

April 20, 2020

BY ELECTRONIC MAIL

Scott Haggerty, Chair (district1@acgov.org)

Therese McMillan, Executive Director (tmcmillan@bayareametro.gov)

Bay Area Metro Center

375 Beale Street

San Francisco, CA 94105

Re: Agenda Item 7 (f):
Emergency FTA Transit Operating Support in the Federal CARES Act

Dear Chair Haggerty and Ms. McMillan:

With local tax revenues plummeting, the availability of \$1.3 billion in federal funding “to prevent, prepare for, and respond to COVID-19” (FTA guidance [here](#)) gives our Bay Area regional transportation agency the opportunity to protect the health and lives of millions of residents when local governments lack the financial ability to do so.

In our initial letter (attached), we asked that MTC promptly allocate these emergency funds to transit agencies “**based on each agency’s respective needs** for funding to ensure that frontline workers and transit-dependent riders have access to healthy and safe transit service throughout and beyond the pandemic.”

Four days after receiving that letter, MTC staff issued a proposed distribution of the first 60% of the Bay Area’s \$1.3 billion share of federal emergency transit funds. Staff asserts that the principle guiding that distribution is to “Distribute funding in a manner that best **addresses operators’ needs arising from the COVID-19 crisis.**”

Shockingly, however, the actual distribution staff proposes does not specifically identify or sufficiently address the needs arising from the crisis. Staff, instead, proposes to divide the first 60% of the funding -- nearly \$800 million -- on the basis of three factors that have nothing to do with the COVID-19-related needs of transit agencies, workers or riders. Two of those factors, in fact, are based directly or indirectly on the pre-pandemic farebox revenue collected by each agency.

Our goals during and after this pandemic must be (a) to provide essential workers and transit-dependent riders with safe transit service to access essential workplaces and services, and to save the lives of transit workers and riders alike, and (b) to ensure that all transit workers continue to receive full pay and benefits despite reduced service levels.

To do so, and to faithfully implement staff’s own principle, 5% of the funds should be distributed to a COVID-19 Response Fund, and the remainder should be distributed to transit agencies in proportion to each agency’s share of either labor costs or “of the total budgeted FY 2019-20 operating costs for systems across the Bay Area” (i.e., staff’s first proposed factor).

The details and rationale for our proposed distribution are as follows:

1. Create a COVID-19 Response Fund with 5% of Phase 1 Federal Revenues.

This fund will be made available to every agency based on its actual need for funding to address the health and safety issues facing transit workers and riders during the pandemic and its aftermath. As FTA notes, this was the purpose of the emergency funding. Our entire region is counting on MTC to deploy these emergency resources in a way that flattens the curve and saves the lives of our courageous frontline workers, and the millions who depend on them.

Eligible uses of the Bay Area COVID-19 Response Fund should include:

- a. **PPE for all transit workers**, including masks, gloves, disinfecting wipes, and hand sanitizer; and plexiglass dividers on vehicles to protect transit drivers
- b. **Masks for every rider who needs one**, to protect riders and drivers, and the larger community
- c. **Disinfecting all transit vehicles to state-of-the-art standards of virus protection** (including hiring new workers, training them in state-of-the-art sanitizing methods, and outfitting them with hazard suits, N95 masks, gloves, and goggles)
- d. **Hazard pay** for our heroic transit workers
- e. Recovery of **fares foregone due to rear-door boarding**
- f. Meeting the **specific needs of especially vulnerable populations**, including people with disabilities, seniors and paratransit riders

If any money remains in this Fund after all needs are met, it can be reallocated as part of Phase 2. If there is a shortfall, it can be augmented as part of that second Phase.

2. Distribute the remaining funding on the basis of total operating budgets or labor cost, not farebox.

The bulk of the funds should be distributed solely on the basis of each agency's operating or labor costs, without consideration of pre-COVID farebox recovery. There are two reasons:

Keep our transit workers on the payroll: Operating budgets or labor costs are the best indicator of the actual cost for each agency to keep its workers on the payroll over the coming months. The jobs and benefits of our courageous transit workers must be protected during this crisis, and funds should be distributed in proportion to that specific need. This will also support the system's eventual recovery by ensuring sufficient staff is still on payroll.

Equity: Distribution based on farebox recovery disproportionately benefits high-fare systems, at the expense of low-fare systems that carry disproportionate numbers of riders of color, transit-dependent riders, and essential workers. (In some cases, high-fare systems that previously carried the highest number of riders now carry fewer riders than low-fare systems.)

3. If MTC withholds 1% for “regional transit programs,” those funds should be prioritized for pandemic assistance

This is not the time for MTC to take nearly \$8 million off the top of the distribution with no pandemic-related specifics for its use. MTC must be transparent in its use of these funds and accountable to spending them to meet needs arising from the COVID-19 pandemic. MTC should focus its resources on providing free inter-system transfers, and identifying and filling gaps in lifeline transit service needed to provide essential workers and transit-dependent riders with access to critical destinations (e.g., hospitals, social services, grocery stores, etc).

In this historic crisis, the leadership of our regional transportation agency will literally spell the difference between life and death for workers and residents across the Bay Area. We urge you to take this opportunity to direct 5% of these emergency transit funds to address the crisis, especially at a time when local government resources are stretched so thin.

Sincerely,

Sara Greenwald
350 Bay Area

ACCE Action
(Alliance of Californians for Community Empowerment)

Yvonne Williams, President/Business Agent
Amalgamated Transit Union, Local 192

John Courtney, President/Business Agent
Amalgamated Transit Union, Local 265

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Amalgamated Transit Union, Local 1574

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Sylvia Chi, Policy Director
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Peter Cohen and Fernando Martí, Co-Directors
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Letter to MTC on COVID-19 Response Fund

April 20, 2020

Page 4

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cc: MTC Commissioners

Encl: Letter of April 13, 2020