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MEMORANDUM

TO: FELLOW MEMBERS OF THE PUBLIC WORKS COMMITTEE
FROM: COUNCILMEMBER NANCY J. NADEL
SUBJECT: RESOLUTION IN SUPPORT OF EQUITABLE FUNDING FOR AC TRANSIT RIDERS
DATE: 10/13/2005

SUMMARY

The Metropolitan Transportation Commission (MTC) allocates over \$1 billion dollars each year of public transit funds to the various transportation agencies. However, it appears that year after year, AC transit, which mainly serves people of color and the poor, receives an inequitable allocation of these funds compared to rail commuter services such as BART and Caltrain, which serve more affluent commuters. AC Transit provides valuable access to critical basic needs like jobs, education, and health care, yet AC Transit has had to reduce service levels, increase fares, and reduce routes under the unequal allocations of public subsidy.

BACKGROUND

AC transit carries over 100,000 Oakland riders per day and accounts for 67% of all East Bay boardings. MTC is the Bay Area's regional transportation planning and financing agency and sets the priorities for public transit in the 9-county San Francisco Bay Area. Currently, AC Transit riders, who are overwhelmingly poor (70%), people of color (80%), and over 60% of whom are "transit dependent," receive a subsidy of \$2.78 per rider. Last year, AC Transit riders received service cuts; this year, they received fare increases.

By contrast, BART riders receive a subsidy of \$6.14 per rider. Of its riders, 43% are white, 75% have incomes above \$30,000, and 80% have cars. BART accounts for only 38% of all East Bay boardings. They receive transit improvements such as the newly built extension to the San Francisco Airport.

Finally, Caltrain riders receive a subsidy of \$13.79 per rider. Sixty percent of Caltrain's passengers are white, 86% have cars, and 53% have incomes over \$75,000. Caltrain passengers receive public subsidies that are nearly five times what AC Transit passengers receive and more than double the BART subsidy. Caltrain riders receive new improvements including the new "Baby Bullet" service.

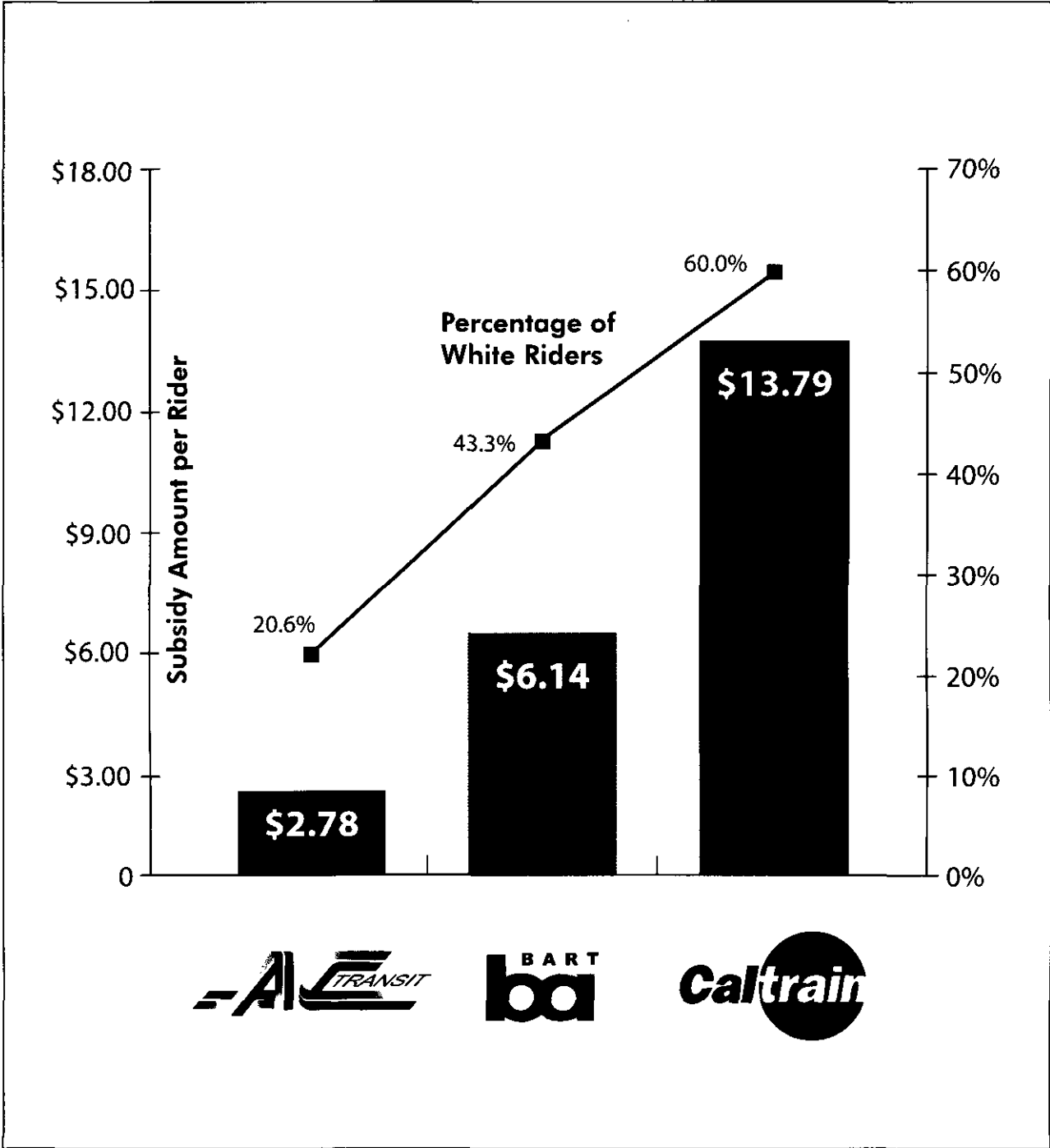
The lawsuit *Darensburg v. Metropolitan Transportation Commission* hopes to restore a more equitable balance to funding practices and help AC Transit achieve the same levels as other rail commuting counterparts. Plaintiffs in the case include two Oakland residents – Sylvia Darensburg and Vivian Hain – and two organizations, Communities for a Better Environment (CBE) and Amalgamated

Transit Union Local 192. Bill Lann Lee, former federal Assistant Attorney General for Civil Rights under the Clinton administration, of the firm Lief Cabraser Heimann & Bernstein is lead counsel in the case.

KEY ISSUES AND IMPACTS

This resolution formally requests MTC to allocate public funds for transit equitably so that minority and low-income AC Transit passengers receive the same subsidy per transit trip from MTC as other passengers riding other transit operators. The resolution speaks to the City of Oakland's stand on issues of inequity and encourages MTC to redistribute funding dollars fairly.

Public Subsidies and Race of Riders



Data from the National Transit Database, 1989-2003

DRAFT

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C. M. S.

INTRODUCED BY COUNCILMEMBER Nancy J. Nadel

SUPPORTING INCREASED FINANCIAL SUPPORT OF AC TRANSIT FOR THE EQUITABLE BENEFIT OF ITS PASSENGERS BY THE METROPOLITAN TRANSPORTATION COMMISSION

WHEREAS, transportation is fundamental for the ability of Oakland residents to gain access to necessities of every kind, from jobs to school, and from health care facilities to shops that sell healthy foods; and

WHEREAS, Alameda-Contra Costa Transit District (AC Transit) bus service enables Oakland residents to meet their transportation needs without the use of automobiles, which contribute to worsening air quality, global warming and congested roads and freeways, and which prolong our nation's extraordinary dependence on fossil fuels; and

WHEREAS, nearly eighty percent of the passengers of AC Transit are people of color, and more than seventy percent of AC Transit's riders live in households with very-low incomes; and

WHEREAS, more than 60% of AC Transit's riders do not have any means, other than public transit, to get to jobs, schools, medical care, shops and markets, and municipal and other governmental facilities, including meetings of the Oakland City Council; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is the transportation planning, coordinating and financing agency for the nine-county San Francisco Bay Area, and is responsible for allocating hundreds of millions of dollars of public transit funds each year; and

WHEREAS, MTC's funding decisions over many years have provided AC Transit passengers with a public subsidy of \$2.78 per trip, while at the same time providing BART passengers with more than double that subsidy (\$6.14) and Caltrain passengers with nearly five times that subsidy (\$13.79); and

WHEREAS, MTC's funding decisions have enabled BART and Caltrain to dramatically expand the level and quality of their service over the years for the benefit of their passengers; and

WHEREAS, MTC's funding decisions have led AC Transit to implement multiple service reductions and fare increases, and have restricted improvements that would benefit its passengers; and

WHEREAS, AC Transit has adopted a cost-effective "Strategic Vision" plan that calls for many service improvements in Oakland along Telegraph Avenue, International Boulevard, San Pablo Avenue, Foothill Boulevard, Market Street, MacArthur Boulevard, Shattuck Avenue, College Avenue and Broadway, and which would improve the quality of life for Oakland residents; and

WHEREAS, the "Strategic Vision" plan requires funds that MTC could provide and which would lead to implementation within a few years; and

WHEREAS the plaintiffs in the civil rights action entitled *Darensburg v. Metropolitan Transportation Commission* seek to finally put an end to MTC's inequitable funding practices so that AC Transit riders are no longer relegated to second-class status; now therefore be it

RESOLVED that the City Council of the City of Oakland requests that the Metropolitan Transportation Commission allocate public funds for transit equitably so that minority and low-income AC Transit passengers receive the same subsidy per transit trip from MTC that MTC provides to other transit operators having wealthier and whiter passengers, and so that AC Transit is able to move forward with the improvements contemplated in its Strategic Vision"; and be it

FURTHER RESOLVED, that the City Council of the City of Oakland encourages the AC Transit Board of Directors to continue to strive to seek equitable funding from MTC that will lead to improvements of service for the benefit of AC Transit's minority and low-income passengers; and be it

FURTHER RESOLVED, that the City Council of the City of Oakland shall forward a certified copy of this resolution and any accompanying supporting materials to the Metropolitan Transportation Commission.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20 __

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID AND
PRESIDENT DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California