

INTER OFFICE MEMO

To: Administration & Finance Committee

Date: 10/24/2022

From: Melody Reeb, Director of Planning, Marketing, & Innovation

Reviewed by: *Ref*

SUBJECT: Cap and Trade Grant (LCTOP) Funds Transfer

Background:

The Low Carbon Transit Operations Program (LCTOP) provides cap-and-trade funding for transit to reduce greenhouse gas (GHG) emissions and improve mobility, with a priority on serving disadvantaged communities (DACs). Over time, the guidelines for eligible projects have been revised, allowing for increased flexibility in the use of these funds. In the last few years, County Connection has utilized these funds to operate Route 99X, connecting the Martinez Amtrak Station to North Concord BART via Pacheco Blvd. and Morello Ave., and to increase weekend service on Route 316. Both routes serve the DAC within County Connection's service area. Since FY 2018-19, with the passage of Senate Bill 1119, County Connection was able to implement the fare subsidy project in the Monument Corridor on Routes 11, 14, and 16, which was expanded in FY 2021-22 to include weekend Routes 311, 314, and 316.

Funds Transfer:

Due to the COVID-19 pandemic and its impact on ridership, some of the FY 2020-21 funds that were programmed to subsidize fares on Routes 11, 14, and 16 were not utilized. Staff is proposing to roll over the remaining balance of approximately \$275,000 to this year's project, which was approved by the Board in March and includes expansion to the three weekend routes. This will provide close to \$1.2M for subsidizing fares on all six routes serving the Monument Corridor. Based on recent ridership trends and particularly the significant increase on the weekend routes since becoming fare-free in July, staff anticipates being able to utilize all of the funds by the end of the current fiscal year.

Financial Implications:

The proposed funds transfer will provide an additional \$275,000 for subsidized fares on routes serving the Monument Corridor.

Recommendation:

Staff recommends transferring the remaining LCTOP funds from FY 2020-21 to FY 2021-22 to subsidize fares on routes serving the Monument Corridor.

Action Requested:

Staff requests that the A&F Committee forward the proposed transfer of LCTOP funds to the Board for approval.

Attachments:

None