



Image Credit: WETA

# FY2025-26 RM3 Operating Program



METROPOLITAN  
TRANSPORTATION  
COMMISSION

MTC Programming & Allocations Committee

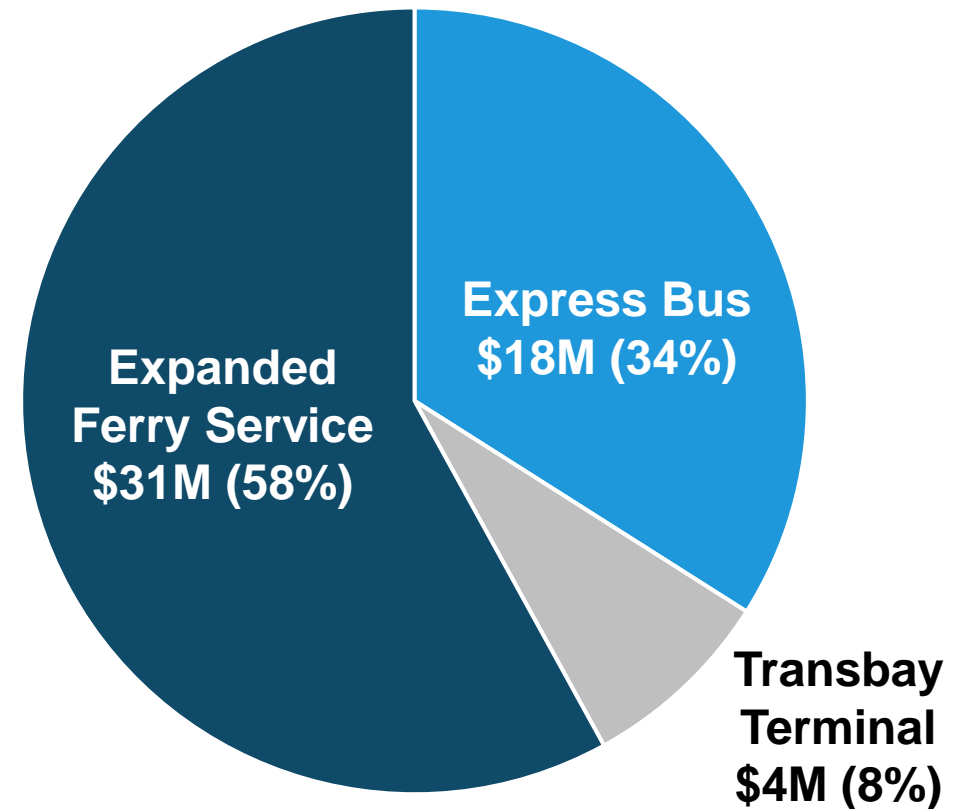
May 14, 2025

Raleigh Merrill

# Operating Program Overview

- Regional Measure 3 (approved June 2018) established a phased \$3 toll increase on BATA bridges to support congestion reduction
- Maximum of 16% of annual RM3 revenues support operating assistance
- Statute identifies sponsors for Transbay Terminal (TJPA) and Expanded Ferry Service (WETA), but not for Regional Express Bus

**RM3 Operating Program  
(16% Annual RM3 Revenue)**



# Regional Contribution to Help Address Gap

- In November 2024, the Commission adopted a framework for a contribution of **\$300 million in uncommitted funds** for operating assistance
- Redirection of funds requires significant trade-offs, including delays in project delivery
- Today's item completes programming of \$49 million in bridge tolls

Fund Source	Amount (\$M)	% Share of Program	Typical Recipient	Typical Usage
Unprogrammed FTA Formula	\$132	~ 20% of annual funding	Transit Operators	Transit State of Good Repair
Surface Transportation Funding (STP/CMAQ)	\$93	~ 50% of annual funds (12% of four-year cycle)	CTAs/Local Jurisdictions/ MTC/Project Sponsors	OBAG – Bike/Ped, Other County Priorities, Regional Programs
Bridge Tolls	\$49	N/A – Prior funds + some annual RM3 Express Bus Funding	Express Bus and Ferry Operators	Operations Funding
State Transit Assistance (Population-Based)	\$25	N/A – Program balances + some on-going funds.	MTC to support regional transit programs	Regional Programs (i.e., Clipper, Fare Programs)
<b>Total</b>	<b>\$300</b>			



# Proposed FY2025-26 RM3 Express Bus Programming Methodology

- An estimated \$17.6 million will be programmed for the RM3 Express Bus Operating Program in FY2025-26
- RM3 Operating Program funds will be assigned from FY2023-24 to FY2025-26 to address standardized shortfalls
- FY2025-26 funds will be complemented by \$9 million in prior years' RM3 Operating Program funds
- \$100,000 programmed to CCCTA to support BART connections

Operator	FY2025-26 Programming (\$M)	Prior Years' Funds (\$M)
AC Transit	\$11.7	\$9.4
CCCTA	\$0.1	\$0.0
GGBHTD	\$2.5	\$0.0
LAVTA	\$0.7	\$0.0
NVTA	\$0.8	\$0.0
SolTrans	\$1.0	\$0.0
ECCTA	\$0.2	\$0.0
WestCAT	\$0.6	\$0.0
<b>Total</b>	<b>\$17.6</b>	<b>\$9.4</b>

# RM3 Operating Use for Operating Shortfalls

Operator	FY2023-24 RM3 Shortfall Funding (\$M)	FY2024-25 RM3 Shortfall Funding (\$M)	FY2025-26 + Prior Years' RM3 Shortfall Funding (\$M)	Other Shortfall Funding (SB 125/ Regional Funds) (\$M)	Standardized Shortfall Total (\$M)
AC Transit	\$4.0	\$7.5	\$21.0	\$0.0	\$32.6
GGBHTD	\$2.2	\$1.9	\$2.5	\$34.6	\$41.1
LAVTA	\$0.9	\$0.7	\$0.7	\$0.0	\$2.3
NVTA	\$0.7	\$0.7	\$0.8	\$0.3	\$2.5
SolTrans	\$0.0	\$1.0	\$1.0	\$0.0	\$2.0
ECCTA	\$0.5	\$0.2	\$0.1	\$0.0	\$0.7
WestCAT	\$0.0	\$2.5	\$0.6	\$0.0	\$3.1
<b>Total</b>	<b>\$8.3</b>	<b>\$14.5</b>	<b>\$26.7</b>	<b>\$34.8</b>	<b>\$84.3</b>

Total RM3 Contribution FY2023-24 to FY2025-26 per MTC Resolution No. 4619 (\$49 Million)

# Other Considerations

## Future RM3 Operating Program Funding Levels

- FY2025-26 programming supports MTC's commitment to the state to ensure near-term financial sustainability of transit by directly addressing projected shortfalls
- Transit operators should expect year to year variation in RM3 funding levels in response to shifting needs

## Prior Years RM3 Funds (FY2018-19 to FY2021-22)

- \$24 million in revenue for express bus operations was generated but not disbursed when RM3 was under legal challenge
- \$9 million will go to AC Transit in FY2025-26, with a recommendation for the remaining funding to be provided at a later date

# Staff Recommendation

- Staff recommend referral of MTC Resolution No. 4706 to the Commission for approval

