



SFMTA

Taxi Upfront Fare Pilot

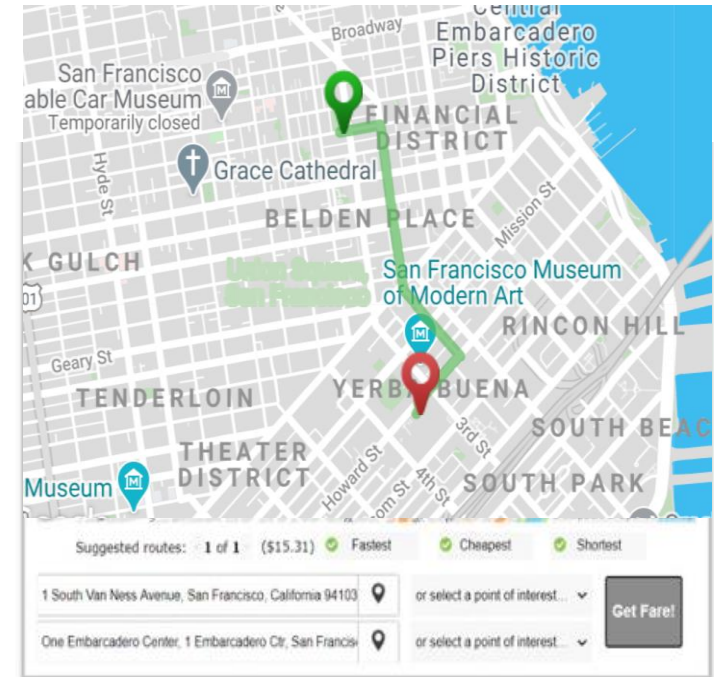
San Francisco Board of Supervisors

Government Audit & Oversight Committee

September 29, 2022

Upfront Fare Pilot Program

- ❖ One-year Pilot approved by SFMTA Board in September 2021
- ❖ Amendment approved by SFMTA Board in April 2022
 - Allow third party entities to originate trips that are dispatched via taxi e-hail apps, which do not need to be based on taxi meter rates
- ❖ [Pilot Rules](#) on August 5, 2022
- ❖ [Applications](#) for Pilot participation were due to SFMTA by September 15th
- ❖ 3 applications received: Arro, Flywheel and YoTaxi



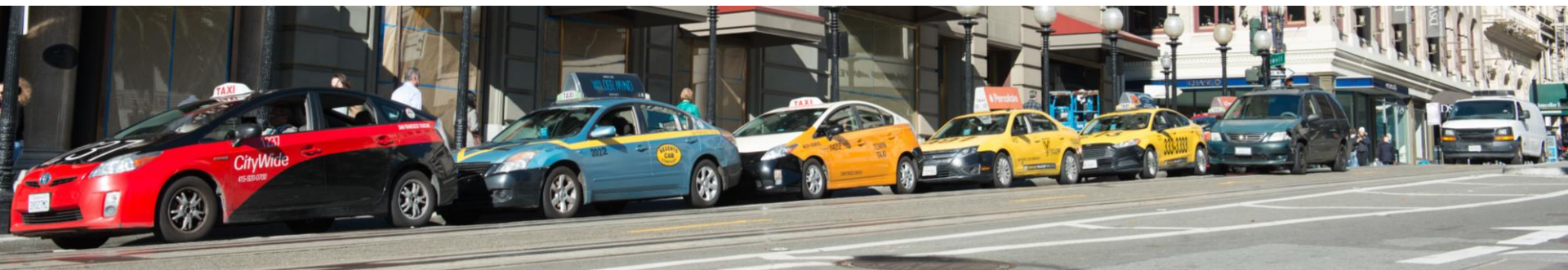
Upfront Fare Pilot Goals

1. Allow taxis to offer services in line with current trends in the for-hire transportation industry
2. Increase taxi e-hail trips
3. Increase taxi drivers' fare income
4. Improve customer service by:
 - offering upfront fares and booking through the e-hail app
 - relieving meter anxiety for customers by providing cost certainty for taxi trips
 - allowing customers the ability to price shop for similar on-demand services
5. Test driver and customer satisfaction
6. Assess impacts that third-party trips have on traditional taxi trips
7. Test how fares originated by taxi e-hail apps and third-party trips compare to SFMTA's meter rates



Upfront Fare Key Rules

- ❖ If a dispatch company elects to participate in Pilot, all affiliated color schemes must participate
- ❖ Color schemes and dispatch companies must be in good standing with the SFMTA
- ❖ Taxi e-hail apps must be approved by SFMTA and in good standing
- ❖ Taxi e-hail apps must be compliant with Pilot data requirements



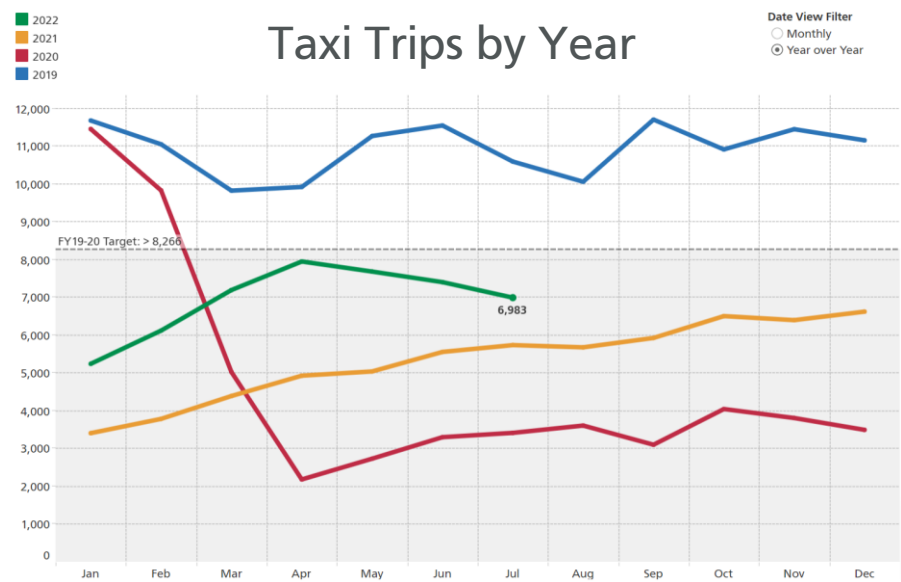
Upfront Fare Key Rules

1. Drivers may opt out of third-party trips without any penalty
2. Pilot participants must send data on all trips to SFMTA
3. Taxi e-hail apps must send SFMTA what the fare would have been by taxi meter
4. Fares for taxi e-hail originated trips must be based on the meter rate, including meter and a half trips
5. Fares for third-party trips do not have to be based on taxi meter rates
6. Driver fee schedule must be reported before the pilot begins
7. Only a limited number of third-party drop-offs allowed at SFO, and no pick-ups



Upfront Fare Pilot Metrics

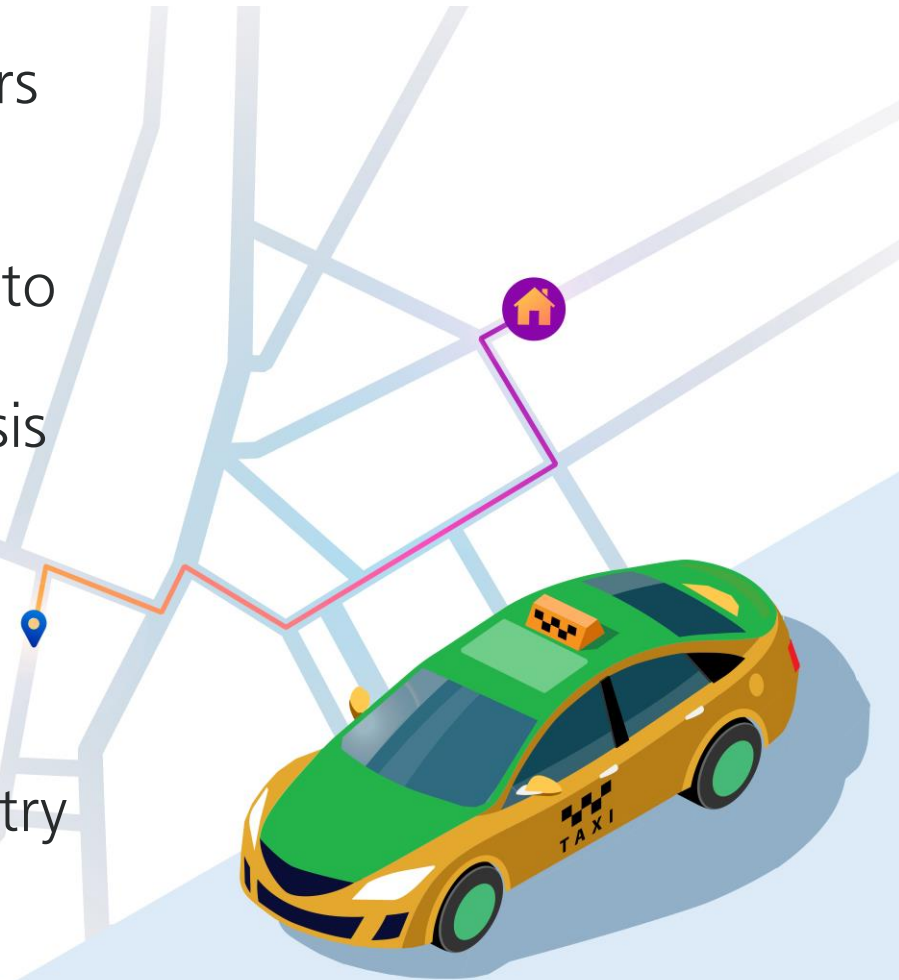
- ❖ Increase E-Hail App Trips by 10%
- ❖ Increase Taxi Driver Income by 10%
- ❖ Increase the Number of Drivers
- ❖ Track Complaints
- ❖ Study Impact on Traditional Taxi Trips
- ❖ Comparison of Upfront Fares and Meter Rates



Enhanced Data Monitoring and Reporting

❖ Third-Party Pilot Trips

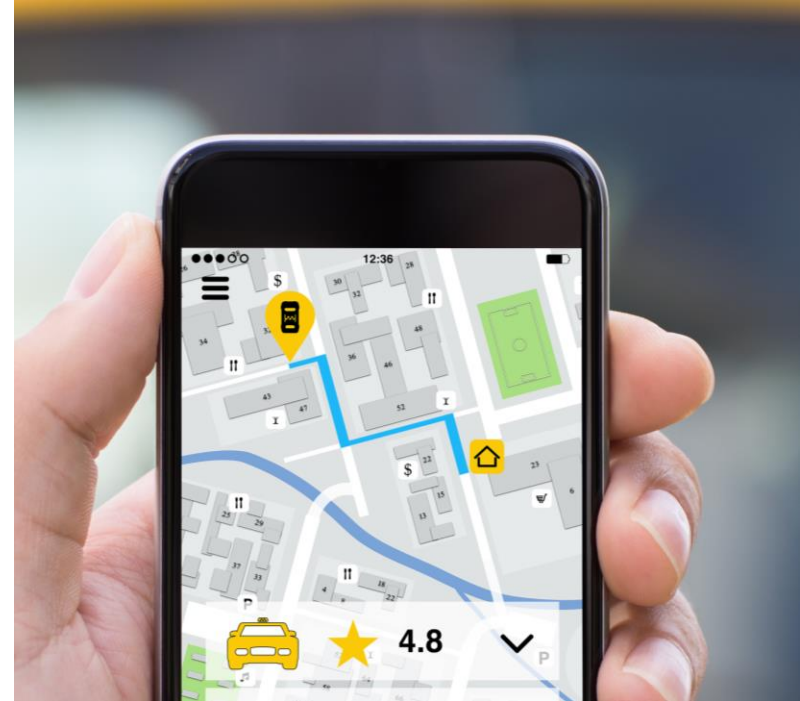
- Track the number of taxi drivers that participate in third-party trips
- Compare third-party trip fares to Taxi Pilot Trip fares
- Aggregated geographic analysis of third-party trip origins and destinations
- Provide quarterly report to the SFMTA Board, Board of Supervisors and the Taxi Industry



Upfront Fare Pilot Program Next Steps

❖ Next Steps:

- Review applications
- Data testing and validation
- Continue working with Taxi E-Hail Apps
- Quarterly report to assess program metrics
- Solicit feedback from key stakeholders at quarterly outreach sessions



Quarterly Meetings

- ❖ November 2022
- ❖ February 2023
- ❖ May 2023
- ❖ August 2023



Additional Efforts to Support Taxi Industry

Paratransit Taxi Tip Policy Update

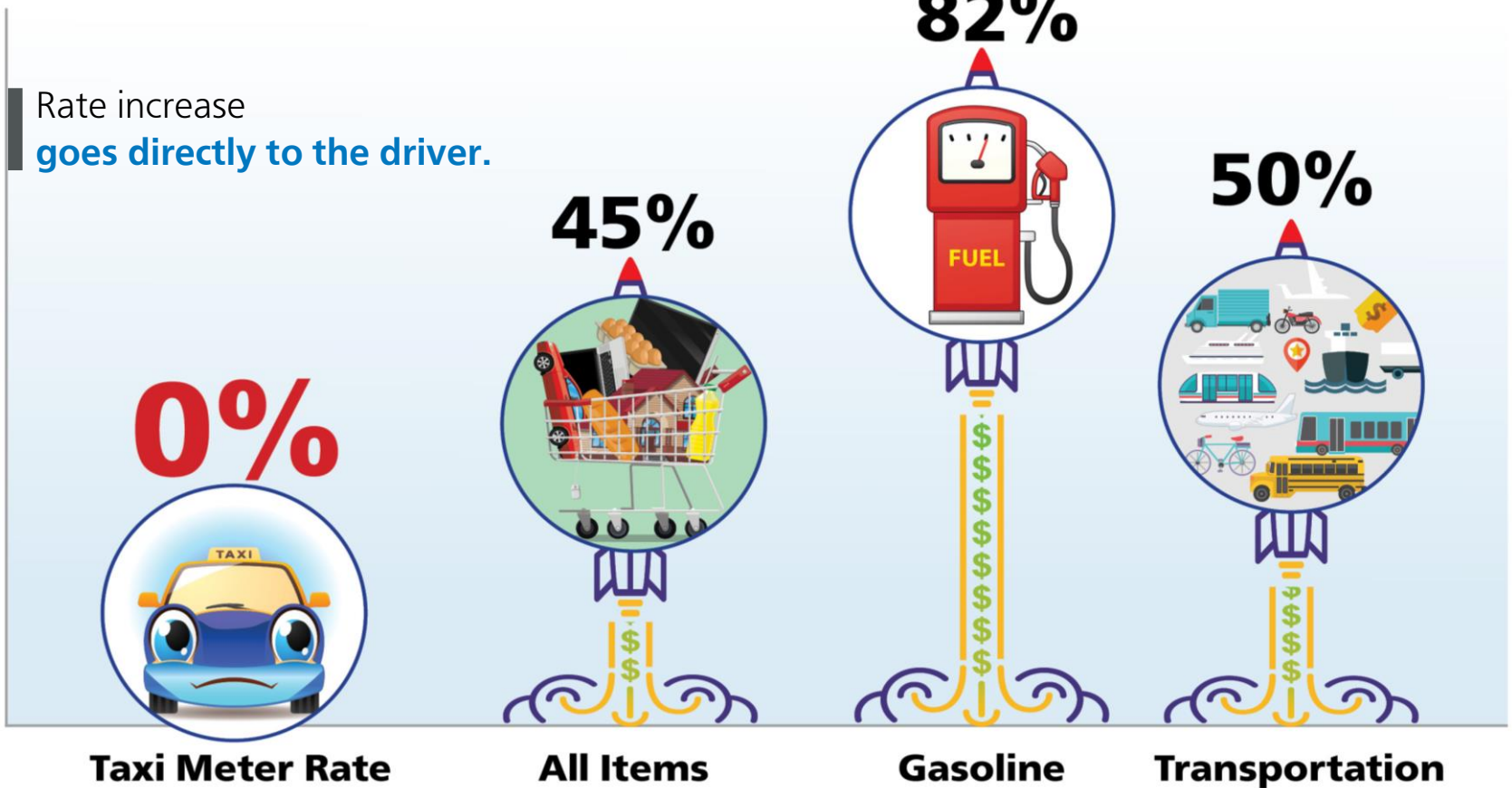
- ❖ Effective September 1st, tipping increased to **15%** of the meter fare, up to **\$4** (from 10% with a \$2.00 max)
- ❖ Applies for all SF Paratransit taxi programs (ADA, Essential Trip Card, Paratransit Plus, Shop-a-Round, CHOICE)



SFMTA is Proposing to Raise the Taxi Meter Rate

The taxi meter rate has not increased since 2011.

Price Increases Since 2011 in SF/Bay Area



Proposed Taxi Meter Rate Increase

Flag Drop*

Increase to **\$4.15** from \$3.50



Time** + Distance***

Increase to **\$0.65** from \$0.55



* First one-fifth of a mile

** Each minute of waiting or traffic delay time

*** Each additional one-fifth of a mile

Estimated Cost Impact for a Typical Trip

General Public Rider: **\$2.94 Increase**

| | Flag Drop | Distance/ Wait Time | 15% Tip | Total Cost |
|----------|-----------|------------------------|---------|------------|
| Current | \$3.50 | \$10.45 | \$2.09 | \$16.04 |
| Proposed | \$4.15 | \$12.35 | \$2.48 | \$18.98 |



Estimated Cost Impact for a Typical Trip

Paratransit Rider: **\$0.50 Increase**

| | Flag Drop | Distance/ Wait Time | 15% Tip | Total Cost | Rider's Share* |
|----------|-----------|------------------------|---------|------------|----------------|
| Current | \$3.50 | \$8.25 | \$1.76 | \$13.51 | \$2.70 |
| Proposed | \$4.15 | \$9.75 | \$2.09 | \$15.99 | \$3.20 |

* SFMTA subsidizes 80% to Paratransit taxi trip cost.

