



April 6, 2021

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TO: Claimants for Transportation Development Act (TDA) sales tax; State Transit Assistance (STA); and Assembly Bill (AB) 1107 Funds for FY 2021-22

This letter transmits information regarding the submittal of applications to MTC for the allocation of funds referenced above for FY 2021-22.

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/our-work/invest-protect/investment-strategies-commitments/transit-21st-century/transit-operating-0>.

Please submit one signed copy of your claim application plus an electronic version of the completed Excel workbook. Due to ongoing shelter-in-place orders, please submit the completed claim and workbook by email. Please submit a claim for FY 2021-22 by May 1, 2021 in order to receive an allocation in June, the earliest that funds will be allocated for FY 2021-22. After that, MTC has a rolling monthly deadline. The latest that a claim may be submitted is March 15, 2022.

Fund Estimate Caution

Please note that the apportionments shown in the FY 2021-22 Annual Fund Estimate do not reflect allocations made after January 31, 2021. Any allocations made by MTC subsequent to January 31, 2021 will need to be deducted from the amount shown in the Fund Estimate as available for allocation in FY 2021-22. Furthermore, MTC staff will return to the Commission in July 2021 to revise the FY 2021-22 Fund Estimate to reflect actual FY 2020-21 TDA sales tax end-of-year (June 30th) revenues. This action will adjust the carryover available and consequently TDA sales tax available for FY 2021-22. Allocations in excess of actual generations will be rescinded.

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. CTA's should transmit their programming distribution for FY 2021-22 to MTC by May 1, 2021. Please be advised that all STA County Block Grant allocations will be held until late fall to allow for final FY 2020-21 revenue and the State's fall update to estimated FY 2021-22 revenue. Holding allocations will reduce adjustments necessary to ensure correct programming shares for each operator within each county.

Please contact your CTA to identify funds programmed to your agency and any funding requirements they have. CTA's should transmit their programming distribution for FY 2021-22 to MTC by May 1, 2021. Please be advised that all STA County Block Grant allocations will be held until late fall to allow for final FY 2020-21 revenue and the State's fall update to estimated FY 2021-22 revenue. Holding allocations will reduce adjustments necessary to ensure correct programming shares for each operator within each county.

State of Good Repair (SGR) Program: Beginning in FY 2019-20, Caltrans required regional agencies like MTC to approve SGR Program Revenue-Based (PUC 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 will need to submit the name, a brief description, and anticipated FY 2021-22 SGR Program Revenue-Based expenditure amounts for each project that they intend to use FY 2021-22 SGR Program Revenue-Based funds on. These project lists should be submitted to William Bacon (wbacon@bayareametro.gov; 415.778.6628) by May 15, 2021. In addition, all SGR Program projects for FY 2021-22 need to be submitted by transit operators into Caltrans' CalSMART online system before September 1, 2021.

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

Date	Action
May 15, 2021	Transit operators submit to MTC project lists for their anticipated FY 2021-22 SGR Program Revenue-Based (PUC 99314)
July 1, 2021	Deadline for transit operators to secure board approval of their project lists from their own governing board
July 28, 2021	MTC Commission approves Bay Area SGR Program Project List for FY 2021-22
September 1, 2021	Deadline for transit operators to submit their anticipated FY 2021-22 SGR Program Revenue-Based (PUC 99314) project lists into the CalSMART online portal.
September 1, 2021	Deadline for MTC to submit a Commission-approved resolution containing the Bay Area's FY 2021-22 SGR Program Project List to Caltrans

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

Productivity Improvement Program (PIP) and Transit Sustainability Project (TSP)

PIP Projects: All (large, medium and small) operators are required to submit PIP projects, per the following guidance:

- As required by TDA statutes, any recommendations from the TDA Performance audit must be included as PIP projects. If your agency believes that a recommendation no longer applies due to COVID-19, please state this and provide an explanation.
- Due to the COVID-19 pandemic, the TSP performance metrics will not be a PIP project for FY 2021-22.
- PIP projects may be based on operators' own planning efforts in addition to the recommendations from the TSP.
- Operators are asked to have at least one active project.

Guidance on PIP projects may be revised to incorporate emerging or changing regional priorities or State legislation. The Claim workbook contains a tab for reporting on existing or completed projects and a tab for submitting new projects. The current PIP Program can be viewed at <http://mtc.ca.gov/our-work/invest-protect/investment-strategies-commitments/transit-21st-century/transit-operating-0/>.

TSP Performance Metrics: Concurrent with the PIP reporting, MTC collects and uses NTD data to inform the TSP performance metrics. MTC is requesting that all operators (large, medium and small) email their FY 2019-20 NTD report to Christina Hohorst (chohorst@bayareametro.gov) by July 31, 2021. MTC understands that the pandemic and shelter-in-place affect the ability of operators to meet these performance metrics. However, we would like to continue to collect a record of this data and will continue to monitor the TSP metrics. Large operators are welcomed, but not required, to update their TSP Strategic Plans this year. MTC anticipates revisiting the TSP performance metrics for all operators and taking action on the performance metrics after the Blue Ribbon Transit Recovery Task Force recommendations are made. The recommendations will inform the TSP performance 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>).
- Additional information regarding small operator TSP metric requirements are contained in MTC Resolution No. 4321 (https://mtc.ca.gov/sites/default/files/MTC_ResNo_4321_STA_Pop-Based_Funds.pdf). In summary, small and medium sized operators are required to maintain operating costs (cost per service hour, cost per passenger, or cost per passenger mile) at least twenty (20) percent below the annual average operating cost of the seven operators included in the TSP and annual year-over-year increases in operating costs shall be no greater than five percent per year.

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, 2022.

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.

Claimants for FY 2021-22 TDA, STA, AB 1107

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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 and in hard copy to the address below. If these reports have already been submitted for FY 2019-20, there is no need to resubmit them with your FY 2021-22 claim. Fiscal audits for FY 2020-21 are due by December 31, 2021. 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 Manager, Cheryl Chi, at 415-778-5339 or cchi@bayareametro.gov with any comments or questions.

Sincerely,



Theresa Romell

Section Director, Funding Policy and Programs

TR:cc

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