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July x, 2020

Therese McMillan
Executive Director
Metropolitan Transportation Commission
375 Beale St.
San Francisco, CA 94105

RE: Blueprint for Plan Bay Area 2050 Commitment Letter

Dear Ms. McMillan:

The Alameda-Contra Costa Transit District is pleased to reiterate its commitment to the Blueprint project planning process for Plan Bay Area 2050 and appreciates the opportunity to participate in this important process. This Commitment Letter outlines the ways in which AC Transit plans to respond to MTC's concerns about the East Bay Rapid and Transbay Projects.

The MTC Blueprint represents the specific bus, ferry, rail, and road projects to be included in Plan Bay Area 2050. AC Transit submitted several projects to MTC for review under Blueprint, and all but two were carried forward into the Blueprint after initial screening. Cost-benefit concerns were indicated for the East Bay Rapid Project and equity concerns were noted for Transbay service. AC Transit plans to address each of these concerns.

The East Bay Rapid Project was designed to implement portions of AC Transit's 2016 Major Corridors study. To improve the project's cost-benefit, some of the less productive lines can be deferred until their prospects improve, and AC Transit will consider removing the Adeline corridor which has the lowest productivity. The District will also investigate lowering the cost of lines which will remain in the project. To that end, an early value engineering-type review will be conducted. Some amenities may be deferred for later implementation provided that a funding strategy is developed.

We will also address MTC's concerns about equity with regard to the Transbay Service Project. MTC noted that Transbay passengers were generally higher income than other Bay Area transit passengers. AC Transit will analyze and, if feasible, implement additional Transbay lines originating in low-income East Bay neighborhoods. This should attract passengers with lower incomes than existing riders.

To improve fare equity, some transit agencies support means-based fares and coordinated interagency fares in their commitment letters. AC Transit believes this is a worthwhile effort that will benefit our low income passengers but has concerns about the loss of substantial farebox revenue given that AC Transit has the highest proportion of low-income passengers among major Bay Area transit agencies—close to 70%. These concerns are reinforced by the uncertainties of the COVID-19 pandemic and recovery periods. AC Transit's largest single type of revenue is sales tax, which has dropped sharply during the pandemic, and we cannot afford to lose both fare and sales tax revenue. Lost revenue which forces cuts

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in service would not benefit our low-income riders. A dedicated and sustainable revenue source needs to be identified to make means-based fares a reality.

AC Transit is committed to refining flagged projects and we thank MTC for inclusion of all of the District's submitted projects into the Blueprint. We look forward to our continued partnership with MTC on Plan Bay Area 2050.

Sincerely

Michael A. Hursh
General Manager

cc: Board of Directors