

**Metropolitan Transportation Commission
Programming and Allocations Committee**

March 8, 2023

Agenda Item 2d - 23-0349

**Update to Proposed Expenditure of MTC Share of CARES Act (H.R. 748) Supplemental
Federal Transit Funds**

Subject:

Update MTC's programming of its share of FTA funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Background:

This item proposes an update to MTC's share of CARES Act funds originally programmed in July 2020. Of the nearly \$1.3 billion in supplemental funds received by the region, \$12.9 million was directed to MTC. Further discussion of this programming can be found in the PAC memo and associated attachments dated July 8, 2020.

Update to Programming

MTC staff propose a transfer of savings between the expenditure categories, specifically transferring \$121,131 from Vanpool to Clipper Operations. Of the budgeted \$400,000 for Vanpool, \$121,131 represents savings that are no longer needed to keep pandemic-idled vans in service. Meanwhile, there is remaining Clipper operations need ("Support the implementation and operation of the Region's fare payment card") that can use the Vanpool's savings. This is the most administratively efficient use of the CARES program savings. The updated figures are illustrated in the attachment, "Proposed Expenditure of MTC Share of CARES Act (H.R. 748) Supplemental Federal Transit Funds."

Next Steps

Following Commission approval, staff would execute a budget revision within our FTA grant and add the funds to the Clipper FY 2023-24 budget.

Issues:

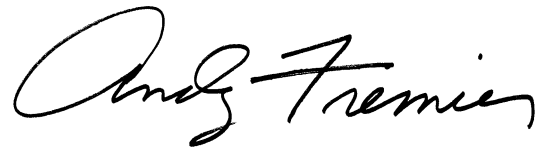
None.

Recommendation:

Staff recommends Commission approval of updated CARES Act proposed expenditure.

Attachments:

Proposed Expenditure of MTC Share of CARES Act (H.R. 748) Supplemental Federal Transit Funds. (Update of July 2020 PAC Agenda Item 4b Attachment B)



Andrew B. Fremier

**Proposed Expenditure of MTC Share of CARES Act (H.R. 748)
Supplemental Federal Transit Funds**

The following matrix proposes expenditure categories and funding amounts for the \$12,883,886 in CARES Act funding directed to MTC.

	Expenditure Category	Description	Funding Amount
1.	Clipper Operations	Support the implementation and operation of the Region’s fare payment card. CARES Act funds are needed to replace significant revenue reductions to State Transit Assistance (STA) and Regional Measure 2 funding that support the Clipper operating budget.	\$4,200,000 \$4,321,131
2.	Regional Transit Connection (RTC) Card	An RTC Discount ID Card is made available to persons with qualifying disabilities and is used as proof of eligibility to receive discount fares on fixed-route public transit in the Bay Area. CARES Act funding will support the upgrade of data systems used to implement the program and the transfer of RTC operations to MTC.	\$1,000,000*
3.	Vanpool	CARES Act funds would provide a replacement subsidy to Commute by Enterprise to support the continued operation of 130 Vanpool vehicles that have been idled due to the COVID-19 pandemic and Shelter in Place Order. Without this funding, vehicles may be permanently taken out of service and the expense to restart operations would be prohibitive. Vanpool service is viewed to be an important part of economic and mobility recovery in the wake of the pandemic.	\$ 400,000 \$278,869
4.	Means-based Pilot Operator Subsidy	\$8 million in STA funding had been planned to be set-aside to support the 18-month Clipper Start Means-based Transit Fare Pilot, scheduled to begin in July 2020. Due to the estimated 40 percent reduction in STA funding for FY 2020-21, CARES Act funding is proposed to keep the set aside-for the pilot whole. MTC further proposes to augment planned funding for the Clipper Start program by approximately \$5.1 million to allow for the expansion of the pilot to operators beyond the four currently enrolled. For administrative ease of use, staff proposes to exchange CARES Act funds for STA Regional Coordination funds previously intended for Clipper operations, and re-direct an equal amount of those STA funds to the Means-based program.	\$6,775,470*
5.	Transit Recovery Planning	CARES Act funding is proposed to support efforts related to public transit recovery necessitated by the COVID-19 crisis. Activities may include planning, surveying, public outreach, public information, and other efforts to support the work of the Blue Ribbon Transit Recovery Task Force.	\$ 508,416*
Total:			\$12,883,886

*Fund swaps were executed via STA programming, as approved by the commission in MTC Resolution Nos. 4419, Revised and 4462, Revised.