agencies in Region
 - Capitol Corridor, Altamont Corridor Express, Caltrain*
 - Automobile Driving Cost Comparison
- Reported results of phone/online polling regarding pricing

SMART Board Workshop May 2016 & Meeting June 2016

SMART FARE BACKGROUND - PRICING

- Adopted Fare Pricing & Principles of
 - financial stability
 - Recommended strategy of evaluation of fare revenue generation as part the annual budget with fare adjustments to be considered every two years
 - reasonable affordability
 - institutional incentives to private sector to choose SMART

SMART Board Workshop May 2016

SMART Board Policy Decisions June 2016 & January 2017

FARE COMPARISONS – 2016 TO 2019

	Operator	2016 Trip and Fare	2019 Trip Fare
BUS	Golden Gate	Santa Rosa to San Rafael = \$8 cash	\$8.50 (+6%)
	Sonoma County	40 miles (Cloverdale to Rohnert Park) = \$3.90	\$3.90 (0%)
RAIL	Altamont Corridor Express (ACE)	75 miles (Stockton to San Jose) = \$13.75 40 miles (Livermore to San Jose) = \$9	\$15.50 (+13%) \$10.25 (+14%)
	Caltrain	70 miles (San Francisco – Gilroy) = \$13.75 41 miles (San Francisco – Sunnyvale) = \$7.75	\$15 (+9%) \$8.25 (+6%)
	Capitol Corridor	66 miles (Oakland – Davis) = \$27 45 miles (Suisun City – Sacramento) = \$16	\$27 (0%) \$16 (0%)
	SMART	70 miles (Cloverdale – Larkspur) = \$11.50 38 miles (Downtown Santa Rosa – San Rafael) = \$9.50	\$11.50 (0%) \$9.50 (0%)

**Marin, Santa Rosa and Petaluma Transit Fares unchanged = \$1.50 - \$2 base fare*

FARE COMPARISONS

	Caltrain	ACE	SMART *FY18	BART
FY16 Annual Fare Revenue	\$ 83,738,000	\$ 8,558,000	\$ 3,318,413	\$ 474,160,000
FY16 Annual Ridership	19,233,000	1,290,000	636,029	136,627,000
FY16 Ave. Weekday Ridership	60,220	4,943	2,209	457,594
FY16 Average Fare	\$ 4.35	\$ 6.63	\$ 5.22	\$ 3.47
FY16 Average Fares Collected/Week	\$ 262,190	\$ 32,792	\$ 11,525	\$ 1,588,067

**NOTE: BART also receives \$195M/Year in County Sales Tax, \$35M/Year in Property Tax and \$58M in Other Revenues (Parking, Telecom, Concessions, Permit Fees and Traffic Fines). ACE receives \$10M per year in County Sales Tax.*

FARE PROGRAM – NEW DEVELOPMENTS

Clipper Regional Pilot Program Underway – Launch Mid-2019

- BART, Caltrain, Golden Gate, SFMTA
- Proposed 20% Fare Discount within Clipper card
- Proposed regional fare accumulator
- Adults earning Less than 200% Federal Poverty Level
 - Regional third party/vendor participant verification
- Revenue Loss assumed for each agency with potential backfill from region
- SMART requested to participate after Pilot phase - subject to Board approval