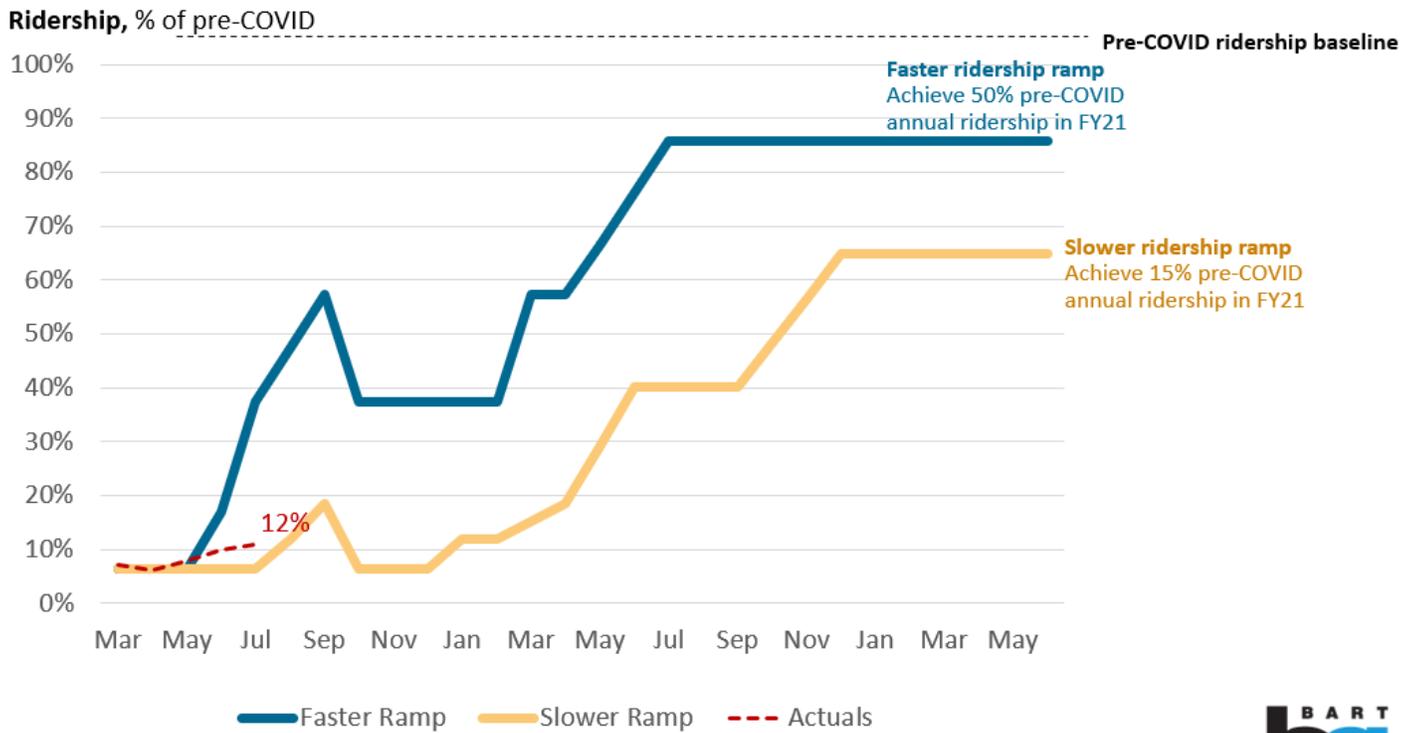


COVID-19 Financial Impacts

- **COVID-19 has created a fiscal crisis for BART**
 - **Total revenue impact expected to be nearly \$1B over three years:**
 - We project that the pandemic and resulting economic recession will reduce BART's revenue by approximately **\$975M**.
 - Funding from the CARES Act bought us time, but will offset **just 40%** of the loss.
 - **Loss of passenger revenues:**
 - BART relies on passenger revenue (fares + parking) to cover **65%** of operating costs.
 - Ridership fell by 94% in April 2020, and remains **88% below normal levels**, resulting in an **ongoing loss of \$40M per month** in passenger revenue.
 - **Sharp decrease in non-passenger revenues:**
 - Sales tax is BART's second largest source of revenue, covering 28% of operating expense. Statewide taxable sales fell 27% from March-June resulting in an approximate **loss of \$6M per month** in revenue to BART
 - The economic downturn will reduce nearly every other BART revenue source.
 - **Added expenses:**
 - Expense such as additional disinfecting, signage and increased staffing to respond to the pandemic itself is budgeted at **\$44M FY21**
 - **Worsening pandemic in the Bay Area means long-lasting impacts:**
 - We expect lasting ridership and economic impacts due to the continued spread of COVID-19. Reported COVID-19 new daily cases in the BART service area **grew 148%** from the first week of April to July (312 to 775).
- **Additional federal support is critical to BART's viability and to regional recovery**
 - **Deep service cuts:**
 - The fiscal emergency has forced deep service cuts: service is reduced to **half of normal frequency** on all lines and the system is now closing **3 hours early** (9 PM vs midnight).
 - Without additional outside funding, service cuts **could be permanent**.
 - If the fiscal emergency triggers labor force reductions, service **can't rebound in time** to serve the recovery: specialized workers such as rail car mechanics and train control technicians can take up to **18 months** to hire and fully train.
 - **BART service remains essential during the pandemic; restoring service is critical for regional recovery:**
 - Of those riding BART during Shelter in Place, **59% of lack access to a car**; 81% are people of color; and 35% have household incomes below \$50K.
 - Transit operators serving parallel routes, including SF Muni, AC Transit, and WETA have also cut back service and are limiting per vehicle capacity.
 - Restoring BART is crucial for our region's Bay Area's economic recovery. Prior to COVID-19, 71% of BART trips were for work, and BART provides **more than half of total peak capacity in the crucial Transbay corridor** between the East Bay and San Francisco.

BART's FY21 Budget was built based on two riderhip scenarios



- **Federal Cares Act provided to date helped keep the trains running and avoid layoffs**
 - To date, BART has been provided \$377 million in CARES Act FTA funding. It is being used to balance the FY20 budget with the remainder going to support the FY21 budget.