



Image Credit: SolTrans

FY2024-25 RM3 Operating Program Funding for Express Bus



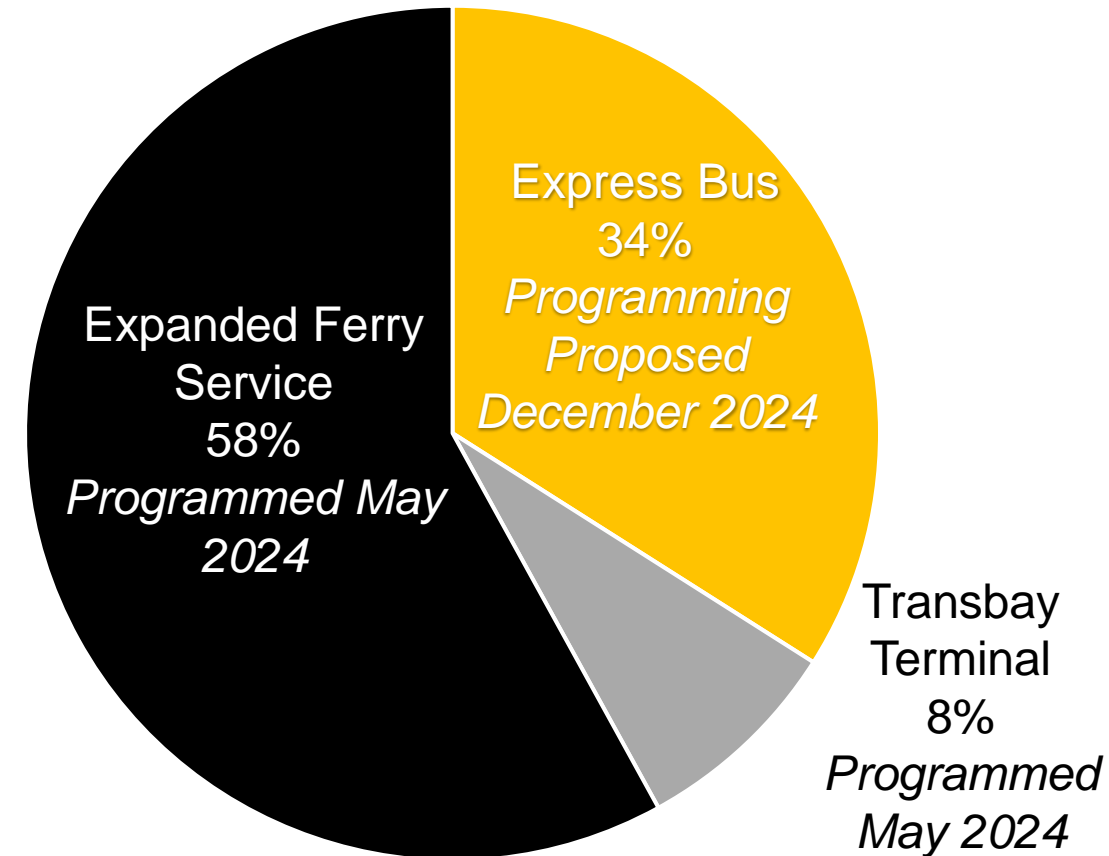
METROPOLITAN
TRANSPORTATION
COMMISSION

MTC Programming & Allocations Committee
December 11, 2024
Raleigh McCoy

Operating Program Overview

- Maximum of 16% of RM3 revenues annually for operating assistance
- Statute identifies sponsors for Transbay Terminal (TJPA) and Expanded Ferry Service (WETA), but not for Regional Express Bus
- Supports existing, more frequent, or new operations

RM3 Operating Program
(16% Annual RM3 Revenue)



Regional Contribution to Help Address Gap

- MTC estimates \$300M in **currently unprogrammed funds** could be redirected
- Redirection of funds will require significant trade-offs
- Final regional contribution depends on interest earned on SB 125 capital funds and continued state advocacy

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 – Escrowed + 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)
Total	\$300			

Proposed FY2024-25 RM3 Express Bus Programming Methodology

- An estimated \$15 million will be available for the RM3 Express Bus Operating Program in FY2024-25
- RM3 Operating Program funds will be assigned across FY2024-25 and FY2025-26 to address standardized shortfalls
- \$500,000 programmed to ECCTA to address unanticipated FY2024-25 budget deficit
- \$100,000 programmed to CCCTA to support BART connections

Operator	FY2024-25 Programming (\$M)
AC Transit	\$7.5
CCCTA	\$0.1
GGBHTD	\$1.9
LAVTA	\$0.7
NVTA	\$0.7
SolTrans	\$1.0
ECCTA	\$0.7
WestCAT	\$2.5
Total	\$15.1

RM3 Operating Use for Operating Shortfalls

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

Total RM3 Contribution FY2023-24 to FY2025-26
\$49 Million

Other Considerations

Future RM3 Operating Program Funding Levels

- FY2024-25 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

Escrowed RM3 Funds (\$24M Earned From FY2018-19 to FY2021-22)

- These funds will be included as part of the \$300M regional contribution to address operator shortfalls
- Staff will return to PAC to request approval of allocation of these funds in FY2025-26

Staff Recommendation

- Staff recommend referral of MTC Resolution No. 4644, Revised to the Commission for approval



Image Credit: WestCAT