



MEMORANDUM

To: Paratransit Advisory and Planning Committee

From: Paratransit Coordination Team

Date: November 11, 2011

Subject: **Funding Formula**

PAPCO is being asked 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?

According to the Measure B Expenditure Plan, "Funds are also provided for non-mandated services, aimed at improving mobility for seniors and people with disabilities. These funds are provided to the cities in the County and to Alameda County based on a formula developed by PAPCO." 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. Supplemental Security Income (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

After the data for each factor is assigned to a zip code and to a City, the Cities are compared *to each other*, to determine the percentage of the overall revenue that should be allocated to each.

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. We will also be discussing whether there are alternatives to compiling data at the zip code level, since zip codes change over time and there are more reliable geographic boundaries available for some data sources.

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 but support was mixed at the November 8 TAC meeting. There are several reasons to consider this. For one, funding is already allocated at a planning area level by the Expenditure Plan. Also, 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
City of Fremont/ACTIA	South County Taxi Pilot Program	\$125,000

Sponsor	Name of Grant	Amount Funded 11/12
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. Can age be used as a surrogate for disability?
 - 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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