



METROPOLITAN  
TRANSPORTATION  
COMMISSION

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April 3, 2024

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RE: Claimants for Transportation Development Act (TDA) sales tax; State Transit Assistance (STA); and Assembly Bill (AB) 1107 Funds for FY 2024-25

This letter transmits information regarding the submittal of applications to MTC for the allocation of funds referenced above for FY 2024-25.

### Transit Claim Forms and Instructions Online

All information necessary to submit an application for TDA sales tax, STA, and AB 1107 Funds can be found on MTC's website at: <http://mtc.ca.gov/tda>.

Please submit one signed copy of your claim application plus an electronic version of the completed Excel workbook. Please submit the completed and signed claim and Excel workbook by email. Please submit a claim for FY 2024-25 by May 1, 2024 in order to receive an allocation in June, the earliest that funds will be allocated for FY 2024-25. After that, MTC has a rolling monthly deadline. The latest that a claim may be submitted is March 14, 2025.

### Fund Estimate Caution

Please note that the apportionments shown in the FY 2024-25 Annual Fund Estimate do not reflect allocations approved after January 31, 2024. Any allocations made by MTC subsequent to January 31, 2024 will need to be deducted from the amount shown in the Fund Estimate as available for allocation in FY 2024-25. Furthermore, MTC staff will return to the Commission in July 2024 to revise the FY 2024-25 Fund Estimate to reflect actual FY 2024-24 TDA sales tax end-of-year (June 30th) revenues. This action will adjust the carryover available and consequently TDA sales tax available for FY 2024-25. Allocations in excess of actual generations will be rescinded. In the fall, MTC staff will again revise the Fund Estimate to reflect actual FY 2024-2025 STA revenue which will adjust the STA amounts available for FY 2024-2025. Please also see the cautionary note related to the FY 2024-25 STA Revenue-Based estimates in the section below.

### State Transit Assistance (STA)

*Population-based Program:* The policy to apportion STA population-based funds is outlined in [MTC Resolution No. 4321](#), which can be found on the website identified above. STA population-based funds are distributed through an STA County Block Grant coordinated by each county's County Transportation Agency (CTA).

Please contact your CTA to identify funds programmed to your agency and any funding requirements they have. CTAs should transmit their programming distribution for FY 2024-25 to MTC’s TDA mailbox ([tda@bayareametro.gov](mailto:tda@bayareametro.gov)) by May 15, 2024.

*Revenue-Based Program:* The FY 2024-25 revenue estimates shown in the Fund Estimate reflect forecasts from the State Controller’s Office (SCO) based on frozen qualifying revenues from FY 2018-19. In accordance with California Public Utilities Code Section 99314.10(a), qualifying revenues will continue to be frozen at FY 2018-19 levels through FY 2025-26.

*State of Good Repair (SGR) Program:* MTC is required to approve SGR Program Revenue-Based (PUC Section 99314) project lists from transit operators and submit a single region-wide list of projects to Caltrans by September 1st of each year. Transit operators need to submit a project list to MTC by May 15, 2024 that includes the following information: name of project, brief description, and anticipated FY 2024-25 SGR Program Revenue-Based expenditure amounts for each project. These project lists should be submitted to the TDA mailbox ([tda@bayareametro.gov](mailto:tda@bayareametro.gov)) and cc to Terence Lee ([tplee@bayareametro.gov](mailto:tplee@bayareametro.gov); 415.778.5333). In addition, all SGR Program projects for FY 2024-25 need to be submitted by transit operators through Caltrans’ CalSMART online system before September 1, 2024.

In order to meet Caltrans’ September 1st deadline, MTC has established the following schedule:

Date	Action
May 15, 2024	Transit operators submit to MTC project lists for their anticipated FY 2024-25 SGR Program Revenue-Based (PUC 99314)
July 1, 2024	Deadline for transit operators to secure board approval of their project lists from their own governing board
July 27, 2024	MTC Commission approves Bay Area SGR Program Project List for FY 2024-25
September 1, 2024	Deadline for transit operators to submit their anticipated FY 2024-25 SGR Program Revenue-Based (PUC 99314) project lists through the CalSMART online portal.
September 1, 2024	Deadline for MTC to submit a Commission-approved resolution containing the Bay Area’s FY 2024-25 SGR Program Project List to Caltrans

Upon approval of the SGR Program of projects by Caltrans, MTC will allocate funds for the approved projects.

**Senate Bill (SB) 125 Funding**

The FY2024-25 Fund Estimate includes a new tab specifying the SB 125 state and regional funding total that each operator is eligible to claim. Operators that received FY2023-24 RM3 Operating Program funding for express bus operations should subtract that funding from the amount identified in the Fund Estimate in order to understand the remaining SB 125 funding they are eligible to claim in FY2024-25. For some operators, this amount may be \$0.

Prior to the adoption of the FY2025-26 Fund Estimate, MTC staff will engage with transit operator partners to reassess the expense and revenue assumptions that were used to calculate the standardized shortfalls and revise the standardized shortfalls as needed.

## **Productivity Improvement Program (PIP) and SB 125 Regional Accountability Measures**

In February 2024, the Commission adopted MTC Resolution No. 4630, the FY 2023-24 PIP. The FY2023-24 PIP identifies the SB 125 Regional Accountability Measures as PIP projects for operators receiving these funds. Operators that are not receiving SB 125 funds are assigned the PIP project titled “Active Participation in Advancement of Regional Initiatives”. MTC Resolution No. 4630 Attachment A includes three appendices with more detail on the specific expectations for certain PIP projects, which should be populated by operators in order to report on progress.

All transit operators must report on their progress toward their PIP project(s) in the Claim Workbook tab G(a) and/or G(b), and may provide supplemental materials summarizing progress as well. Operators will report on progress toward SB 125 Regional Accountability Measures at the time of claim submittal and again in early 2025, in advance of the FY2024-25 PIP adoption.

Additionally, operators receiving SB 125 funding (state or regional) must include language affirming the agency board’s support for the SB 125 Regional Accountability Measures in the board resolution approving the claim. A sample clause is included below:

WHEREAS, [agency] supports the Senate Bill 125 Regional Accountability Measures memorialized in MTC Resolution No. 4619 (November 2023) and commits to advancing the achievement of these initiatives to the best of its abilities

## **Transit Sustainability Project (TSP)**

MTC uses NTD data to inform the TSP performance metrics. MTC understands that the pandemic has upended transit travel patterns which in turn has impacted the ability of operators to meet TSP performance metrics. In FY 2024-25, MTC will not be requiring operators to meet the TSP performance metrics and is considering an update to the TSP metric policy as part of the implementation of the Regional Network Management (RNM) structure. As part of the Transit Transformation Action Plan and RNM recommendations (February 2023), a set of Key Performance Indicators (KPIs) will be established to support continuous improvement. KPIs will be used to track the benefits of transit and TSP performance metrics may be updated accordingly. For background reference on the TSP metrics:

- Additional information regarding the large operator TSP metric requirements are contained in [MTC Resolution No. 4060](http://mtc.ca.gov/our-work/invest-protect/investment-strategies-commitments/transit-21st-century/transit) (<http://mtc.ca.gov/our-work/invest-protect/investment-strategies-commitments/transit-21st-century/transit>).
- Additional information regarding small operator TSP metric requirements are contained in [MTC Resolution No. 4321](https://mtc.ca.gov/digital-library/5022711-resolution-no-4321-revised) (<https://mtc.ca.gov/digital-library/5022711-resolution-no-4321-revised>).

## **Lead Time for Transit Allocations**

Please submit applications by the first of the month prior to the month in which you request MTC action on your application (e.g. submit request by May 1 for action in June). Please note that the Programming and Allocations Committee and the Commission do not meet in August. The latest that a claim may be submitted is March 15, 2025.

## **Allocation Instructions**

Subsequent to the approval of an allocation, the MTC Finance Section prepares an “Allocation Instruction” specifying the purpose and amount of the allocation, its expiration date, and any conditions MTC imposed on the use of the funds. A single claim application may result in multiple Allocation Instructions (e.g., transit capital, transit operating, paratransit operating). The allocation instructions are sent to the County Auditor of your county (TDA funds) and the Alameda County Auditor (STA funds), with a copy of each Allocation Instruction sent to the claimant. Each Allocation Instruction has an allocation number, and it is important to refer to the allocation number when making an inquiry to MTC regarding an allocation. Operating funds are then disbursed based on actual fund balances in each apportionment.

## **Audit and State Controller’s Report Submittals**

Per TDA law, claimants are required to submit fiscal audits and State Controller Reports to MTC. We request that these documents be submitted both electronically to [TDA@bayareametro.gov](mailto:TDA@bayareametro.gov) and in hard copy to the address below. If these reports have already been submitted for FY 2021-22, there is no need to resubmit them with your FY 2024-25 claim. Fiscal audits for FY 2021-22 were due by December 31, 2022. Please submit audits to:

Metropolitan Transportation Commission  
Attn: TDA Audit  
Bay Area Metro Center  
375 Beale Street, Suite 800  
San Francisco, CA 94105

We are open to your suggestions to improve the TDA application process. Please contact the TDA Program Team, at [TDA@bayareametro.gov](mailto:TDA@bayareametro.gov) with any comments or questions.

Sincerely,



Director  
Funding Policy and Programs

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