



**SPUR**

San Francisco | San Jose | Oakland

November 16, 2016

Board of Directors  
Santa Clara Valley Transportation Authority  
3331 N. 1st Street  
San Jose, CA 95134

Re: Next Network Outreach Summary and Ridership/ Coverage Balance (Item 3.1)

Dear Chair Chavez and Directors:

Thank you for embarking on a bold and thoughtful redesign of the county's light rail and bus networks. We understand that transit in Santa Clara County has not always enjoyed consistent success. Next Network is a promising opportunity to increase transit ridership and provide a more seamless experience for riders. At the same time, Next Network is an opportunity to control transit costs and put VTA on more stable fiscal footing in the long-run. **Therefore, we encourage VTA to move forward with designing a proposal for a transit network with an 85/15 balance between ridership- and coverage-based services.** We understand that this will require hard choices about service priorities, but these choices cannot be avoided if we want to grow transit ridership significantly.

As VTA moves forward in this effort, we think it is critical for people to be able to seamlessly make trips across agencies and modes. Disparate and disjointed fares discourage trips that include more than one mode or operator and make navigating the transit system inefficient and cumbersome. This results in fewer trips taken by transit and less trust that transit is a practical option. **We strongly encourage VTA to move forward with a fare study** to eliminate financial penalties and increase ridership. In addition:

- **We encourage VTA to study the revenue impacts of offering free or reduced price intra-operator (VTA-to-VTA) transfers, but not be dissuaded by them. Revenue neutrality should not be a necessary condition for a greater focus on ridership.** Rather, the goal should be to develop a transfer system that has the greatest potential to improve the customer experience, increase ridership, and support transit-oriented growth. The fare study should consider how revenue sharing systems or subsidies could be leveraged or developed to overcome or compensate for potential revenue loss due to fare restructuring.
- As part of the study, VTA will be reviewing discounts for youth, fares for low-income riders, fares for the Community Bus service category and the Eco Pass program. As MTC is currently conducting a means-based fare study that is looking

at this many of these topics, **we recommend VTA consult MTC and seek to utilize their learnings in this process and ensure that there is a consistent regional solution to these problems – portability of benefits is essential in our connected region.**

- **We encourage VTA to also study how its fares could better integrate with the other transit operators in the region, particularly neighboring transit providers and regional rail operators, such as Caltrain and BART.** Since a central goal of the Next Network plan is to integrate with BART Silicon Valley, VTA has the opportunity to offer its passengers an entirely seamless experience by coordinating its fares for multi-operator trips, possibly with a single pass.
- **VTA could be a leader for the region on fare integration.** As efforts to develop Clipper 2.0 are currently underway, this is the ideal time to address fare policies. It will also be important for the Clipper 2.0 technology system to make changes to fares easy, unlike today's process. We encourage VTA to be a leader on modern fare payment and integration.

Thank you for your leadership on redesigning the transit network to support higher ridership and greater environmental and fiscal sustainability.

Sincerely,



Laura Toltoff  
San Jose Policy Director

cc: Jim Unites