

Metropolitan Transportation Commission Programming and Allocations Committee

May 12, 2021

Agenda Item 3a - 21-0585

MTC Resolution No. 4463

Subject: Adoption of the \$45.4 million FY2021-22 Regional Measure 2 (RM2) Operating and Marketing Assistance Program.

Background: MTC's RM2 Operating Policies and Procedures state that MTC will adopt a project specific budget for RM2 operating funds prior to the beginning of each fiscal year. In addition, RM2 legislation provides for the annual allocation of a portion of RM2 funding for public information and advertising to support the services and projects funded with RM2 toll revenues.

FY2021-22 RM2 Operating Assistance Program

The Regional Measure 2 (RM2) Operating Program receives a maximum of 38 percent of the revenue generated from the \$1 RM2 toll in that fiscal year [SHC Section 30915(d)]. With the prolonged shelter in place order implemented due to the COVID-19 pandemic, traffic volumes have remained below pre-pandemic levels and the Bay Area Toll Authority (BATA) is projecting a slow recovery. For FY 2021-22, bridge toll revenue is currently projected to be 90 percent that of FY 2018-19. Staff is recommending a program of \$40.8 million to fit within projected revenue. The proposed operating program includes the following adjustments:

- Proportionate reductions to all projects to fit within forecasted revenue levels, except for ferry service and Dumbarton Bus;
- Suspension of Bay Bridge Forward funding that had been provided on an intended temporary basis for additional WETA Ferry service to ease commute-related congestion (\$1.2 million/year pre-pandemic). Funds are proposed to be suspended due to reduced bridge toll revenue and reduced ridership demand;
- Additional funding of approximately \$425,000 over the adjusted programming amount to be provided to Dumbarton Bus since this project was significantly under its statutorily authorized programming to partially address the operator consortium request for additional funding assistance prior to the pandemic; and
- Increased flexibility for transit operators to direct funding to any eligible service so funds can be used where operators determine it is most needed. A June workshop will allow Committee members to hear from transit operators on ridership demands and how that is informing their budget and service levels for next year.

FY2021-22 RM2 Marketing Assistance Program

The RM2 Marketing Assistance Program includes \$4.6 million for marketing and public information of RM2 projects. Funds are used primarily to support regional projects that enhance the transit customer experience. Proposed projects include:

- \$2.8 million for Clipper® customer service at San Francisco and Oakland locations and other customer education, communication, and outreach activities.
- \$1.3 million for miscellaneous coordination efforts including the regional transit mapping and wayfinding, 511 Program, and a set aside to support Blue Ribbon Transit Recovery Task Force efforts.
- \$500,000 of marketing support for AC Transit for RM2-funded service. As has been done for the past few years, these funds will free up funds for AC Transit to use in support of school bus service.

Both the RM2 operating and marketing programs are included in the proposed FY2021-22 BATA budget and are subject to its approval. Staff will monitor bridge toll revenue during FY2021-22. Should revenues be higher than the adopted program, staff will return to the Programming and Allocations Committee to propose additional programming, which may include relevant Blue Ribbon Transit Recovery Task Force priorities, equity, and ridership demand projects.


Issues:

Last year, the Commission approved a waiver of the RM2 operating performance requirements for FY 2018-19 through FY 2020-21 in recognition of the difficulty that operators would face in meeting farebox recovery and productivity performance standards associated with RM2 Operating funds. Staff recommends extending the waiver of the performance standards for FY 2021-22 and FY 2022-23. During this time, staff will consider modifications to the RM2 Operating program and performance requirements to respond to the Commission's direction to assess programs for which it has funding discretion as well as respond to changing ridership trends.

Staff will continue to monitor the performance of RM2 Operating projects and work with project sponsors to develop corrective actions for poorly performing routes, as needed and as appropriate.

Recommendation: Refer MTC Resolution No. 4463 to the Commission for approval.

Attachments: MTC Resolution No. 4463 - Attachment A, RM2 Operating and Marketing Program of Projects


Therese W. McMillan

Date: May 26, 2021
W.I.: 1255
Referred by: PAC

ABSTRACT

Resolution No. 4463

This resolution adopts the Regional Measure 2 (RM2) Operating and Marketing Assistance Program for FY2021-22.

Further discussion of this action is contained in the Programming and Allocations Committee Summary Sheet dated May 12, 2021.

Date: May 26, 2021
W.I.: 1255
Referred by: PAC

RE: Adoption of FY2021-22 RM2 Operating Assistance Program

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4463

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to California Government Code § 66500 et seq.; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority (“BATA”), which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, on March 2, 2004, voters approved Regional Measure 2, which increased the toll for all vehicles on the seven State-owned toll bridges in the San Francisco Bay Area by \$1.00, with this extra dollar funding various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 916 (Chapter 715, Statutes of 2004), commonly referred as Regional Measure 2 (“RM2”); and

WHEREAS, RM2 establishes the Regional Traffic Relief Plan and identifies specific projects eligible to receive RM2 funding for operating assistance as identified in Section 30914(d) of the California Streets and Highways Code; and

WHEREAS, BATA shall fund the projects of the Regional Traffic Relief Plan by bonding or transfers to MTC; and

WHEREAS, RM2 assigns administrative duties and responsibilities for the implementation of the Regional Traffic Relief Plan to MTC; and

WHEREAS, MTC has developed guidelines for the programming and use of the RM2 funds for operating support of transit projects, and

WHEREAS, these guidelines state that MTC will adopt a project specific budget for RM2 operating funds prior to the beginning of each fiscal year, now, therefore be it

RESOLVED, that MTC adopts a program that establishes RM2 operating subsidy amounts for FY2021-22, as outlined in Attachment A and incorporated herewith as though set forth at length; and, be it further

RESOLVED, that the Executive Director is authorized to make programming changes to Attachment A, up to \$200,000 for each project, in consultation with the affected sponsor.

METROPOLITAN TRANSPORTATION COMMISSION

Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, and at other remote locations, on May 26, 2021.

**Attachment A
MTC Resolution No. 4463**

FY 2021-22 RM-2 Operating Assistance Program -- Streets and Highways Code 30914(d)

Project #	Project Name	Sponsor	Service (note 1)	Programmed (notes 2,3)
1	Richmond Bridge Express	Golden Gate Transit	Express Bus	\$ 2,102,666
2	Napa VINE Service	NVTA	Express Bus	\$ 362,440
3	Express Bus North	SolTrans/FAST	Express Bus	\$ 2,271,944
		ECCTA	Express Bus	\$ 452,060
		Golden Gate Transit	Express Bus	\$ 252,113
		WestCat	Express Bus	\$ 211,900
Total				3,188,016
4	Express Bus South	AC Transit	Express Bus	\$ 4,613,718
		CCCTA	Express Bus	\$ 123,538
		WestCat	Express Bus	\$ 781,618
		LAVTA	Express Bus	\$ 493,711
Total				6,012,585
5	Dumbarton Bus	AC Transit	Express Bus	2,989,430
6	Ferry Service	WETA	Ferry Services	13,005,000
7	Owl Service	AC Transit	OWL Service	1,284,030
		MUNI	OWL Service	159,376
		SamTrans	OWL Service	259,995
Total				1,703,400
8	MUNI Metro 3rd Street	SF MUNI	Metro 3rd Street extension	2,125,000
9	AC Transit Rapid Bus	AC Transit	Tempo	2,550,000
11	WETA planning	WETA	Planning and operations	2,550,000
12	Clipper	MTC	Operations	1,700,000
13	Transbay Transit Center	TJPA	Terminal Operations	2,550,000
Grand Total				\$ 40,838,537

FY 2021-22 RM2 Marketing Assistance Program (note 3 and 4)

Project Name	Sponsor	Programmed
Clipper®	MTC	\$ 2,800,000
Regional Map and	MTC	\$ 500,000
511 Program	MTC	\$ 340,000
Return-to-Transit	MTC	\$ 100,000
Transit Poll	MTC	\$ 50,000
Blue Ribbon Project Support	MTC	\$ 300,000
AC Transit Services	AC Transit	\$ 500,000
Grand Total		\$ 4,590,000

Notes:

1. Transit operators will be provided increased flexibility for FY 2021-22 to use funds on eligible service to accomodate changing service demand. Eligible routes for Projects 1 - 6 must serve an intended bridge corridor/s and/or provide a direct connection to BART. Before allocating funds, MTC staff and project sponsor will confirm route eligibility.
2. For FY2021-22, the FY2018-19 programmed amounts generally were reduced proportionally based on reduced revenue estimate due to COVID-19 with additional adjustments to Dumbarton Bus and Ferry Service. The RM2 operating program is limited to 38% of annual receipts by statute. Programming amounts will be adjusted, as necessary, to stay within available revenue.
3. Amounts shown are subject to approval of the FY2021-22 BATA Budget and funding availability.
4. Marketing assistance program are funded with RM2 toll revenue receipts pursuant to Streets and Highways Code(SHC) 30914(f) and are outside of the 38% limit on operating funding as described in SHC