

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 7/22/2020

Staff Report No. 20-270

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Commitment Letter to MTC for Plan Bay Area 2050 Process

ACTION ITEM

RECOMMENDED ACTION(S):

Consider authorizing the General Manager sign a "Commitment Letter" on behalf of AC Transit concerning the Blueprint project planning process for Plan Bay Area 2050 as required by the Metropolitan Transportation Commission (MTC).

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Service Quality

Having AC Transit's projects included in the Blueprint of Plan Bay Area 2050 will increase the likelihood of these projects receiving federal and outside funding. The letter also indicates that AC Transit supports means-based and interagency fares, so long as there is a sustainable source of funding to supplant lost fare revenue. The Blueprint funding will in turn allow the District to initiate, maintain, and improve service levels on both East Bay and Transbay routes.

BUDGETARY/FISCAL IMPACT:

The attached letter will support AC Transit's eligibility for funding, in an amount to be determined through the Plan Bay Area 2050 Blueprint process.

BACKGROUND/RATIONALE:

The Metropolitan Transportation Commission/Association of Bay Area Governments (MTC/ABAG) has the responsibility-under both federal and California law-to prepare a regional long-range planning and funding document every four years. This document-known as the Sustainable Communities Strategy/Regional Transportation Plan-lays out expected conditions and public actions for the nine-county Bay Area for the next 30 years. MTC/ABAG is currently preparing this document-known as Plan Bay Area 2050-in consultation with transit agencies, county transportation agencies and other interested parties. The Plan is expected to gain final approval in 2022.

The Blueprint section of the Plan is of particular interest to the District. The Blueprint lays out the transportation and other strategies, projects and programs which MTC supports for funding over the next 30

years. A total of 97 proposals for the Blueprint were submitted by agencies and developed by MTC/ABAG itself. In the initial review, MTC approved AC Transit's San Pablo Rapid/BRT project for further analysis as part of the final Blueprint. It also approved a local network service increase. In addition, the Alameda County Transportation Commission's East 14th/Mission/Fremont Boulevard Multimodal Corridor project was also approved.

However, two AC Transit projects were "flagged" in the initial review process. AC Transit's Local Rapid network proposal was flagged as having a cost-effectiveness weakness. The Transbay network was flagged for equity, because Transbay passengers are on average higher income than Bay Area transit passengers (even though our local passengers are on average lower income).

MTC has been seeking Board approved "Commitment Letters" from project sponsors. These letters describe how they would mitigate the flagged problems in projects. MTC has requested these letters by the end of July 2020.

District staff have been in discussions with MTC about how to improve these projects. These discussions are reflected in the attached draft Commitment Letter. In addition, the General Manager sent an initial letter to MTC on April 1, 2020, raising concern over initial project evaluations (Attachment 2), initiating discussions. With regard to the local rapid program, staff proposed removing the lowest performing corridor (Adeline Street) and reducing the costs of other corridors. This would increase the cost effectiveness of the overall program. With regard to Transbay service, staff proposed to develop additional Transbay service serving lower income neighborhoods, particularly East Oakland (and secondarily West Contra Costa County). Such additional routes would restore service to some disadvantaged communities and would make the demographic profile of Transbay riders more balanced.

As noted in the latest draft letter, some transit agencies have stated support for means-based (and interagency) fares in their Commitment Letter. Staff has therefore included what it understands to be the District's position: that AC Transit supports means-based and interagency fares so long as there is a sustainable source of funding to supplant lost fare revenue resulting from new fare structures. As the letter notes, AC Transit has the largest percentage of low-income passengers (almost 70%) among large Bay Area transit agencies, and therefore is potentially most financially impacted by means-based fares.

ADVANTAGES/DISADVANTAGES:

Sending the letter would have the advantage of supporting AC Transit's designation for funding in Plan Bay Area 2050. It would also be responsive to the request from MTC. Staff has not identified any disadvantages with this action.

ALTERNATIVES ANALYSIS:

The alternative is not sending a letter to MTC with unknown consequences for the District.

PRIOR RELEVANT BOARD ACTION/POLICIES:

There are no prior relevant board actions or policies.

ATTACHMENTS:

1. Draft Commitment Letter to MTC
2. April 1, 2020 PBA 2050 Comment Letter

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