


State Transit Assistance (STA) County Block Grant Program

Presented to
Alameda CTC Planning, Policy and Legislation Committee (PPLC)
April 9, 2018



State Transit Assistance (STA) Overview

- Revenues generated through a statewide tax on the sale of diesel fuel
- Amount of money available for transit agencies varies from year to year based on the fluctuations of diesel prices
- May be used by transit operators for both capital projects and transit operations

STA Overview

- STA formula splits statewide revenue 50/50 between
 - **Revenue-Based program**
 - Funds flow to transit operators through MTC based on their qualifying local revenue
 - **Population-Based program**
 - Funds flow to the Bay Area based on the region's share of the state's population (approximately 19.5%) and are programmed by MTC
- Passage of Senate Bill 1 (SB 1) doubles STA revenues



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STA Revenue-Based Program

SB 1 FY 2018-19 Estimates

Revenue-Based State Transit Assistance (STA) and State of Good Repair (SGR)

Alameda County Transit Operators	Base STA Distribution (A)	STA SB 1 Augmentation (B)	State of Good Repair (SGR) Program (C)	Total SB 1 Augmentation (STA + SGR) (D) = (B+C)	Total (E) = (A+D)
AC Transit	\$8,309,164	\$8,309,164	\$3,149,541	\$11,458,705	\$19,767,869
BART	\$16,098,558	\$16,098,558	\$6,102,066	\$22,200,624	\$38,299,182
LAVTA	\$146,790	\$146,790	\$55,640	\$202,430	\$349,220
Union City	\$45,153	\$45,153	\$17,115	\$62,268	\$107,421
ACE (Ala. Co.)	\$98,681	\$98,681	\$37,404	\$136,085	\$234,766
Total	\$24,698,346	\$24,698,346	\$9,361,766	\$34,060,112	\$58,758,458



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STA Population-Based Program

MTC's STA Population-Based Policy in the Bay Area

- In 2007, MTC adopted Resolution 3837 establishing the STA Population-Based Policy
- Policy established Regional fund distribution formula
 - Northern Counties/Small Operators Program (28%)
 - Lifeline Transportation Program (29%)
 - Regional Paratransit Program (16%)
 - Regional Coordination Program (e.g. Clipper and 511) (27%)
- Also includes provision for Policy to be reviewed in 10 years



STA Population-Based Program

MTC's STA Population-Based Policy in the Bay Area

- April 2017, Legislature approves SB 1 which doubles diesel sales tax
- Fall 2017, MTC conducts outreach to region's stakeholders including Transit Operators and Congestion Management Agencies (CMAs) on updating the STA Population-Based framework
- January 2018, Alameda CTC meets Alameda County Transit Operators and relays concerns/ comments regarding proposal to MTC
 - Alameda County Transit Operators prefer "formula-based" programming approach
- February 28, 2018 MTC approves MTC Resolution 4321 which establishes a new policy framework for the use of STA Population-Based funds in the MTC region



STA Population-Based Program

- MTC's New STA Policy Framework, Resolution 4321, replaces Resolution 3837
 - 70% of the annual Population-Based funds directed towards a transit-focused, **One Bay Area Grant (OBAG) style STA County Block Grant program**
 - 30% of the Population-Based funds directed towards a Regional Program administered directly by MTC to support Clipper, 511, and a potential means-based transit fare program.
- Revised framework only impacts programming methodology and not the amount of funds flowing to Alameda County



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STA Population-Based Program FY 2018-19 Estimates

Program	County	County Share	Est. FY 2018-19 STA Population Based (Millions of \$)
County/ Local 70%	Alameda	18%	\$6.7
	Contra Costa	22%	\$8.4
	Napa	4%	\$2.2
	Marin	6%	\$1.3
	San Francisco	8%	\$3.2
	San Mateo	5%	\$1.9
	Santa Clara	14%	\$5.3
	Solano	11%	\$4.0
	Sonoma	13%	\$4.9
	County/ Local Program Subtotal		\$37.8
Regional 30%	Regional Program Subtotal		\$16.2
	FY 2018-19 Total		\$53.0

Source: MTC Resolution 4321; Programming policy for STA Population-based funds



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STA County Block Grant Program

- Each county's share in the new STA Framework is equal to the sum of its shares under the three local/county programs in the prior STA Framework, MTC Reso. 3837
- MTC subvents programming of Alameda County STA Population-Based funds to Alameda CTC
- Alameda County's share of Population-Based funds is approx. 18%
- STA funds can only be distributed to eligible transit operators



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STA County Block Grant Program Requirements

MTC's new STA Policy Framework includes the following conditions:

- Minimum 24% of Alameda County share reserved for Alameda County small operators (LAVTA and Union City Transit)
- Transit Sustainability Project (TSP) performance requirements for all small and medium sized operators
 - *Operators may substitute TSP performance measures for a similar local voter approved or CMA adopted performance measure, subject to MTC concurrence*
- MTC approval and operator consensus for any fund swaps
- Coordinated STA population-based claims
- Establish/enhance mobility management programs
- Annual reporting



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Alameda County's Block Grant Program Proposal

Programming Methodology / Distribution

Sub - Program	Old STA Framework (MTC Reso. 3837)		New STA Framework (MTC Reso. 4321)	
	Distribution %	Programming Methodology	Distribution %	Proposed Programming Methodology
Northern Counties/ Small Operators	24%	Formula	24%	Formula
Regional Paratransit	25%	Formula	25%	Formula
Lifeline / Means-based	51%	Discretionary (Call for Projects)	51%	Formula



Alameda County's Block Grant Program Proposal

Continue to distribute funds according to the three categories established in the original MTC STA Policy:

- *Northern Counties/Small Operators*
 - Propose 24% of annual funds, as required by MTC's new STA policy
 - Also consistent with amount distributed under prior policy

- *Regional Paratransit*
 - Propose 25% of annual funds
 - Consistent with amount distributed under prior policy

- *Lifeline/ Means-Based Transportation*
 - Propose 51% of annual funding
 - Operators to use funds to benefit low-income riders
 - Formula-based distribution approach
 - Include set-aside for the Affordable Student Transit Pass Program



Affordable Student Transit Pass Program (ASTPP)

- Alameda CTC's ASTPP is eligible to be funded by the STA funds for participating transit operators
- In December 2017, the Commission adopted a legislative platform specifically supporting identification of funding to expand the ASTPP
- In February 2018, the Commission adopted the implementation program for Year 3 of the ASTPP and specifically directed staff to identify new funding sources for the program



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Lifeline/Means-based Category (51%) Proposed Fund Distribution Options

- Option 1 - Proposes 100% of the Lifeline/Means-based program category be directed towards transit operators for the ASTPP, with no STA Lifeline/Means-based program funds distributed to transit operators for general lifeline transit needs
- Option 2 - Proposes 100% Lifeline/Means-based STA funding be distributed to transit operators for general lifeline transit needs, with no STA funds directed towards the ASTPP
- Option 3 - Proposes 50% of the funding for the Lifeline/Means-based program category be distributed to transit operators for general lifeline transit needs and 50% directed towards the ASTPP



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Option 1: 100% to ASTPP

STA Block Grant Category	% of Program	% of Category	Amount
Small Operators			
LAVTA	24%	74%	\$1,182,046
Union City Transit		26%	\$413,808
Regional Paratransit			
AC Transit (for East Bay Paratransit Service)	25%	91%	\$1,516,061
LAVTA		5%	\$88,104
Union City Transit		4%	\$58,182
Lifeline Transportation/ Means-based (100% to Low Income Student Riders on ASTPP)			
AC Transit	51%	89%	\$3,018,158
BART		0%	-
LAVTA		7%	\$237,383
Union City Transit		4%	\$135,648
Total STA Fund Distribution	100%		\$6,649,391



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Option 2: 100% to Lifeline needs

STA Block Grant Category	% of Program	% of Category	Amount
Small Operators			
LAVTA	24%	74%	\$1,182,046
Union City Transit		26%	\$413,808
Regional Paratransit			
AC Transit (for East Bay Paratransit Service)	25%	91%	\$1,516,061
LAVTA		5%	\$88,104
Union City Transit		4%	\$58,182
Lifeline Transportation/ Means-based (100% to Lifeline needs)			
AC Transit	51%	73%	\$2,459,785
BART		24%	\$810,275
LAVTA		3%	\$90,235
Union City Transit		1%	\$30,894
Total STA Fund Distribution	100%		\$6,649,391



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Option 3: 50% to ASTPP - 50% to Lifeline needs

STA Block Grant Category	% of Program	% of Category	Amount
Small Operators			
LAVTA	24%	74%	\$1,182,046
Union City Transit		26%	\$413,808
Regional Paratransit			
AC Transit (for East Bay Paratransit Service)	25%	91%	\$1,516,061
LAVTA		5%	\$88,104
Union City Transit		4%	\$58,182
Lifeline Transportation/ Means-based			
50% to Low Income Riders on ASTPP (\$1,695,594)			
AC Transit	25.5%	89%	\$1,509,079
BART		0%	-
LAVTA		7%	\$118,692
Union City Transit		4%	\$67,824
50% to Lifeline needs (\$1,695,594)			
AC Transit	25.5%	73%	\$1,229,892
BART		24%	\$405,137
LAVTA		3%	\$45,118
Union City Transit		1%	\$15,447
Total STA Fund Distribution	100%		\$6,649,391



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Lifeline/Means-based Category (51%) Proposed Fund Distribution Options

Staff Recommends Option 3

- Based on direction received from the Commission, staff is proposing a portion of the Lifeline/Means-based category be directed towards the ASTPP
- 50% of the funding for the Lifeline/Means-based program category be distributed to transit operators for general lifeline transit needs and 50% directed towards the ASTPP



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Funding Considerations

- All funding allocated through formula
- STA County Block Grant funds to the ASTPP will supplement and not displace any Measure BB funds
- In the event funding is not available for the ASTPP to fulfill the ASTPP funding needs, none of the Transit Operators will be responsible for backfilling a funding shortfall with transit revenues
- Any future funding needed for the ASTPP program will be sought and secured by the Alameda CTC



Schedule / Next Steps

STA County Block Grant Annual Programming Activities	Date
CMA's submit to MTC their STA Population-Based distribution for FY 2018-19	May 1, 2018
Transit operators submit STA claims to MTC for FY 2018-19	Late Spring/ Summer 2018
STA payments for first quarter of FY 2018-19 made by the State Controller	November 2018
CMA's submit to MTC their STA Population-Based distribution for FY 2019-20.	May 1, 2019
CMA's submit to MTC information on how STA Population-Based funds were used in FY 2018-19 to benefit communities of concern.	May 1, 2020



Action Requested

It is recommended the Commission approve Resolution 18-004 establishing Alameda County's STA County Block Grant Program which includes the funding distribution percentages by operator based on programming Option #3.



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Questions



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