American Rescue Plan Additional Assistance

November 2021

BART

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
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November 8, 2021

The Honorable Nuria Fernandez
Administrator, Federal Transit Administration
US Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

RE: FY2021 American Rescue Plan Additional Assistance Grant Application

Dear Administrator Fernandez,

The San Francisco Bay Area Rapid Transit District (BART) respectfully submits to the Federal Transit Administration (FTA) our request for $153.9 million of Additional Operating Assistance through the American Rescue Plan (ARP) Act to address BART's estimated financial need through FFY23. This funding is essential for BART's continued operation and ability to provide essential service, retain our specialized workforce, and support the Bay Area's recovery. BART projects an additional revenue shortfall of $1.458 billion for the period of FFY24 through FFY29 and requests additional assistance to address this need if sufficient federal funding is available.

Historically, our riders have paid most of the cost of operating BART service – in 2019, operating revenue, including passenger fares and parking fees, covered more than 73% of operating expenses. While BART has seen slow and steady ridership recovery in 2021, passenger revenue remains below pre-pandemic levels by more than $30 million per month. Only because of the emergency funding appropriated by Congress in the CARES, CRRSA, and ARP Acts has BART been able to continue to operate train service, maintain our infrastructure, and retain our workforce.

BART service is at the center of transportation equity in the Bay Area and remains essential to the region's mobility and sustainability. BART connects five counties, including the four largest cities, and ties together a vast network of bus, rail, and ferry service. Even during the recent Delta variant surge, BART has served more than 100,000 daily trips and a disproportionate share of the region's total transit passenger miles. Historically, BART ridership has mirrored the demographics of the region. However, during the pandemic that has changed and more than half of BART's riders now come from low-income households, more than half lack access to a car, and nearly one in four would not have made their trip but for BART's service.

As our region moves beyond the acute pandemic, many workers are likely to become permanent hybrid remote/in-office workers and the peak commute fare revenue that has sustained BART in the past will only partially return. However, robust regional rail service for all types of trips will remain essential – not only to serve our riders but also for economic recovery, transit connectivity, for the environment, and even for the health of our partner transit agencies. Strong Transbay rail service will be critical to support and sustain the long-term recovery of the Bay Area. Sustaining the BART system is also critical to realizing the tremendous regional and federal investment in the BART extension to San Jose and Silicon Valley. Frequent BART service will help mitigate the return of pre-pandemic traffic levels in the Bay Area and provide an efficient, environmentally friendly, and affordable mode of travel for those who live far from the urban core. Achieving the Administration's bold climate change goals will also rely on large capacity systems such as BART for long-term reductions in greenhouse gas emissions.

Our current forecasts indicate that, even with federal assistance already received, an additional $153.9 million will be required to sustain service through FFY23. BART staff are working hard to maximize cost efficiencies and extend our ability to operate with the current funding as long as possible while maintaining essential service.

BART is grateful for the FTA's support throughout the COVID-19 pandemic and remains committed to our mission of providing safe, reliable, clean, and quality transit service for riders. We appreciate your consideration of our application for ARP Additional Assistance funding.

Sincerely,

Robert M. Powers
General Manager

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1. EXECUTIVE SUMMARY

This application describes BART's request for additional assistance from American Rescue Plan (ARP) Act funds. BART requests $153.9M to meet its estimated financial need through federal fiscal year (FFY) 2023. BART projects an additional revenue shortfall of $1.458 billion (B) for the period of FFY24 through FFY29 and requests additional assistance to address this need if sufficient federal funding is available.

Prior to COVID-19, BART was among the most fare reliant transit operators in the country. In 2019, operating revenue, including passenger fares and parking fees, covered more than 73% of operating expenses. While BART has seen some ridership recovery in 2021, passenger revenue remains below pre-pandemic levels by $30 million (M) per month. The pandemic has also had a unique impact on the economy of the City of San Francisco, which has further depressed BART revenue. Bay Area weekly office occupancies average 25% as of mid-October, the lowest rate of any region in the county. Sales taxes in the city's major industries such as tourism and restaurants are deeply depressed, and likely declines in commercial property values put future tax revenues at risk.

In this environment, only federal assistance provided through the Coronavirus Aid, Relief, and Economic Security (CARES), Coronavirus Response and Relief Supplemental Appropriations (CRRSA), and ARP Acts have allowed BART to continue to operate train service, maintain our infrastructure, and retain our workforce. Following the original allocation of funds from the American Rescue Plan, BART was able to invest the funds in restoring normal operating hours and frequencies.

Business surveys in our region indicate that even as our region moves beyond the acute pandemic, many workers are likely to become permanent hybrid remote/in-office workers, and the peak commute fare revenue that has sustained BART in the past will only partially return. However, robust regional rail service for all types of trips will remain essential—not only to serve our riders, but also for economic recovery, regional mobility, for the environment, and even for the health of our partner transit agencies. Even during the recent Delta surge, BART has served more than 100,00 daily trips and a disproportionate share of the region's total transit passenger miles.

Strong Transbay rail service will be critical to support and sustain the long-term recovery of the Bay Area. Sustaining the BART system is also critical to realizing the tremendous regional and federal investment in the BART extension to San Jose and Silicon Valley. Frequent BART service will help mitigate the return of pre-pandemic traffic levels in the Bay Area and provide an efficient, environmentally friendly, and affordable mode of travel for those who live far from the urban core.

The requested funding will be applied to the labor and non-labor costs necessary to maintain frequent train service, retain our specialized workforce, and support the Bay Area's continued recovery.

2. PROJECT OVERVIEW

2.1. About BART

The San Francisco Bay Area Rapid Transit District (BART) is a heavy-rail public transit system that connects the San Francisco Peninsula with communities in the East Bay and South Bay. BART service currently extends as far as Millbrae, Richmond, Antioch, Dublin/Pleasanton, and Berryessa/North San José. BART operates in five counties (San Francisco, San Mateo, Alameda, Contra Costa, and Santa Clara) with 131 miles of track and 50 stations, carrying approximately 410,000 trips on an average weekday prior to the COVID-19 pandemic.

For more than 45 years BART has provided fast, reliable transportation to downtown offices, shopping centers, tourist attractions, entertainment venues, universities and other destinations for Bay Area residents and visitors alike.

BART is a special purpose transit district that was formed in 1957 and opened for service in 1972. Read more about BART's history and system facts.

BART's vision is to support a sustainable and prosperous Bay Area by connecting communities with seamless mobility. BART connects priority populations and provides a low-cost alternative to driving for populations who cannot afford to live in the urban core.

BART's mission is to provide safe, reliable, clean, quality transit service for riders.

2.2. Project Description

BART is submitting this application to the Federal Transit Administration (FTA) for fiscal year (FY) 2021 American Rescue Plan (ARP) Additional Assistance grant funding to support sustained transit operations.

This application is for $153.9 million in 2021 ARP Additional Assistance funds to meet the estimated financial need for BART operations through FFY2023. Further, the application identifies an additional need of $1.458 billion through FFY2029. The funds will be used to cover operating expenses (labor and non-labor) to maintain train service. The requested assistance will be used to support operating expenses and will not displace regular formula grant funds (5307 and 5337) which are used to fund capital investment in state of good repair.

During 2020, pandemic financial impacts required BART to reduce service frequency to 30 minutes (from 15 minutes) on each line and shorten hours of operation to close at 9 PM (a total service reduction of 40%). Limited service provided essential mobility during the early stages of the pandemic but is not adequate to support the region's recovery.

In August of 2021, BART restored service frequency to 15 minutes on each line until midnight six nights per week. This service restoration was driven in large part by requests from downtown San Francisco businesses and employee groups that needed affordable, reliable transportation for service industry workers. The restored system hours and frequency serves those who need reliable BART service for work and non-work trips while attracting choice riders outside traditional commute hours, enabling continued ridership and revenue recovery. The requested $153.9M of additional assistance will allow BART to sustain the present service level, meet forecast labor and non-labor expenses, retain our workforce, and continue to offer robust service to support regional recovery during federal fiscal year 2023. Additional funding up to $1.458 billion would contribute to offsetting projected revenue reductions through FFY2029.

2.3. Project Location

This application requests funds to support continued operations of BART service in the San Francisco Bay Area. As noted above, BART provides service in five counties in the Bay Area, including Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara Counties. BART's 50 stations and 131 miles of track connect job centers in San Francisco, Oakland, and Silicon Valley to communities in between, providing a vital and reliable link for those travelling to work, school, recreation, medical appointments, and more.

BART Ridership & Demographics

Prior to COVID-19, BART served 410,000 trips on a typical weekday, providing more than half of the transportation capacity in the critical Transbay corridor between Oakland and Downtown San Francisco. Just over 70% of BART trips were made for work purposes, and one in five trips involved a passenger connection with another transit agency. Survey data from fall 2018 showed a rider profile that reflected the region's demographics: sixty-five percent of riders identified as non-white, 26% reported having household incomes under $50,000 per year, and 31% did not have a car.

The COVID-19 pandemic's impact on BART ridership was immediate and severe: in April 2020, BART ridership collapsed to a low of 6% of expected levels, resulting in revenue losses of more the $40M per month. Ridership remained below 14% of expected levels through February of 2021 before beginning a very slow recovery. Even during this period of depressed ridership, BART continued to provide critical mobility for essential workers and transit-dependent riders. A survey of BART riders from fall 2020 showed that more than half (51%) reported having household incomes under $50,000 per year, 75% identified as non-white, and more than half (53%) did not have a car. Stations located in lower-income communities maintained a significantly higher percentage of their pre-pandemic ridership than did stations in higher income communities.

By fall of 2021, ridership has reached just over a quarter of pre-pandemic levels. Weekday peak ridership has continued to track closely with average office occupancies, which are the lowest of any region in the county as remote work remains dominant in our region.

3. NEED FOR ADDITIONAL FUNDING

BART requests $153.9M of ARP Additional Assistance funding to maintain frequent train service through FFY2023. BART further requests additional funding to offset projected revenue reductions of $1.458B through FFY2029.

BART collected actual and forecasted amounts for both revenues and expenses, for the time periods requested by the FTA. Note that dollar amounts are not inflation-adjusted, i.e., presented in year-of-expenditure dollars ($YOE), except when comparing to the FY18 Baseline, where figures are adjusted to be in FY18 dollars ($FY18):

- **July 2017 – June 2018 ("FY18 Baseline")**: BART's FY2018 actual revenues and expenses, consistent with NTD reporting.
- **January 2020 – September 2020 ("1/20-9/20")**: nine-month period of actual revenues and expenses, consistent with NTD reporting.
- **October 2020 – September 2021 ("FFY21")**: actual revenues and expenses through June 2021 and forecast revenues and expenses through September 2021.
- **October 2021 – September 2022 ("FFY22")**: forecasted revenues and expenses
- **October 2022 – September 2023 ("FFY23")**: forecasted revenues and expenses
- Additional federal fiscal years follow the same naming convention as above.

BART presents two financial need methodologies, as suggested by the ARP Additional Assistance Notice of Funding Opportunity (NOFO) and accompanying Supplemental Form. The results are presented below, with explanation of adjustments and forecasting assumptions to follow:

1. **Reduction in Farebox or Other Sources of Revenue (through FFY23)**

The table below details how actual and projected revenues through federal fiscal year 2023 fall short of 2018 revenues. The top half of the table presents actual and projected revenue in year-of-expenditure dollars ($YOE) along with the amount of lost revenues that have been or will be replaced by CARES Act, CRRSAA, and ARP funding. The bottom half of the table presents actual and projected revenues in constant-year FY18 dollars (for purposes of comparison with the FY18 baseline) as a percentage of 2018 operating expenses.

Actual and Forecasted Revenues for NTD Time Periods ($YOE)						
	FY18 Baseline	1/20 - 9/20	FFY21	FFY22	FFY23	TOTAL
Fare Revenue	*481.8*	*116.3*	*71.5*	*154.2*	*237.9*	579.9
Non-Fare Revenue	*295.6*	*242.9*	*260.2*	*276.1*	*304.4*	1,083.6
Total Regular Revenues	***777.4***	**359.2**	**331.7**	**430.3**	**542.3**	**1,663.5**
Emergency Federal Aid (CARES, CRRSAA, ARP)[1]	***n/a***	**267.7**	**477.9**	**417.4**	**174.5**	**1,337.5**
Total Sources	***777.4***	**626.9**	**809.6**	**847.7**	**716.7**	**3,001.0**
Reduction in Revenue without Federal Aid, 1/20-9/23 ($FY18, $M)						
Total Regular Revenues ($FY18)		345.1	308.7	391.0	480.9	1,525.6
FY18 Baseline ($FY18)		583.0[2]	777.4	777.4	777.4	2,915.1
FY18 Baseline Operating Expense ($FY18)		583.0	777.4	777.4	777.4	2,915.1
Loss of Revenue ($FY18)		**238.0**	**468.7**	**386.4**	**296.4**	**1,389.5**
Loss of Revenue as % of FY18 Operating Expense		**41%**	**60%**	**50%**	**38%**	**48%**
Reduction in Revenue with Federal Aid, 1/20 – 9/23 ($FY18, $M)						
Total Sources ($FY18)		**602.3**	**753.5**	**770.1**	**635.6**	**2,761.5**
FY18 Baseline ($FY18)		**583.0**	**777.4**	**777.4**	**777.4**	**2,915.1**
Loss of Revenue compared to FY18 Baseline ($FY18)						**153.6**
Loss of Revenue compared to FY18 Baseline ($FFY23)[3]						**173.2**

Notes:

1. Federal aid is apportioned in the year of need, as calculated to close the operating deficit in the "Estimate of Financial Need, 1/20 – 9/23" section below.
2. FY18 Baseline for the 9-month period was prorated by month
3. Result expressed in FFY23 dollars as revenue loss occurs in FFY23. See "Conversion to 2018 Dollars" for inflation-adjustment methodology.

2. Reduction in Farebox or Other Sources of Revenue (FY24-29)

The table below details how actual and projected revenues through from FFY24 through FFY29 fall short of 2018 revenues. The top half of the table presents actual and projected revenue in year-of-expenditure dollars ($YOE) along with the amount of lost revenues that have been or will be replaced by CARES Act, CRRSAA, and ARP funding. The bottom half of the table presents actual and projected revenues in constant-year FY18 dollars for purposes of comparison with the FY18 baseline.

Reduction in Farebox or Other Sources of Revenue, FFY24 - FFY29 ($YOE, $M)							
	FFY24	FFY25	FFY26	FFY27	FFY28	FFY29	Total
Fare Revenue	291.9	321.0	352.4	381.1	404.0	417.7	2,168.1
Non-Fare Revenue	315.5	328.3	343.1	357.6	372.6	383.8	2,101.0
Total Revenues ($YOE)	**607.5**	**649.3**	**695.6**	**738.7**	**776.6**	**801.5**	**4,269.0**
Comparison to FY18 Baseline, FFY24-FFY29 ($FY18, $M)							
Total Revenues ($FY18)	525.9	548.7	573.8	594.9	610.5	615.1	3,468.9
FY18 Baseline	777.4	777.4	777.4	777.4	777.4	777.4	4,664.2
Revenues compared to FY18 Baseline ($FY18)	-251.5	-228.7	-203.6	-182.5	-166.9	-162.3	-1,195.4
Revenues compared to FY18 Baseline ($YOE)	**-290.5**	**-270.6**	**-246.7**	**-226.6**	**-212.2**	**-211.5**	**-1,458.2**

3. Estimate of Financial Need, 1/20 – 9/23.

The table below presents BART's estimated financial need, which is calculated based on actual expenses and sources (regular revenues and federal assistance used) through FY21 and forecasted expenses and sources through FY23 in YOE dollars.

Funds awarded will be applied to labor, non-labor, and power costs to support the continued operation of rail service. The requested assistance will be used to support operating expenses and will not displace regular formula grant funds (5307 and 5337), which are used to fund capital investment in state of good repair.

Actual and Forecasted Expenses; Net Operating Result for FTA Time Periods ($YOE, $M)						
	FY18 Baseline	1/20 - 9/20	FFY21	FFY22	FFY23	TOTAL
Total Operating Expense	*777.4*	626.9	809.6	847.7	870.7	3,155.0
Regular Revenues	*777.4*	359.2	331.7	430.3	542.3	1,663.5
Federal Aid (CARES, CRRSAA, ARP)	*n/a*	267.7	477.9	417.4	174.5	1,337.5
Total Sources	*777.4*	626.9	809.6	847.7	716.7	3,001.0
Net Operating Result	***0.0***	**0.0**	**0.0**	**0.0**	**-153.9**	**-153.9**

3.1. Methodology

FY18 Baseline

The FY18 Baseline level of revenues is established to be consistent with BART's 2018 NTD reporting of "Funds Expended on Operations." The FY18 Baseline revenue is carried forward as the expected annual revenues had there been no pandemic. Note that for the FTA-requested period of "1/20-9/20," the FY18 revenue is prorated to the nine-month period. Revenues and expenses in all future years are reported in constant-year FY18 dollars.

Conversion to 2018 Dollars

This application presents revenue and expenses in year-of-expenditure dollars. When comparing revenue reductions compared to FY18 baseline revenues, revenues are converted to FY18 dollars for comparability between time periods. The result for revenue reductions is then converted to be into year-of-expenditure dollars. This methodology is consistent with similar financial analyses for other federal programs.

The conversion from year-of-expenditure to 2018 dollars was based on the BLS-published CPI-U index.[1] For each period, the CPI-U index was averaged across the individual months that comprise

[1] https://data.bls.gov/cgi-bin/surveymost?bls CPI for All Urban Consumers (CPI-U) 1982-84=100 (Unadjusted) - CUUR0000SA0

the period. For example, for the 1/20-9/20 period, each month's CPI-U value for those nine months were averaged. The resulting conversion rates are as follows:

	FY18	1/20 - 9/20	FFY21	FFY22	FFY23
CPI-U Index	248.13	258.29	266.62	273.12	279.79
Incremental Inflation Rate		4.10%	3.22%	2.44%	2.44%

For future years, the rate of inflation was based upon consensus inflation forecasts of professional forecasters, as collected by the Federal Reserve Bank of Philadelphia.[2] The consensus 10-year forecast for annual CPI-U inflation was 2.44%.

Exclusion of VTA BART Silicon Valley Costs and Revenues

The two-station, ten-mile BART Silicon Valley Phase 1 extension to Berryessa opened in June of 2020. The extension is operated and maintained by BART on behalf of the Santa Clara Valley Transportation Authority (VTA). VTA owns the extension and bears full financial responsibility for its costs. Under the terms of the Operations & Maintenance (O&M) Agreement between the two agencies, VTA reimburses to BART the operating cost of the extension less fare revenue generated. As a result, the extension is revenue neutral to the BART District.

Because VTA owns the extension and is responsible for its cost, and to maintain comparability with the FY18 baseline revenue (when the extension was not yet operating), both the costs of the extension and VTA reimbursement for those costs have been excluded from BART's financial projections in this application, outlined in the table below. Note that in the "1/20-9/20" period, the VTA extension was in operation for only three months.

VTA Contributions Offsetting VTA Operating Expense ($FY18)				
	1/20 - 9/20 Actual	FFY21 Actual & Estimated	FFY22 Estimated	FFY23 Estimated
VTA Fare Revenue	395,311	2,277,977	5,170,671	7,789,803
VTA Reimbursement	8,919,524	35,945,497	38,698,349	36,235,298
Total VTA Contributions	**9,314,835**	**38,223,474**	**43,869,019**	**44,025,101**
VTA Operating Expense	**9,314,835**	**38,223,474**	**43,869,019**	**44,025,101**
Net Financial Impact	**0**	**0**	**0**	**0**

Revenue Assumptions

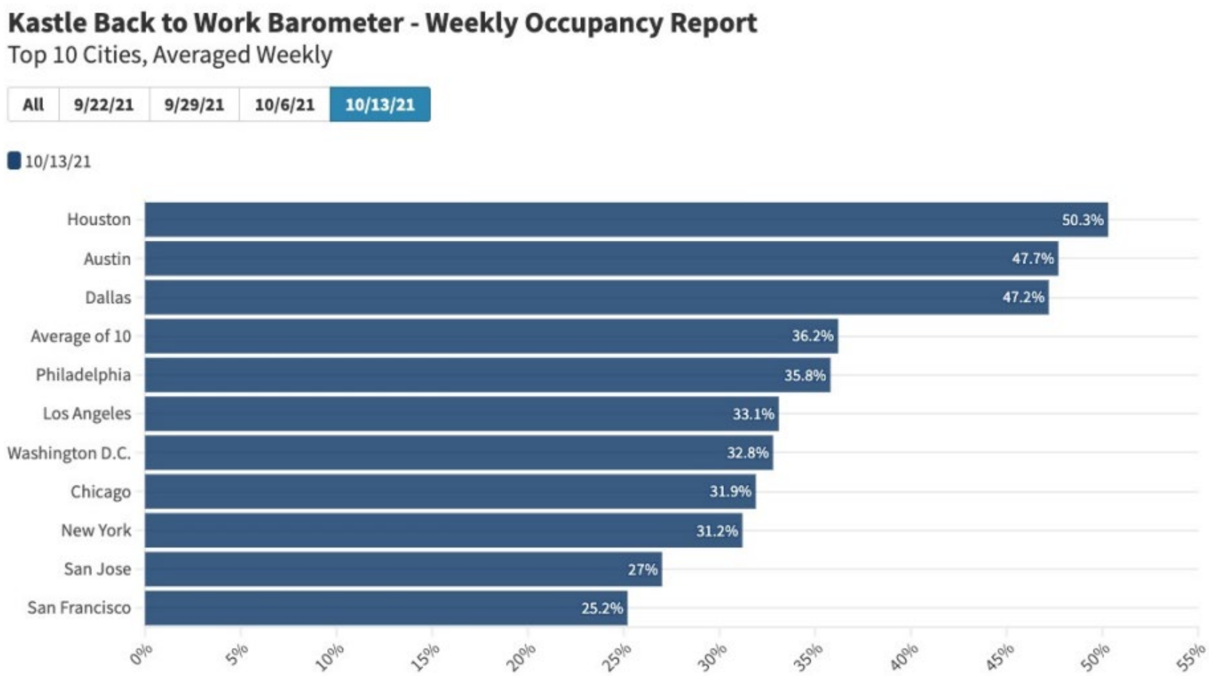
Fare Revenue

Passenger fares have historically been BART's most important source of operating revenue. In FY2019, BART received $483 million in fares. At the start of the COVID-19 pandemic, ridership and fare revenue collapsed: ridership reached a low of 6% of expected levels. Ridership remained

[2] https://www.philadelphiafed.org/surveys-and-data/real-time-data-research/spf-q3-2021

below 14% of pre-COVID expectations through February 2021 before slowly increasing to approximately 20% of pre-COVID levels by June 2021.

BART is preparing for a slow recovery in ridership and fare revenue. Work trips made up over 70% of BART ridership before COVID-19, and throughout the pandemic, BART's weekday peak period ridership has tracked closely with overall Bay Area office occupancy. At 25% of pre-COVID occupancy as of October, the Bay Area has the slowest return to on-site work of any major US region.



According to the Bay Area Council's employer tracking poll[3], nearly all office-based employers are planning for a long-term future that includes hybrid on-site/remote work, and most employers believe the typical worker will be on-site three days per week or fewer. Expected timelines for implementing this long-term normal plan range from one month to a year or longer. Transit mode share for non-work trips remain well below pre-pandemic levels as well.

Fare revenue projections assume ridership will reach 27% of pre-COVID expectations for BART's FY22 and 44% for FY23. These aggregate annual percentages were developed using forecasted COVID recovery milestones such as regional vaccination rates and office and other industry timelines for return to on-site work to determine the timing of ridership recovery. Factors such as remote work percentages, remote-workable industries, and school re-openings determined the magnitude of expected ridership recovery. Fare revenue forecasts also assume that inflation-based fare increases proceed every two years per BART Board policy.

[3] http://www.bayareaeconomy.org/return-to-transit-survey-october-results/

Non-Fare Revenue

Non-fare revenue consists of other operating revenues and financial assistance.

Other Operating Revenue consists of revenues generated from parking, advertising, investment, and other smaller revenue sources. For the forecasts, these revenues are forecast to escalate at an annual average rate of 12% through FFY24, inclusive of parking revenues that track with relatively high ridership growth.

Financial assistance is projected to increase at an average annual rate of 6%. Sources include:

- Sales Tax revenue, which experienced a significant reduction during the pandemic. Sales tax revenues in the City and County of San Francisco dropped by 19% during the pandemic, with businesses in the downtown business district impacted by remote work and large industries such as restaurants, entertainment, and tourism, suffering broader impacts of the pandemic itself. Our projections assume 3% annual growth in sales tax revenue, constrained by slow recovery of the San Francisco economy.
- Property Tax revenue was not substantively affected by the pandemic in the first year. Our projections assume a 3% year-over-year increase to property tax revenue, constrained by risk to the value of commercial office real estate given widespread remote work.
- State Transit Assistance, derived from sales tax on diesel fuel and distributed by the Metropolitan Transportation Commission (MTC). Forecasts used guidance from MTC.
- A variety of smaller assistance sources, including state clean energy programs and local funding measures. State clean energy programs are expected to appreciate significantly, as the revenues are based on the amount of rail service delivered, which has increased since the start of the pandemic. Forecasts for other assistance sources assume a 3% annual growth rate.

Expense Assumptions

BART's Operating Expense is forecasted to increase approximately 5% from BART's FY21 to FY22 due to an increase in service levels. Beginning in FY22 operating expense is forecast to increase at approximately 3% annually, or 0.6% above inflation projections, driven by rising benefit costs. Service levels are planned to increase in FY28 after the completion of the Transbay Corridor Core Capacity Project, which drives an increase in operating expense.

3.2. Federal Aid (CARES, CRRSAA, and ARP)

Through the three federal COVID relief bills (CARES, CRSSAA, and ARP), BART has been awarded total federal aid to-date of $1.34 billion (B) in year-of-award dollars. Federal aid is apportioned in the year of need, as detailed in the "Estimate of Financial Need, 1/20 – 9/23" table. As demonstrated by FTA Grant CA-2020-084-01 "San Francisco Bay Area Rapid Transit District (BART) 5307 CARES ACT Operating Assistance" included in this application package (CA-2020-

084-01.PDF), BART has fully expended all its CARES Act assistance. The referenced grant has been closed by FTA, as all funds have been disbursed.

This federal aid is forecast to supplement regular revenues until the middle of FFY23.

3.3. Calculation of Need

Actual and Forecasted Expenses; Net Operating Result for FTA Time Periods ($YOE)						
	FY18 Baseline	**1/20 - 9/20**	**FFY21**	**FFY22**	**FFY23**	**TOTAL**
Total Operating Expense	777.4	626.9	809.6	847.7	870.7	3,155.0
Total Sources	777.4	626.9	809.6	847.7	716.7	3,001.0
Net Operating Result	**0.0**	**0.0**	**0.0**	**0.0**	**-153.9**	**-153.9**

The estimate of financial need for the period January 2020 through September 2023 compares the expected sources (including regular revenue and financial aid) against the expected operating expenses in year of expenditure (YOE) dollars. Total expected sources is $3.00B, whereas total expected operating expense is $3.16B. The calculated need over the analysis period is $153.9M.

Reduction in Fare Revenue and Other Revenues for FTA Time Periods ($M)						
	FY18 Baseline	**1/20 - 9/20**	**FFY21**	**FFY22**	**FFY23**	**TOTAL**
Regular Revenues ($YOE)	777.4	359.2	331.7	430.3	542.3	1,663.5
Federal Aid (CARES, CRRSAA, ARP) ($YOE)	n/a	267.7	477.9	417.4	174.5	1,337.5
Total Sources ($YOE)	**777.4**	**626.9**	**809.6**	**847.7**	**716.7**	**3,001.0**
Total Sources ($FY18)		**602.3**	**753.5**	**770.1**	**635.6**	**2,761.5**
FY18 Baseline ($FY18)		**583.0**	**777.4**	**777.4**	**777.4**	**2,915.1**
Loss of Revenue compared to FY18 Baseline ($FY18)						**-153.6**
Loss of Revenue compared to FY18 Baseline ($FFY23)						**-173.2**

The reduction of fare revenue and other revenues for the period January 2020 through September 2023 is expected to be $173.2M. Regular revenues and federal aid were summed to provide a total expected sources for the period of $3.00B (or, $2.76B in FY18 dollars). The FY18 Baseline for the period sums to $2.92B in FY18 dollars, showing a revenue reduction of 153.6M ($FY18). BART anticipates the revenue shortfall to occur FFY23; expressed in FFY23 dollars, the revenue reduction is $173.2M.

Reduction in Farebox or Other Sources of Revenue, FFY24 - FFY29 ($YOE, $M)							
	FFY24	**FFY25**	**FFY26**	**FFY27**	**FFY28**	**FFY29**	**Total**
Fare Revenue	291.9	321.0	352.4	381.1	404.0	417.7	2,168.1
Non-Fare Revenue	315.5	328.3	343.1	357.6	372.6	383.8	2,101.0
Total Revenues ($YOE)	**607.5**	**649.3**	**695.6**	**738.7**	**776.6**	**801.5**	**4,269.0**
Comparison to FY18 Baseline, FFY24-FFY29 ($FY18, $M)							
Total Revenues ($FY18)	**525.9**	**548.7**	**573.8**	**594.9**	**610.5**	**615.1**	**3,468.9**
FY18 Baseline	**777.4**	**777.4**	**777.4**	**777.4**	**777.4**	**777.4**	**4,664.2**
Revenues compared to FY18 Baseline ($FY18)	**-251.5**	**-228.7**	**-203.6**	**-182.5**	**-166.9**	**-162.3**	**-1,195.4**
Revenues compared to FY18 Baseline ($YOE)	**-290.5**	**-270.6**	**-246.7**	**-226.6**	**-212.2**	**-211.5**	**-1,458.2**

For the period FFY24-FFY29, total revenues are forecast to be $4.27B ($YOE), or $3.47B ($FY18). The FY18 Baseline revenues for the period are $4.66B ($FY18), resulting in a revenue shortfall of $1.20B ($FY18), or $1.46B ($YOE).

4. PROJECT SPENDING PLAN & IMPLEMENTATION TIMELINE

If funds from the ARP Additional Assistance Program are awarded to BART, they can be obligated in a grant with FTA via their Transit Award Management System (TrAMS) within approximately one-to-two months (before the end of FFY2022). Upon obligation, funds would be drawn down from FTA's Electronic Clearing House Operation (ECHO) system as needed to support BART's continued operations.

The requested $153.9M in ARP Additional Assistance funds will be used to support operations through FFY2023. Funds awarded will be applied to FFY23 labor, non-labor, and power costs so that the District can continue operating frequent rail service in that year.

Further, up to $1.458B in additional assistance would be applied to support operations through FFY2029. The funds will be used to cover operating expenses (labor and non-labor) to maintain train service. Funds awarded will be applied to labor, non-labor, and power costs so that that the District can continue operating frequent rail service.

The requested assistance will be used to support operating expenses and will not displace regular formula grant funds (5307 and 5337), which are used to fund capital investment in state of good repair.