



Agenda Item No. (5)(a)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of July 21, 2022

From: Jacob Brown, Senior Analyst, Capital and Grant Programs
Amy Frye, Director, Capital and Grant Programs
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE ACTIONS RELATED TO GRANT PROGRAMS**
(a) AUTHORIZE FILING AN APPLICATION WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR FY 22/23 TRANSPORTATION DEVELOPMENT ACT, STATE TRANSIT ASSISTANCE AND REGIONAL MEASURE 2 OPERATING FUNDS TO SUPPORT BUS, FERRY, AND PARATRANSIT SERVICES

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize the General Manager to file an application with the Metropolitan Transportation Commission (MTC) for FY 22/23 Transportation Development Act, State Transit Assistance, and Regional Measure 2 funds to support bus, ferry, and paratransit services in the amount of \$27,698,581. Approval of this action also authorizes the General Manager to file revisions to this application if projected funding amounts change during FY 22/23.

This matter will be presented to the Board of Directors at its July 22, 2022, meeting for appropriate action.

Summary

Transportation Development Act (TDA) funds (statewide sales tax revenues) are made available annually to the Golden Gate Bridge, Highway and Transportation District (District) for operating purposes through the MTC. The District is eligible to claim \$16,432,730 in TDA funds for FY 22/23 from Marin and Sonoma apportionment areas to subsidize the District's transit services provided in these counties. The breakdown of TDA funds the District may claim in FY22/23 is as follows:

- \$8,008,049 from Marin County (40% of Marin's available TDA apportionment)
- \$8,424,681 from Sonoma County (15% of Sonoma's available TDA apportionment)

State Transit Assistance Act (STA) funds (from gasoline and diesel fuel sales tax revenues) are also available annually to support transit operations. The District is eligible to claim STA funds in

the amount of \$8,911,072 to support the District’s bus, ferry, and paratransit operations in FY 22/23. The total allotment of STA funds includes \$8,901,072 in Revenue-Based Funds and \$10,000 to subsidize the District’s Capital & Grants Department administration of federal pass-through grant funds used to support the regional implementation of the Clipper automated fare collection system.

MTC plans to disburse \$4,341,929 of the District’s Revenue-Based STA allocation (in addition to \$1,048,348 in suspended Marin County Block Grant funds, for a total of \$5,390,277) to the Blue-Ribbon Transit Transformation Action Plan account, in exchange for the equivalent amount that was allocated to the District from American Rescue Plan (ARP) funds in October 2021. Transit operators agreed to this exchange as a means for MTC to allocate ARP funds in October and preserve operator eligibility to compete for Federal Transit Administration Additional Assistance Funds. The District received an award of \$75 million in these additional ARP funds in March. District staff will bring a separate Board Item and Resolution to authorize this exchange in a future meeting.

In March 2004, voters passed Regional Measure 2 (RM2) raising the toll for all vehicles on the seven state-owned toll bridges in the San Francisco Bay Area by \$1.00. This extra dollar funds various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors. The District is eligible to claim up to \$2,354,779 to support ongoing operations in FY 22/23 for Bus Route 580, San Rafael/Richmond Bridge service. Due to the unpredictability of ridership and route planning for FY 22/23, MTC will not enforce performance metrics and funds will be transferrable to new routes as needed.

Fiscal Impact

This item authorizes an application for funds that will provide \$27,698,581 to support on-going District operations for intercounty transit services. TDA/STA/RM2 revenues to support the District’s transit operations are included in the Adopted FY 22/23 Operating Budget. For comparison, this year’s claim represents 95% of the District’s FY19/20 claim, which totaled approximately \$29 million. On a positive note, these funds are trending upward: this year’s claim is \$5 million higher than last year’s claim, which was 78% of the FY19/20 claim.

Source	Purpose	Amount
TDA – Marin	Intercounty Transit Service	\$8,008,049
TDA – Sonoma	Intercounty Transit Service	\$8,424,681
STA – Marin (Revenue Based)	Intercounty Transit Service	\$8,901,072
STA – MTC Regional Coordination	Clipper Grant Administration	\$10,000
RM2 – Operating	Route 580	\$2,354,779
	Total District FY 22/23 Claim	\$27,698,581