

LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY

STAFF REPORT

SUBJECT: Clipper START Program Permanent Adoption

FROM: David Mark, Director of Customer Experience

DATE: June 23, 2025

Action Requested

Staff requests the Projects and Services Committee review and forward Resolution 22-2025 to the Board of Directors for approval, authorizing LAVTA's participation in Clipper START and authorizing the Executive Director to enter into agreement with the Metropolitan Transportation Commission for the administration of the program.

Background

The Metropolitan Transportation Commission (MTC) previously established a pilot program to offer discounted transit fares to low-income individuals. Known as Clipper START, the program provides single-ride discounts (50%) to eligible riders who live in the Bay Area and whose annual earnings are up to 200 percent of the federal poverty level to qualify. The program is administered by MTC.

The pilot was originally approved in 2020 for an 18-month period scheduled to end in mid-January 2022 (Resolution 31-2020), later extended through June 30, 2023 (Resolution 24-2021), then through June 30, 2025 (Resolution 18-2023). On May 28, 2025, MTC made this program permanent with the passage of MTC Resolution No. 4714, included as Attachment 1.

Discussion

Participation in Clipper START is voluntary and operators may cease to participate by notifying MTC as a part of a regular update to their agency's Clipper business rules. The Clipper START discount is offered on all 22 Bay Area transit agencies that accept Clipper at the time of the adoption of this resolution.

START program operations, administration, and provision of operator subsidy by MTC will be ongoing and implemented via Clipper. The program will be centrally administered on behalf of all participating agencies and evaluated for continual improvements, subject to revision based on financial sustainability, efficiency, and effectiveness. Regular reports on Clipper START utilization are provided to the Clipper Executive Board.

Budget Considerations

Funding will continue to be made available to subsidize operators for half of the 50% Clipper START fare discount. Participating operators are to cover the remainder of the discount or any additional revenue losses from other sources. In FY2024, LAVTA received approximately \$9,000 from MTC for Clipper START reimbursement.

Recommendation

Staff recommends the Projects and Services Committee forward Resolution 22-2025 to the Board of Directors for approval, authorizing LAVTA's participation in Clipper START and authorizing the Executive Director to enter into agreement with MTC for the administration of the program.

Attachment:

1. MTC Resolution No. 4714
2. Draft Resolution 22-2025

Date: May 28, 2025
W.I.: 1311
Referred by: RNM Committee

ABSTRACT

MTC Resolution No. 4714

This resolution approves the Clipper® START Regional Means-Based Fare Program Framework, a regional low-income discount fare program for eligible transit riders.

Further discussion of this action is contained in the MTC Regional Network Management Committee Summary Sheet dated May 9, 2025.

Date: May 28, 2025
W.I.: 1311
Referred by: RNM Committee

RE: Clipper START Regional Means-Based Program Framework

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4714

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, transit affordability has been highlighted as a regional issue in MTC's Coordinated Plan, Plan Bay Area and other plans; and

WHEREAS, since 2020, the Clipper START pilot has made transit more affordable to individuals earning a qualifying low-income; and

WHEREAS, MTC has conducted the Regional Means-Based Fare Pricing Study; and

WHEREAS, MTC recommends adopting a regional framework for the program, with participating operators, funding guidelines, and program conditions, as shown in Attachment A; now, therefore, be it

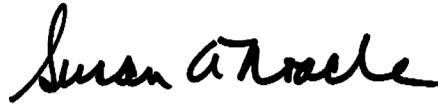
RESOLVED, that MTC approves Clipper START Regional Means Based Fare Program Framework, subject to the conditions noted therein; and, be it further

MTC Resolution No. 4714

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RESOLVED, that MTC may annually allocate regional funds to support the Clipper START Regional Means Based Fare Program per the respective funding program guidelines.

METROPOLITAN TRANSPORTATION COMMISSION

A handwritten signature in black ink, appearing to read "Susan A. Noack". The signature is fluid and cursive, with the first name "Susan" being more prominent than the last name "Noack".

Sue Noack, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and at other remote locations on May 28, 2025.

Date: May 28, 2025
W.I.: 1311
Referred by: RNM Committee

Attachment A
Resolution No. 4714
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Clipper START Program Framework

Participating Agencies

Transit Agency participation in Clipper START is voluntary and operators may cease to participate by notifying MTC as a part of a regular update to their agency's Clipper business rules. The Clipper START fare product is offered on all 22 Bay Area transit agencies that accept Clipper at the time of the adoption of this resolution.

Means-based Discount

A 50% per trip discount off the adult fare (in addition to any existing Clipper® discounts) will be offered to eligible persons

Eligibility

Adults earning less than 200% Federal Poverty Level (FPL)

Funding

Funding Sources and Program Administration Funding:

- This is funded by State Transit Assistance population-based funds (approximately \$8 million per year) and may be supplemented by Low Carbon Transit Operations Program (LCTOP) population-based funds per Caltrans discretion. Funding from these programs is approved through MTC Resolution Nos. 4321, 4130, and 4420, or subsequent resolutions.

Participant Discount Subsidy:

Funding is being made available to subsidize operators for half of the 50% Clipper START fare discount. Participating operators are to cover the remainder of the discount or any additional revenue losses from other sources.

Implementation

- Program operations, administration, and provision of operator subsidy by MTC will be ongoing.
- Program to be implemented on Clipper.
- Program will be centrally administered on behalf of all participating agencies.
- Program will be evaluated for continual improvements and is subject to revision based on financial sustainability, efficiency, and effectiveness.

Conditions

- Operators to conduct Title VI fare equity analysis per Federal Transit Administration (FTA) as required.
- The formula for distributing regional funds to transit operators will be based on actual trips taken and is subject to refinement based on the rider participation rates and amount of regional funding available.
- SFMTA can continue, expand, or eliminate its current Lifeline monthly program; however, the regional funding will only be used to compensate for participation in the Clipper START program. Clipper START funding is only available to reimburse operators for trips taken by users approved to participate in the Clipper START program.

RESOLUTION NO. 22-2025

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY MAKING PERMANENT AGENCY PARTICIPATION IN THE CLIPPER START REGIONAL MEANS-BASED TRANSIT FARE PROGRAM

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.; and

WHEREAS, transit affordability has been highlighted as a regional issue in MTC's Coordinated Plan, Plan Bay Area and other plans; and

WHEREAS, MTC had established the framework for the Regional Means-Based Transit Fare Pilot Program in 2020 to improve transit affordability and access to job opportunities for eligible low-income residents, which was extended and then set to expire June 2025; and

WHEREAS, MTC has adopted the Clipper START Regional Means-Based Program framework and approved it during their May 2025 Board Meeting to now be an ongoing and permanent program with participating operators; and

WHEREAS, MTC will annually allocate funds to compensate transit agencies participating in the program; and

WHEREAS, on November 2, 2020 the LAVTA Board adopted Resolution No. 31-2020 to implement the MTC Clipper START pilot program; and

WHEREAS, on July 12, 2021 the LAVTA Board adopted Resolution No. 24-2021 authorizing LAVTA to continue participating in Clipper START pilot program; and

WHEREAS, on July 10, 2023 the LAVTA Board adopted Resolution No. 18-2023 authorizing LAVTA to continue participating in Clipper START pilot program through June 2025;

WHEREAS, LAVTA desires to continue to participate in Clipper START and seeks to make the program permanent.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority (LAVTA Board) that participation in the Clipper START Regional Means Based Fare Program approved by Resolution Nos. 31-2020, 24-2021, and 18-2023, and by MTC Board actions approving Resolution No. 4714, be made permanent; and

NOW, BE IT FURTHER RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority (LAVTA Board) that the Executive Director is authorized to enter into a binding agreement with MTC to execute the Clipper START Regional Means Based Fare Program with its current rule and compensation framework.

PASSED AND ADOPTED BY the governing board of the Livermore Amador Valley Transit Authority on this 7th day of July 2025.

XXXX,
Chair Board of Directors

Attest:

Christy Wegener,
Executive Director