Mobility on Demand (MOD) Sandbox Demonstration: Fair Value Commuting

Final Report

Background
In May 2016, the Federal Transit Administration (FTA) announced an $8 million Public Transportation Innovation funding opportunity for a Mobility on Demand (MOD) Sandbox Demonstrations. In 2016, the City of Palo Alto was awarded a $1,085,000 research and demonstration project to demonstrate Fair Value Commuting (FVC) to help communities nationwide incorporate the latest technology into their public transit services, including first/last mile connections, smart congestion management, and improved shuttle services.

Objectives
The FVC project aspired to work side-by-side with its employer pilots and project partners to accomplish the following:

- Reduce SOV car trips, vehicle miles traveled (VMT), and fossil fuel use.
- Increase public transit ridership and the perception of public transit.
- Create a sustainable mechanism for funding new transit, biking, carpool, and mobility services.
- Create a replicable software ecosystem to enable universal trip planning and payment.
- Identify systemic and institutional obstacles and how to overcome them.

Findings
The FVC research and demonstration project delivered four city employer pilot demonstrations that explored and implemented, to the extent possible, all five components of FVC.

The FVC project consisted of a 10-member public/private consortium that included local cities and counties, transit agencies, non-profit organizations, employers, technology startups, and planning agencies. Through this partnership and collaboration, FVC sought to incorporate its five-step framework into the demonstration project:

- ECTR (Enterprise Commute Trip Reduction Software)
- Commuter Wallet
- Feebate/Cashout
- Gap Filling
- Systemic Obstacles
A key feature of the FVC project not found in other FTA-funded MOD demonstration projects is that FVC placed emphasis on employers and commutes. The final pilot cohort included four pilot partners—the local city governments of Cupertino, Menlo Park, Mountain View, and Palo Alto—that would pilot FVC within their organizations for up to a six-month demonstration period.

**Benefits**

FVC has shown that systemic barriers still need to be addressed to effectively create large-scale, self-sustaining non-SOV funding models. However, as illustrated through the six-month multi-city demonstration project, commuting behavior change is possible even when incorporating only small incentives, using software platforms, effectively communicating employee benefits, and focusing on employee engagement. The results of FVC are meant to be used as a starting point to encourage stakeholders in jurisdictions—local, regional, and national—to consider how the implementation of the five FVC concepts can reduce SOV commuting in their respective districts and communities.