



Kate Harrison
Councilmember District 4

CONSENT CALENDAR
June 29, 2021

To: Honorable Mayor and Members of the City Council
From: Councilmember Harrison
Subject: Resolution Urging the Metropolitan Transportation Commission to Program and Prioritize American Rescue Plan Act Funds

RECOMMENDATION

1. Adopt a resolution directing the Metropolitan Transportation Commission (MTC) to program \$1.67 billion in American Rescue Plan Act (ARPA) funds immediately and prioritize them for immediate use to support Bay Area Transit riders and an equitable pandemic recovery.
2. Send a copy of the Resolution and an accompanying letter to the MTC Commissioners.

CURRENT SITUATION, EFFECTS, AND RATIONALE FOR RECOMMENDATION

Over the duration of the COVID emergency, MTC has reduced its level of service in accordance with guidance from the state of California to ensure the safety of its employees and riders. With these reduced levels of service have come reduced income from fares. MTC has received and distributed funding from many sources to support local transit agencies; including nearly \$180 million from the Coronavirus Response and Relief Appropriations Act (CRRSAA), and \$1.3 billion from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Now, the Agency has access to \$1.67 billion from the American Rescue Plan Act (ARPA) but has communicated that they will not program the funds immediately, even though many agencies, including AC Transit, are in desperate need of funding to return to pre-pandemic levels of service. As a result, these agencies would not be able to plan for this funding in the next fiscal year budgets that are forthcoming with the nearing end of the fiscal year.

Should these funds not be programmed, service will remain at current levels as the Bay Area begins to reopen, leaving many mass transit riders to look to other methods of transportation. This will decrease the chances of returning to pre-pandemic ridership levels in the near and long-term futures. This would represent an economic and environmental failure. An influx of new automobile drivers would increase congestion and wear on city streets, but this would also result in a loss of environmental gains accrued through use of mass transit.

With increasingly reassuring vaccination rates and falling infection, Berkeley and the Bay Area will need to focus on how to equitably recover. The recovery should not just be to pre-pandemic levels – the city and our region must take every possible opportunity to build back stronger. Delaying implementation of the use of possible funding to strengthen our public transit does not fit with the goals of a just and equitable recovery.

BACKGROUND

Reliable and affordable public transportation plays a critical role in environmental sustainability, equal access to transportation and economic opportunities and economic recovery. Compared to personal gas-powered cars, buses, trains and shared micro-mobility options represent not only a vastly lighter carbon footprint for those using transportation but also provide cleaner air quality for the broader community. Use of mass transit is a net benefit for local businesses and the economy by providing workers and customers a means to reach their destinations. For Berkeley in particular, mass transit remains a primary source of transportation for many middle- and low-income riders

While the benefits of robust public transit to the environment and the public are undeniable, this has not resulted in an appropriate level of funding for Bay Area public transportation agencies.¹ Even before the pandemic, a cycle of funding cuts, reduced service and subsequent reduced ridership had affected many transit agencies in the Bay Area.² Although the Bay Area, like many other places, has decreased the level of public transit service it has offered as a result of the COVID-19 pandemic, continuing to do so, unless required for public health, will unnecessarily harm transit users.

The Coronavirus Aid, Relief, and Economic Security Act, provides public transit agencies with a path to recovery. Bay Area public transit providers received \$1.67 billion in federal stimulus funding to pay workers, and continue transit operations.^{3,4} However, the Metropolitan Transportation Commission, which manages the money, has stated that it intends to save those funds for future use, as opposed to returning to pre-pandemic levels of transit service now. If stimulus funding is not used now, the Bay Area and Berkeley will continue to fall behind in its efforts to regain pre-COVID-19 levels of service and economic output.⁵ Given that the next fiscal year for these transit agencies begins July 1, and that time is needed to budget funds for workers and operations, MTC should program these federal funds and prioritize them for immediate use as soon as possible.

ENVIRONMENTAL SUSTAINABILITY

By using funds stimulus funds now, MTC can help bring about a decreased carbon footprint in the Berkeley and other cities, resulting from reduced vehicle emissions.

¹ Baldassari, Erin. "For Struggling VTA, an Existential Crisis: How to Woo Riders amid Budget Cuts?" *The Mercury News*, The Mercury News, 20 June 2019, www.mercurynews.com/2019/04/07/for-struggling-vta-an-existential-crisis-how-to-woo-riders-amid-budget-cuts/.

² Ibid

³ United States, Congress. H.R. 748. *Coronavirus Aid, Relief, and Economic Security Act*. <https://www.congress.gov/116/bills/hr48/BILLS-116hr748enr.pdf>

⁴ Staff, Curtis Driscoll Daily Journal. "Caltrain to Get Fed Money for Electrification." *San Mateo Daily Journal*, 12 Mar. 2021, www.smdailyjournal.com/news/local/caltrain-to-get-fed-money-for-electrification/article_2dc563be-82ee-11eb-8862-d3452190bf38.html.

⁵ Srikant, Ahalya, and Julia Cooper. "Bay Area transit is running almost empty in midst of COVID-19 shutdown." *Bizjournals.com*, www.bizjournals.com/sanfrancisco/news/2020/03/31/bay-area-transit-is-running-almost-empty-in-midst.html.

FISCAL IMPACTS OF RECOMMENDATION

None

CONTACT PERSON

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ATTACHMENTS

1. Resolution
2. Letters to the MTC Commissioners

RESOLUTION NO. –N.S.

RESOLUTION URGING THE METROPOLITAN TRANSPORTATION COMMISSION (MTC) TO IMMEDIATELY PROGRAM \$1.67 BILLION IN AMERICAN RESCUE PLAN ACT (ARPA) TRANSIT FUNDS FOR USE IN RESTORING BAY AREA TRANSIT SERVICE

WHEREAS, public transit is an essential public service, especially for low-income and Black and brown community members, our frontline workers, and elders, students, and people with disabilities;

WHEREAS, transportation emissions are the highest source of greenhouse gas emissions in the country, as well as a source of toxic pollution that is hazardous to our constituents' health;

WHEREAS, public transit is a crucial method to drastically reduce transportation emissions;

WHEREAS, stimulating the economy through federal stimulus funds in the near-term is crucial;

WHEREAS, Congress has apportioned to Bay Area transit agencies a generous stimulus package of \$1.67 billion dollars to hire workers and restore service, but MTC is not planning to program these funds until late July, after agencies adopt fiscal year 2021-2022 budgets, resulting in an inability by transit agencies to factor the ARPA funds into next year's budget;

WHEREAS, MTC has publicly stated that it is prioritizing saving those funds for years in the future as opposed to restoring service to pre-pandemic levels by the end of fiscal year 2021-2022;

WHEREAS, the transit agencies in our districts need to budget these funds now in order to plan to hire workers, fund operations, and restore service in the fiscal year that begins July 1;

WHEREAS, as mid-pandemic stimulus funding, it should be distributed immediately to stimulate our local economies by hiring workers and taking shoppers and diners to their destinations to spend money in our communities;

WHEREAS, the longer service levels remain reduced, the more likely it is that riders will give up on transit and find permanent, more polluting alternatives;

WHEREAS, waiting to restore pre-pandemic service may lead to permanent damage to public transportation, lead to unnecessary congestion on our streets and freeways and undermine our climate, equity and economic recovery goals;

NOW, THEREFORE BE IT RESOLVED, that we urge MTC to appropriate ARPA funds immediately, so that it can be put to immediate use in restoring service and creating good union jobs;

BE IT FURTHER RESOLVED, that we urge MTC to prioritize the ARPA funds for immediate use and not years in the future.

June XX, 2021

[Commissioner Name]

Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105-2066

Re: Berkeley City Council Resolution Urging the Metropolitan Transportation Commission to Program and Prioritize American Rescue Plan Act Funds

Dear Honorable Commissioners:

Public transit is an essential public service, especially for low-income and Black and brown community members, our frontline workers, and elders, students, and people with disabilities. Transportation emissions are the highest source of greenhouse gas emissions in the country, as well as a source of toxic pollution that is hazardous to our constituents' health. Mass public transit is a crucial method to drastically reduce transportation emissions.

Congress has apportioned to Bay Area transit agencies a generous stimulus package of \$1.67 billion dollars to hire workers and restore service, but we understand that MTC is not planning to program these funds until late July, after agencies adopt fiscal year 2021-2022 budgets, resulting in an inability by transit agencies to factor the ARPA funds into next year's budget. We also understand that MTC has publicly stated that it is prioritizing saving those funds for years in the future as opposed to restoring service to pre-pandemic levels by the end of fiscal year 2021-2022. However, the transit agencies that serve Berkeley need to budget these funds now in order to plan to hire workers, fund operations, and restore service in the fiscal year that begins July 1.

ARPA funds are intended as mid-pandemic stimulus funding, and as such, it should be distributed immediately to stimulate our local economies by hiring workers and taking shoppers and diners to their destinations to spend money in our communities. We are concerned that the longer service levels remain reduced, the more likely it is that riders will give up on transit and find permanent, more polluting alternatives. We are also concerned that waiting to restore pre-pandemic service may lead to permanent damage to public transportation, lead to unnecessary congestion on our streets and freeways and undermine our climate, equity and economic recovery goals.

As the elected representatives of the people of Berkeley, we urge MTC to appropriate ARPA funds immediately – not for use in future years – so that these funds can be put to immediate use in restoring service, creating good union jobs, supporting our local economy, and reducing our greenhouse gas emissions.

Sincerely,

The Berkeley City Council

