



# MEMO

**TO:** The Honorable Mayor and Council  
**FROM:** Bert Lumbreras, City Manager  
**DATE:** May 20, 2020  
**RE:** Transit Plan Update and CARES Act Funding –  
Multimodal Transportation Strategic Initiative

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The following memo is to inform Mayor and Council of the upcoming work session presentation on the Five Year Transit Plan Update and recent developments regarding the \$6.4M (million) in CARES Act transit grant funds received by the City.

For several years Council has placed special emphasis on Multimodal Transportation, and one of the key priorities of this Strategic Initiative is a seamless transit system created from the coordination of the City's transit service and the Texas State University Bobcat Shuttle. To execute that vision, both agencies, in partnership with the Texas Department of Transportation, have been developing a Five Year Transit Plan with the consultant firm Nelson-Nygaard.

## **Five Year Transit Plan Update**

After months of study, eight public meetings and two Multimodal Transit Committee meetings, we are pleased to inform you that the Plan's current proposals for the City's service, capital and policy recommendations are ready for Council's consideration.

On June 2, 2020 Council will receive this update presentation on the Transit Plan. The focus will be the Plan's current recommendations for the City. Staff will request Council direction on key elements that will allow Nelson-Nygaard to finalize the Plan recommendations.

These key elements include:

- Service Expansion Plan
- Downtown Transit Plaza
- Paratransit Policy
- Zero Fare Policy
- Transit Center
- Interlocal Agreement

This exciting next step will be the catalyst for completing the Transit Plan. The Five Year Transit Plan will form a core foundation from which we can continue forward with our University partnership to forge the seamless transit system. The draft Transit Plan will return for Council consideration and adoption in August of 2020.

### **CARES Act Transit Grant Funds**

On April 2, 2020, U.S. Transportation Secretary Elaine L. Chao announced \$25 Billion to help the nation's public transportation systems respond to COVID-19. The Federal Transit Administration (FTA) allocated these funds to recipients of urbanized and rural area formula funds. The funding is provided at 100 percent federal share with no local match required. These funds are available for reimbursement of the City's eligible transit expenses and there is no lapse date for use of the funding. FTA's normal program requirements of direct recipients do apply to the CARES Act funding.

Following the announcement of funding and the FTA's allocation of funds, staff began intensive coordination with the FTA and Texas Department of Transportation to ensure the City could apply for these funds under optimal conditions. To maximize the benefits of the funding, the recommended approach is to reimburse the City's transit operations costs at 100 percent with the CARES Act funds. This will account for lost local revenues and reduce pressure on the general fund.

I am pleased to report that staff has completed the CARES Act grant application for the \$6.4M and has programmed the funding to support the City's transit operations through the end of fiscal year 2021 and beyond. The FTA has streamlined the review processes and placed recipient's CARES Act applications as the Administration's top priority.

Additionally, we have coordinated with the FTA and Texas State University to clarify the University's eligibility to potentially receive some portion of these funds to support their public transit system. Those discussions are ongoing, and we are making every effort to support this community partner with CARES Act funding.

We will keep you informed as developments continue to proceed on this vital resource and as we implement City Council's Strategic Initiative of Multimodal Transportation.