



MEMORANDUM

To: Paratransit Technical Advisory Committee

From: Paratransit Coordination Team

Date: November 4, 2011

Subject: **Funding Formula**

The purpose of this discussion is to review the current formula used for the distribution of Measure B funds, discuss the reasons for revising the formula, and brainstorm ideas for developing a new formula that will determine the allocation of funds beginning in FY12-13.

There are three principle issues for discussion at today's meeting:

- **Funding Formula Factors:** Do age, income and disability continue to be the issues that should be addressed in the formula? Are there additional factors that should be taken into consideration?
- **Availability of Data:** Is there sufficient data available to measure each of these factors?
- **Allocation to the Planning Area:** Should a portion of funds be allocated for optional use at the planning area level?
- **Other Issues?**

Each of these is explored in turn below.

Why Revisit the Funding Formula?

The initial funding formula was adopted in 2003 and the current version will be expiring in June 2012. A new formula will need to be developed and adopted to determine how funds should be allocated after this fiscal year. The overall designation of Measure B funding to planning areas is fixed, but the way that funding is distributed *within* the planning areas is open for discussion. A number of issues have arisen since the last funding formula was developed; these are described below and can be addressed as part of this discussion.

Funding Formula Factors

Measure B Distribution of Funds

10.45% of Measure B funds go to specialized transportation for seniors and people with disabilities (per the 2000 Expenditure Plan). These are distributed as follows:

- 5.63% allocated to mandated paratransit services
- 3.39% allocated to non-mandated paratransit services
- 1.43% allocated to Gap Program

The 3.39% allocated to non-mandated paratransit services is distributed to the planning areas as follows:

- North County = 1.24%
- Central County = 0.88%
- South County = 1.06%
- East County = 0.21%

These allocations were determined as part of the negotiations to craft the 2000 sales tax expenditure plan for Measure B. These are set and cannot be changed, that is funds from a planning area *may not be transferred* to another area. The PAPCO formula allocates funding to the cities *within* each planning area, as described below.

Current PAPCO Funding Formula for Distribution within Planning Areas

When the funding formula was developed, PAPCO intended to address the following key elements: age, income, and disability. Five factors are used to determine how much funding each city receives from the planning area total:

1. Individuals 5-15 with any type of disability
2. Individuals 16+ with go-outside-home disability *
3. Individuals 65-79
4. Individuals 80+
5. SSI recipients 18 and older

** Individual has a physical, mental, or emotional condition lasting 6 months or more that makes it difficult to go outside the home alone (e.g. to shop or visit a doctor's office)*

Factors 1 through 4 come from Census 2000. The source for Factor 5 was Social Security Administration data made available annually. However, this SSI data has not been available since 2006 due to privacy concerns. Therefore those figures have held constant since 2006. Under the current formula, only one factor (individuals 80 and older) is weighted. The total 80+ population in each city is multiplied by 1.5 to place added emphasis on this factor, given that many individuals over 80 have disabilities, and therefore have greater need for paratransit services.

Data is compiled at the zip code level to determine funding allocations.

Planning Area	City	Zip Codes
North County	Alameda	94501, 94502
	Albany	94706
	Berkeley	94701, 94702, 94703, 94704, 94705, 94707, 94708, 94709, 94710, 94712, 94720
	Emeryville	94608, 94662
	Oakland (includes Piedmont)	94601, 94602, 94603, 94604, 94605, 94606, 94607, 94609, 94610, 94611, 94612, 94613, 94614, 94617, 94618, 94619, 94620, 94621, 94623, 94624
Central County	Hayward (includes Castro Valley, San Lorenzo, etc)	94540, 94541, 94542, 94543, 94544, 94545, 94546, 94552, 94557, 94580
	San Leandro	94577, 94578, 94579
South County	Fremont	94536, 94537, 94538, 94539, 94555
	Newark	94560
	Union City	94587
East County	LAVTA (includes Dublin and Livermore)	94550, 94551, 94568
	Pleasanton (includes Sunol)	94566, 94586, 94588

Today's discussion is intended to determine whether age, income and disability continue to be the issues that should be addressed in the formula, and to discuss the validity of data sources to support each element.

Availability of Data

Age

Current age data is readily available from the 2010 Census at a zip code level.

Income

Income data is not available in the 2010 Census. Income data is available from the American Community Survey (ACS) 2010 3-year samples for all places >20,000 in population. In Alameda County, these include:

- Alameda
- Ashland CDP (census defined place)
- Berkeley
- Castro Valley CDP (census defined place)
- Dublin
- Fremont
- Hayward
- Livermore
- Newark

- Oakland
- Pleasanton
- San Leandro
- San Lorenzo CDP (census defined place)
- Union City

Disability

Neither 2010 Census data nor ACS 3-year samples can be used for disability because it is not available at the zip code level to cover every city and unincorporated area of the County. Social Security Administration data is no longer available at the zip code level due to privacy concerns.

Staff explored other opportunities for identifying incidence of disability. Data from the American Community Survey (ACS) is available annually, but is based on a smaller sample than the census data and is not available at a fine-grained enough level, being limited to jurisdictions of 65,000 people or more. This only covers 77% of the county, not including small cities or unincorporated areas. Whether this can be used will be further discussed at the meeting.

Allocation to the Planning Area

The idea has been proposed to allocate some money at the planning area level. General support for this idea was expressed by TAC members during the CMMP process for a couple reasons. For one, providing a sustainable funding stream for the successful gap-grant-funded projects is an ongoing issue. Current extended gap grant programs are:

Sponsor	Name of Grant	Amount Funded 11/12
<i>Multiple Planning Areas</i>		
Alzheimer's Services of the East Bay	Driving Growth through Transportation Services for Individuals with Dementia	\$140,000
Center for Independent Living/USOAC/ BORP	Mobility Matters!	\$92,855
<i>North County</i>		
Bay Area Community Services	Dimond-Fruitvale Senior Shuttle and East Oakland Senior Shuttle Expansion	\$90,000
BORP	North County Youth/Adults with Disabilities Group Trip Project	\$120,000
City of Albany	Albany Senior Center Community Shuttle Bus	N/A
City of Emeryville	94608 Area Demand Response Shuttle Service for Seniors and/or People with Disabilities	\$60,000
City of Oakland	GRIP - Grocery Return Improvement Program	N/A
City of Oakland - Dept of HR	TAXI UP & GO Project!	\$92,000
<i>South County</i>		
City of Fremont	VIP Rides Program	\$80,000

Sponsor	Name of Grant	Amount Funded 11/12
City of Fremont/ACTIA	South County Taxi Pilot Program	\$125,000
City of Fremont/ACTIA	Tri-City Travel Training Program	N/A
<i>East County</i>		
City of Pleasanton	Downtown Route	\$126,053
LAVTA	Paratransit Vehicle Donation Program and Dial a Ride Scholarship	N/A
Senior Support Program of the Tri Valley	Volunteers Assisting Same Day Transportation and Escorts	\$72,500
Total		\$998,408

Some of the funding for these programs will need to be wrapped into the pass-through funding, but in some cases it would make more sense to allocate pass-through funds to these programs at the planning area level than at the city-level. Further, allocating some funds to planning areas before distributing to cities would encourage coordination and collaboration between city programs.

We would like to discuss this concept and ideas for the mechanism to do this distribution.

Questions for Discussion

1. **Funding Formula Factors:** Do age, income and disability continue to be the issues that should be addressed in the formula? Are there additional factors that should be taken into consideration?
2. **Data Sources:** Is there sufficient data available to measure each of these factors?
 - a. Do you feel we can rely on ACS data for disability, or should age be used as a surrogate?
 - b. Since SSI data is no longer available, should income be included as a measure separate from disability?
 - c. Are there any other data sources we're not aware of? Brainstorm...
3. **Allocation to the Planning Area:** Should a portion of funds be allocated for optional use at the planning area level?
 - a. Is there support for this concept?
 - b. If so, should money be taken "off the top" to fund planning-area level programs and the balance distributed to city programs?
 - c. Should this be optional or mandatory?

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