



Item # 7

DATE February 3, 2016
TO GCTD Board of Directors
FROM Claire Johnson-Winegar, Planning Manager *CJW*
SUBJECT **Transit Funding Opportunities Update and Presentation**

I. EXECUTIVE SUMMARY

With the passage of the Federal Transportation Funding Bill (FAST Act) and new State Cap-and-Trade programs this report and presentation will give the Board an overview of several transit funding opportunities that GCTD has received and/or will be working to pursue in the future.

Federal Transportation Funding Bill

- Fixing America's Surface Transportation Act (FAST)
 - 5-year bill funding transit and transportation programs
 - Replaces MAP-21

Federal Grant Programs

- Bus and Bus Facilities Program - 5339
 - Formula funds and competitive program for buses and facility projects
 - Administered by the FTA
- Urbanized Area Formula Funding program - 5307
 - Formula funds for operating, administration and capital projects
 - Administered by the FTA
- Congestion Mitigation Air Quality (CMAQ)
 - Competitive program for projects that improve air quality and provide congestion relief
 - Administered by the FTA

State Grant Programs

- Proposition 1B
 - Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA)
 - Administered by Caltrans
 - Formula funds for capital projects
 - California Transit Security Grant Program
 - Administered by CalOES
 - Formula funds for safety and security projects

GOLD COAST TRANSIT DISTRICT

- Cap-and-Trade
 - Low Carbon Transit Operations Program (LCTOP)
 - Administered by Caltrans
 - Formula funds for transit operating and capital
 - Transit and Intercity Rail Capital Program (TIRCP)
 - Administered by Caltrans
 - Statewide competitive program for transit capital
 - Affordable Housing and Sustainable Communities (AHSC)
 - Administered by the Strategic Growth Council (SGC)
 - We can apply but typically will not be the applicant
- Sustainable Communities
 - Administered by Caltrans and SCAG
 - Planning projects

II. BACKGROUND

Federal Transportation Bill - FAST Act

On December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation Act, or "FAST Act." It is the first law enacted in over ten years that provides long-term funding certainty for surface transportation, meaning States and local governments can move forward with critical transportation. Overall, the FAST Act largely maintains current program structures and funding shares between highways and transit, increasing funding by 11% over five years.

FEDERAL GRANT PROGRAMS

Bus and Bus Facilities Program - 5339

An important part of FAST is the 5339 Bus and Bus Facilities program, which is funded at \$695.8 million in FY 2016 and grows to \$808.6 million by FY 2020. The formula program starts at the same funding level as MAP-21 but grows by 2% each year. A new competitive grant program is also established under FAST, which starts at \$268 million and grows by an average of 6.4% each year. This program directs the FTA to consider the age and mileage of a fleet when awarding grants and limits a grantee to 10% of the total available.

Urbanized Area Formula Funding program - 5307

The Urbanized Area Formula Funding program, administered by the Federal Transit Administration (FTA), makes Federal resources available to urbanized areas for transit capital and operating assistance in urbanized areas and for transportation related planning. The FAST Act grows the 5307 program by 10.6% over the life of the bill. Eligible activities include planning, engineering design and evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related activities such as replacement of buses, overhaul of buses, rebuilding of buses, crime prevention and security equipment and construction of maintenance and passenger facilities; and capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. For areas with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles as well as population and population density. GCTD uses these funds annually for preventative maintenance, operations, planning and marketing activities, paratransit operations and administration, security services and for different capital projects.

Congestion Mitigation Air Quality - CMAQ

The CMAQ program was implemented to support surface transportation projects and other related efforts that contribute air quality improvements and provide congestion relief. This program provides funding to areas in nonattainment or maintenance for ozone, carbon monoxide, and/or particulate matter. GCTD has used these funds to operate new routes such as routes 22, 21, 17 and others previously, as well as receiving funds for the purchase of expansion buses.

STATE GRANT PROGRAMS

Proposition 1B

Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, allocated \$19.925 billion to transportation. As part of Proposition 1B, GCTD receives funding through two programs, PTMISEA and the California Transit Security Grant Program.

- **Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA)** - The PTMISEA program, administered by Caltrans, was allocated \$3.6 billion to be available to transit operators over a ten-year period. PTMISEA funds may be used for transit rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or rolling stock (buses and rail cars) procurement, rehabilitation or replacement. Funds were allocated directly to GCTD and VCTC, which GCTD was able to apply for. *GCTD has received \$15.2 million plus interest earned through this program for bus replacements and expansion buses, the new administration and operations facility, replacement paratransit vehicles, an operator training module and automatic voice annunciators. Though GCTD still has funds to expend, no additional funds are available through this program.*
- **California Transit Security Grant Program** - The California Transit Security Grant Program, administered by the California Governor's Office of Emergency Services, was allocated \$1 billion for projects that increase safety and security. Funds were allocated directly to GCTD and VCTC, which GCTD was able to apply for. Only one year of funding remains available to apply for. GCTD has received nearly \$800,000 plus interest earned for projects such as the Customer Service Center remodel, new administration and operations facility, security cameras, a security trailer, a bus inspection apparatus and laptops for supervisory vehicles.

Cap-and-Trade

California Cap-and-Trade auction proceeds are appropriated to several programs with the intention of reducing greenhouse gas emissions. Four of the programs under the Sustainable Communities and Clean Transportation category can benefit GCTD: LCTOP, TIRCP, AHSC and Low Carbon Transportation.

- **Low Carbon Transit Operations Program (LCTOP)** - LCTOP, administered by Caltrans, provides formula funds to transit agencies based on the agency's percentage of statewide fare revenue and to regional transportation agencies (such as VCTC) based on the area's percentage of statewide population. The LCTOP funds can be used for projects such as new or expanded bus services, expanded intermodal facilities and bus stop improvements, equipment acquisition, free or reduced fare programs, marketing campaigns, ticket vending machines and smartcards and other similar programs aimed at reducing greenhouse gas emissions. This program has been allocated \$100 million for FY 2015-16 and will receive

5% of the proceeds going forward. Note: All funds allocated to transit agencies and RTPAs that include communities designated as disadvantaged by the California Environmental Protection Agency (CalEPA) must ensure that at least 50 percent of LCTOP expenditures benefit those disadvantaged communities. CalEPA has designated parts of eastern and central Oxnard as the only disadvantaged community in GCTD's service area. However, other designated communities in Ventura County include the area east of Ventura and south of Santa Paula and Piru.

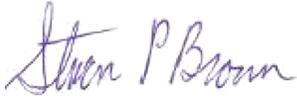
- **Transit and Intercity Rail Capital Program (TIRCP)** - TIRCP, administered by Caltrans, provides funds through a competitive program to transit agencies for capital projects that will reduce greenhouse gas emissions. Eligible projects include rail and bus capital projects, and operational improvements that result in increased ridership and reduced greenhouse gas emissions. This program has been allocated \$200 million for FY 2015-16 and will receive 10% of the proceeds going forward. The TIRCP requires that 25 percent of the program expenditures result in benefits to disadvantaged communities. GCTD intends to apply for funds for construction of the new administration and operations facility.
- **Affordable Housing and Sustainable Communities (AHSC)** - The AHSC Program, administered by the Strategic Growth Council, funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduces greenhouse gas emissions. These projects facilitate the reduction of the emissions of GHGs by improving mobility options and increasing infill development, which decrease vehicle miles traveled and associated greenhouse gas and other emissions, and by reducing land conversion, which would result in emissions of greenhouse gases. Though projects such as BRT and vanpool projects have been funded through this program, most projects are affordable housing projects with transportation components. It is unlikely that GCTD will be an applicant for this program but since GHG reduction is a major component of this program, GCTD has been contacted by housing authorities, nonprofits and affordable housing developers to include projects that would benefit transit and increase ridership. Such projects that could be eligible are bus stop improvements or construction, voucher programs, marketing campaigns and vehicle purchases. This program has been allocated \$400 million for FY 2015-16 and will receive 20% of the proceeds going forward.

Sustainable Communities

The Sustainable Transportation Planning Grant Program was created to support the California Department of Transportation's (Caltrans) current Mission: *Provide a safe, sustainable, integrated and efficient transportation system to enhance California's economy and livability*. Grant Program Overarching Objectives were also identified to ensure consideration of these major efforts in transportation planning, including: Sustainability, Preservation, Mobility, Safety, Innovation, Economy, Health, and Equity. These grants may be used for a wide range of transportation planning purposes, which address local and regional transportation needs and issues. The implementation of these grants should ultimately lead to the adoption, initiation, and programming of transportation improvements. A total of \$9.8 million was available for the most recent application cycle. GCTD recently applied for funding for a First-Mile Last-Mile Connectivity Study for Naval Base Ventura County to identify the most effective transportation improvements for the Base. Preliminary notifications will be sent to applicants in May. GCTD has also received funding to support two interns through this program that is currently underway.

IV. RECOMMENDATION

It is recommended that the GCTD Board of Directors receive and file this report and provide input. This report is for information only.

A handwritten signature in blue ink that reads "Steven P. Brown". The signature is written in a cursive style with a horizontal line extending from the end of the name.

General Manager's Concurrence