

Metropolitan Transportation Commission

November 15, 2023

Agenda Item 11c

MTC Resolution No. 4619. Regional Short-Term Transit Financial Plan Outline and Proposed Distribution of Emergency Operating Funding: Summary of Revisions Provided at the November Programming and Allocations Committee Meeting

Subject:

At the November 8, 2023 meeting of the Programming and Allocations Committee, staff provided two handouts: MTC Resolution No. 4619 Attachment C, Regional Accountability Measures, and a revised version of MTC Resolution No. 4619 Attachment B, Senate Bill 125 Transit Operations Funding Distribution Framework. The revised attachments, reflecting further analysis and engagement with operator partners, are included in the Commission packet.

Senate Bill 125 Transit Operations Funding Distribution Framework

MTC collaborated with operator staff to estimate shortfalls under a set of standardized assumptions, summarized in Table 1 and Attachment B. A revised version of Attachment B was provided to the Programming and Allocations Committee showing an updated small operator shortfall and outlining individual small operator needs. Following additional MTC review of shortfalls provided by small operators, the small operator need was revised from \$20 million to \$14 million, reducing the total shortfall from \$781 million to \$776 million. As a result of this change, the shortfall not met by the state contribution of roughly \$445 million and the regional contribution of up to \$300 million (envisioned to be met with TIRCP interest earnings) was reduced from \$34 million to \$29 million.

Table 1. Standardized Shortfall Framework (Millions)

	FY 23-24	FY 24-25	FY 25-26	Total (\$)	Total (%)
SFMTA	\$0	\$99	\$209	\$309	40%
BART	\$0	\$58	\$294	\$352	45%
AC Transit	\$0	\$4	\$29	\$33	4%
Caltrain	\$0	\$0	\$25	\$25	3%
Golden Gate Transit	\$0	\$3	\$38	\$41	5%
Other Operators	\$0	\$5	\$10	\$14	2%
Reg. Network Management	\$0	\$2	\$0	\$2	0%
Bay Area Total	\$0	\$171	\$605	\$776	100%

Numbers may not sum due to rounding.

Regional Accountability Measures

In accordance with SB 125's guidelines and the principles outlined in Attachment A, MTC staff are proposing a set of accountability requirements including customer experience and efficiency enhancements in exchange for SB 125-related funding. For all operators receiving funding, these requirements will include participation in ongoing Transit Transformation Action Plan initiatives, and implementation of schedule coordination and real-time transit data improvements. Other accountability requirements are specific to individual operators and center around safety and security, fare evasion reduction, and comprehensive service improvements. Additional detail on the proposed accountability requirements is contained in Attachment C. In order to receive SB 125 transit operations funding, transit operators must demonstrate implementation of or significant progress toward the accountability measures described in Attachment C.

Recommendation:

Approval of MTC Resolution No. 4619, as referred by the Programming and Allocations Committee.

Note: Staff is committed to providing additional detail about the mechanism for ensuring implementation of the accountability requirements contained in Attachment C to this item in December as part of the Short-Term Financial Plan package due to the California State Transportation Agency. Also, final allocation will follow staff review of operator financial need and compliance with accountability provisions.

Attachments:

- MTC Resolution No. 4619
 - Attachment A: Principles to Inform the Distribution of Transit Operations Funding from Senate Bill 125
 - Attachment B: Senate Bill 125 Transit Operations Funding Distribution Framework (*Revised November 7, 2023*)
 - Attachment C: Regional Accountability Measures (*Revised November 7, 2023*)
- Presentation (*Revised November 7, 2023*)