

**Metropolitan Transportation Commission
Programming and Allocations Committee**

July 12, 2023

Agenda Item 3a - 23-0862

**MTC Resolution Nos. 4556, Revised; 4570, Revised; 4571, Revised; 4572, Revised; 4574;
and 4588**

Subject:

The proposed action revises the FY 2023-24 MTC Fund Estimate, allocates Transportation Development Act (TDA), State Transit Assistance (STA), and Regional Measure 2 (RM2) revenues to four transit operators and the Transbay Joint Powers Authority to support transit operations, and approves the FY 2023-24 State of Good Repair (SGR) Program project list.

Background:

Fund Estimate Revision: Reconcile Actual FY 2022-23 TDA and AB 1107 Revenues

Overall, actual Bay Area Transportation Development Act (TDA) and AB 1107 sales tax receipts for FY 2022-23 are 4.7% and 5.3% above FY 2021-22 actual receipts, respectively. This results in roughly \$22.5 million more in TDA funding for Bay Area operators over FY 2021-22 actuals, and \$19.6 million more than originally anticipated for FY 2022-23. For AB 1107, actual revenues were \$9.0 million greater than originally anticipated; excess revenues will be distributed evenly between AC Transit and SFMTA.

Six of the nine Bay Area counties experienced greater actual TDA receipts than originally forecast, while three counties – Contra Costa, Sonoma, and Marin – will require recissions of 4.1%, 4.6%, and 12.0% respectively. Marin County’s lower than anticipated revenues are due in part to a taxpayer return error that resulted in excess revenue erroneously accruing to Marin County in FY2021-22. Revenue was withheld from Marin County in September and October 2022 in order to repay the excess funds. Conversely, Alameda County saw the strongest year over year growth in TDA receipts (11.4%), following lingering pandemic-related impacts to its sales tax revenues in FY 2021-22. Attachment B provides details on actual TDA revenues by county as well as the original and revised county auditor estimates for each county.

State of Good Repair (SGR) Program – FY 2023-24 Regional Project List

Caltrans’ State of Good Repair (SGR) Program guidelines require regional agencies like MTC to approve SGR Program Revenue-Based projects from transit operators, in addition to the Population-Based funds, and submit a single region-wide list of projects to Caltrans by September 1st of each year. MTC has worked with the Bay Area’s transit operators to compile a

single, regional list of SGR Program projects for FY 2023-24, as shown in Attachment A to MTC Resolution 4588. Approximately \$33.7 million is expected in Revenue-Based funds, along with \$12.2 million in Population-Based funds. Most operators are using their Revenue-Based funds for state of good repair projects at facilities and stations, or to provide local match, and in a few cases for rehabilitation of vehicles or to contribute to new vehicles costs. For the Population-Based funds, MTC is programming all \$12.2 million to the next generation Clipper® system, in accordance with the policy established in MTC Resolution No. 4321.

FY2023-24 Allocations of TDA, STA, and RM2 Funds

This month's proposed actions continue the annual allocation process of these funds for FY2023-24. Five entities are requesting TDA, STA, and RM2 allocations this month that exceed the \$1 million delegated authority limit. Allocation requests that are less than \$1 million are approved separately through the Executive Director's Delegated Authority process. These funds comprise a significant share of the revenue for agencies' operating budgets.

The proposed allocation amounts are based on the programming levels identified in the FY 2023-24 Fund Estimate (MTC Resolution 4556, Revised) and the RM2 Operating Program (MTC Resolution 4569). The RM2 statute also identifies a separate set-aside for operation of the Salesforce Transit Center which is statutorily exempt from any expected bridge toll revenue reductions. The proposed allocations are summarized in the table on the following page:

Allocation Amounts by Entity¹ (amounts in millions)

Entity	TDA (Res. 4570)	STA (Res. 4571)	RM2 (Res. 4572 and 4574)	Grand Total
Sonoma County Transit	\$11.4	\$4.7		\$16.1
SolTrans			\$2.1	\$2.1
Santa Rosa	\$7.5	\$3.7		\$11.2
TJPA			\$8.4	\$8.4
WETA			\$14.8	\$14.
Total	\$18.9	\$8.3	\$25.4	\$52.6

Note that amounts may not sum due to rounding

Information regarding the FY 2023-24 operating budgets and current and future operations for the transit operators included in the list above is provided in Attachment A. The estimated operating cost for the Salesforce Transit Center is \$27.6 million and Regional Measure 2 is providing \$8.4 million to support these costs.

Issues:

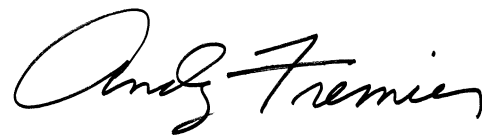
None.

Recommendations:

Refer MTC Resolution Nos. 4556, Revised; 4570, Revised; 4571, Revised; 4572, Revised; 4574; and 4588 to the Commission for approval.

Attachments:

- Attachment A – Transit Operator Budget Summary
- Attachment B – TDA and AB1107 Summary
- MTC Resolution Nos. 4556, Revised; 4570, Revised; 4571, Revised; 4572, Revised; 4574; and 4588



Andrew B. Fremier

¹ Includes all allocations to be approved in the resolutions listed above, the details of which are provided in Attachment A, including allocations for transit capital or planning and administration. Not inclusive of allocations approved by Executive Director's Delegated Authority as allowed by MTC Resolution No. 3620, Revised.

Attachment B: FY 2022-23 TDA and AB 1107 Revenues (\$ millions)

	A	B	C	D			
	FY 2021-22	FY 2022-23	FY 2022-23	FY 2022-23	FY 2022-23	FY 2022-23	FY 2021-22 Actual
	Actual	Feb. 2022	Feb. 2023	Actual	Revenue	Revenue	vs.
County	Revenue	Original Estimate	Revised Estimate	Revenue	Adjustment	Adjustment	FY 2022-23 Actual
					(D-B) - \$	(D-B) - %	(D-A) - %
Alameda	\$102.2	\$101.8	\$112.7	\$113.9	\$12.1	11.9%	11.4%
Contra Costa	\$55.9	\$58.5	\$56.9	\$56.1	-\$2.4	-4.1%	0.3%
Marin	\$17.7	\$16.5	\$14.4	\$14.5	-\$2.0	-12.0%	-17.9%
Napa	\$11.3	\$10.4	\$11.9	\$12.1	\$1.7	16.3%	7.3%
San Francisco	\$45.9	\$46.0	\$50.9	\$50.2	\$4.2	9.2%	9.4%
San Mateo	\$52.3	\$52.2	\$56.9	\$55.3	\$3.1	5.9%	5.7%
Santa Clara	\$139.5	\$140.6	\$144.4	\$144.3	\$3.7	2.6%	3.5%
Solano	\$25.5	\$25.5	\$27.8	\$26.2	\$.7	2.6%	2.6%
Sonoma	\$30.3	\$32.0	\$32.0	\$30.6	-\$1.5	-4.6%	0.9%
Total	\$480.6	\$483.5	\$508.0	\$503.1	\$19.6	4.1%	4.7%
AB 1107	\$103.6	\$100.0	\$104.0	\$109.0	\$9.0	9.0%	5.3%

Date: February 22, 2023
W.I.: 1511
Referred by: PAC
Revised: 7/26/23-C

ABSTRACT

MTC Resolution No. 4556, Revised

This resolution approves the FY 2023-24 Fund Estimate, including the distribution and apportionment of Transportation Development Act (TDA), State Transit Assistance (STA), State of Good Repair (SGR) Program, Assembly Bill (AB) 1107 sales tax, Low Carbon Transit Operations (LCTOP) cap-and-trade auction revenues, and transit-related bridge toll funds.

This resolution was revised on July 26, 2023 to reflect actual receipts for TDA and AB 1107 funds in FY 2022-23.

Further discussion of this action is contained in the MTC Programming and Allocations Summary Sheets dated February 8, 2023 and July 12, 2023.

Date: February 22, 2023
W.I.: 1511
Referred by: PAC

RE: Determination of Transportation Development Act (TDA) Area Apportionments and Proposed Distribution of Operating Funds for FY 2023-24

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4556

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, the Transportation Development Act (TDA), Public Utilities Code (PUC) Sections 99200 *et seq.*, provides that funds are made available from the Local Transportation Fund (LTF) for various transportation purposes; and

WHEREAS, pursuant to 21 California Code of Regulations Section 6620, the County Auditor for each of the nine counties in the Bay Area has submitted the revised and new TDA fund estimates for FY 2022-23 and FY 2023-24 as shown in Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length; and

WHEREAS, MTC is required to determine and advise all prospective claimants, prior to March 1 each year, of all area apportionments from the LTF for the following fiscal year pursuant to 21 California Code of Regulations Section 6644; and

WHEREAS, all area apportionments of TDA funds for the 2023-24 fiscal year are shown in Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length; and

WHEREAS, MTC has prepared a proposed distribution of operating/capital assistance funds, including TDA, State Transit Assistance (STA) pursuant to Public Utilities Code § 99310 *et seq.*, State of Good Repair (SGR) Program pursuant to Public Utilities Code § 99312.1, Low Carbon Transit Operations Program (LCTOP) pursuant to Health and Safety Code § 39719(b)(1)(B), the twenty-five percent (25%) of the one-half cent transaction and use tax collected pursuant to PUC Section 29142.2 (AB 1107), and estimates of certain toll bridge revenues (SHC §§ 30910 *et seq.*), in order to provide financial information to all prospective claimants to assist them in developing budgets in a timely manner; and

WHEREAS, the proposed distribution of such operating assistance funds is also shown in Attachment A; now, therefore, be it

RESOLVED, that MTC approves the area apportionments of TDA funds, and the proposed distribution of operating assistance funds for the 2023-24 fiscal year as shown in Attachment A, subject to the conditions noted therein; and, be it further

RESOLVED, that MTC intends to allocate operating assistance funds for the 2023-24 fiscal year, based on the area apportionments of TDA funds, the proposed distribution of operating assistance funds and upon the receipt of appropriate claims from eligible claimants; and, be it further

RESOLVED, that Attachment A may be revised by the MTC Executive Director or his/her designee to reflect funds returned to the Local Transportation Fund and expired capital allocations or by approval of the MTC Programming and Allocations Committee, except that any significant changes shall be submitted to the full Commission for approval.

METROPOLITAN TRANSPORTATION COMMISSION



Alfredo Pedroza, Chair

The above resolution was approved by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, and at other remote locations, on February 22, 2023.