



ITEM ID: 2024-111-0

TRANSMITTAL DATE: February 2, 2024

MEETING DATE: February 9, 2024

TO: Executive Committee

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Low Carbon Transit Operations Program (LCTOP) Resolution 24-143

Issue

Low Carbon Transit Operations Program (LCTOP) guidelines require that the Board adopt a resolution acknowledging Metrolink's request to transfer \$3,500,000 from the Mobility-4-All Program to the Student Adventure Pass Program.

Recommendation

It is recommended that the Committee recommend that the Board approve Resolution 24-143 authorizing the transfer of \$3,500,000 of LCTOP funds from the Mobility-4-All Program to the Student Adventure Pass Program.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Customers Are Our Business:** We respect and value our customers, putting them at the heart of all we do, and work hard to attract and retain new customers by understanding their needs and finding new and innovative ways to delight them. A free student pass program makes the option of transit more accessible to students who would otherwise not be able to afford it.
- **Advancing Key Regional Goals:** We will grow the role of regional rail in addressing climate change, air quality, and other pressing issues by advancing toward zero emissions, making rail a compelling alternative to single-occupant automobiles and advancing equity-focused opportunities for all communities throughout Southern

California. The student pass program encourages new ridership focused on serving low-income households and disadvantaged communities, addressing both emissions reduction and equity.

Background

The Low Carbon Transit Operations Program (LCTOP) is part of the California Climate Investments, a statewide initiative that uses Cap-and-Trade dollars to reduce greenhouse gas (GHG) emissions, strengthen the economy, and improve public health and the environment, particularly in Disadvantaged Communities (DACs). LCTOP funds may be used for operational expenditures that increase transit mode share.

The Mobility-4-All discount program was funded by LCTOP awards from Fiscal Year 2020-21 and Fiscal Year 2021-22. Total funds originally allocated for this program are approximately \$5.7 million. The Mobility 4 All program, which offers a 50% discount to lower-income riders, has not utilized funds as quickly as anticipated. Launched in September 1, 2022, only \$875,000 (15%) has been expended through December 2023. There is strong concern that funds might expire before they can be used.

The Student Adventure Pass pilot program was funded by an LCTOP award from Fiscal Year 2022-23. Total funds originally allocated for this program are approximately \$4 million. Students with a valid student ID ride free (limited to a day pass for mobile app users and round-trip tickets for TVM purchases) anywhere on the system. Utilization of this program has well exceeded expectations. Launched on October 9, 2023, \$2.5 million (63%) has been expended through December 2023. Funds are forecast to be exhausted in early 2024. There is a strong desire by staff and by Member Agencies to continue this pilot program through June 2024, the end of the academic year.

Staff proposed to LCTOP the transfer of \$3.5 million from the Mobility-4-All program to the Student Adventure Pass program. After the transfer, the Mobility-4-All program will have a total budget of approximately \$2.2 million, and the Student Adventure Pass program will have a total budget of approximately \$7.5 million. At current utilization rates, Mobility-4-All would be funded until approximately June 2025. The Student Adventure Pass would be funded through June 2024. LCTOP staff have approved this action.

LCTOP program guidelines require recipients to notify their governing board when funding changes are made to ensure they are aware of modifications to previously authorized programs. This communication must be acknowledged with a signed Board resolution.

Discussion

By approving Resolution 24-143, the Board is acknowledging the transfer of \$3,500,000 in LCTOP funds from the Mobility-4-All program to the Student Adventure Pass program to ensure that funds can be used before they expire and that the Student Adventure Pass program has enough funding to continue offering free fares to students through June 2024.

Budget Impact

There is no budget impact as a result of this report as LCTOP grant funds subsidize all fare reductions from these programs.

Prepared by: Tom Schamber, Director, Grants

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Attachment A - Student Adventure Pass Program LCTOP Resolution 24-143
Presentation - LCTOP Resolution SAP Transfer](#)