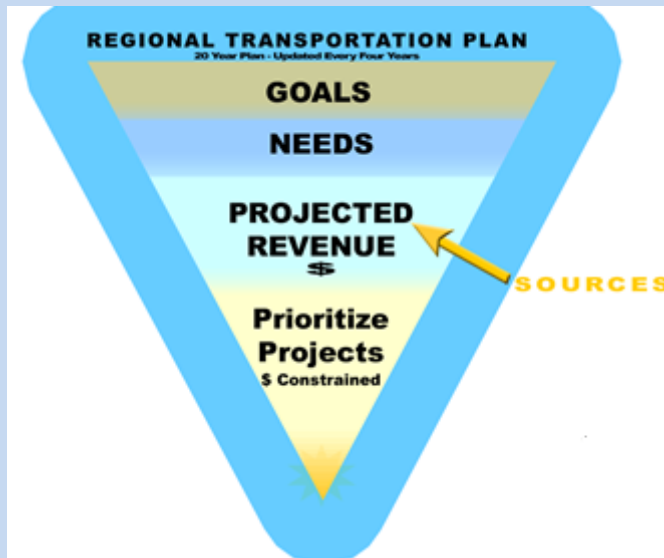




Transportation Funding 101

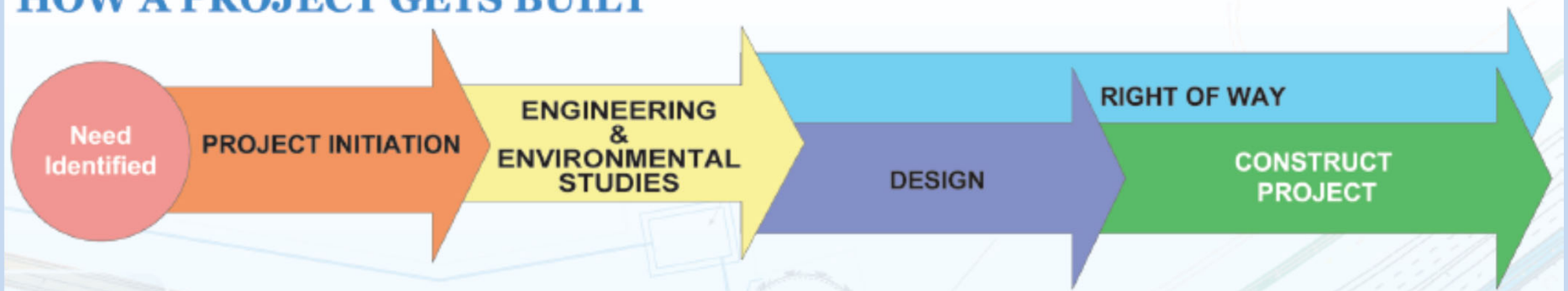


Project Implementation



- Establish Goals
- Identify Needs
- Identify Funding
- Prioritize Projects
- Secure Funding
- Implement Project

HOW A PROJECT GETS BUILT



Funding

- Can be confusing - mix of acronyms, changing rules, & rollercoaster



Funding Basics

1) Legislation Actions



-> taxes, fees -> funding programs/sources

2) Revenues Collected



3) Rules & priorities set

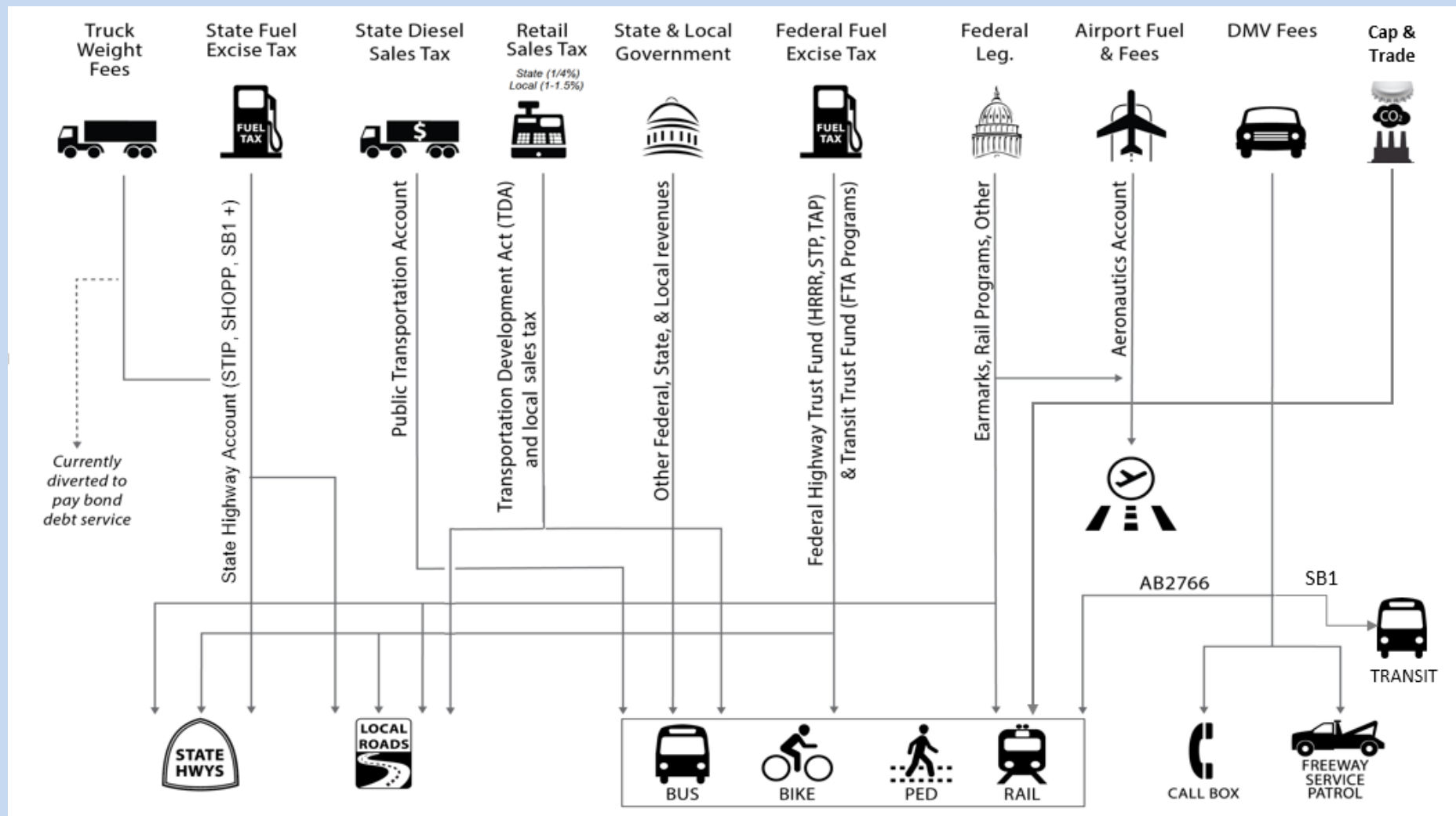
4) Project identified/programmed

5) Implement Projects

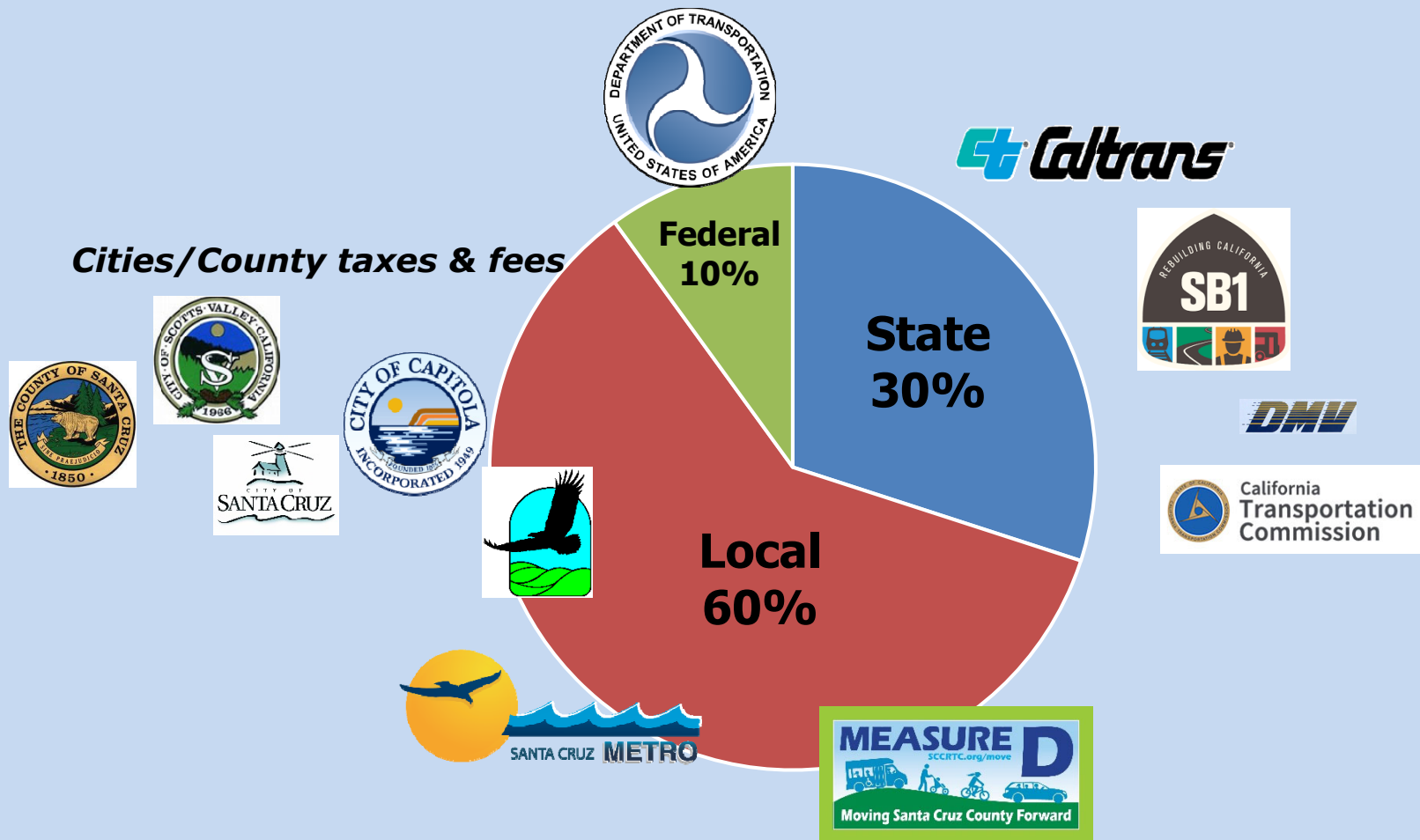


6) Invoices & Audits

Major Sources Transportation Funds



Three Main Categories of Funds



Most Existing Transportation Funds are Dedicated (Not flexible)

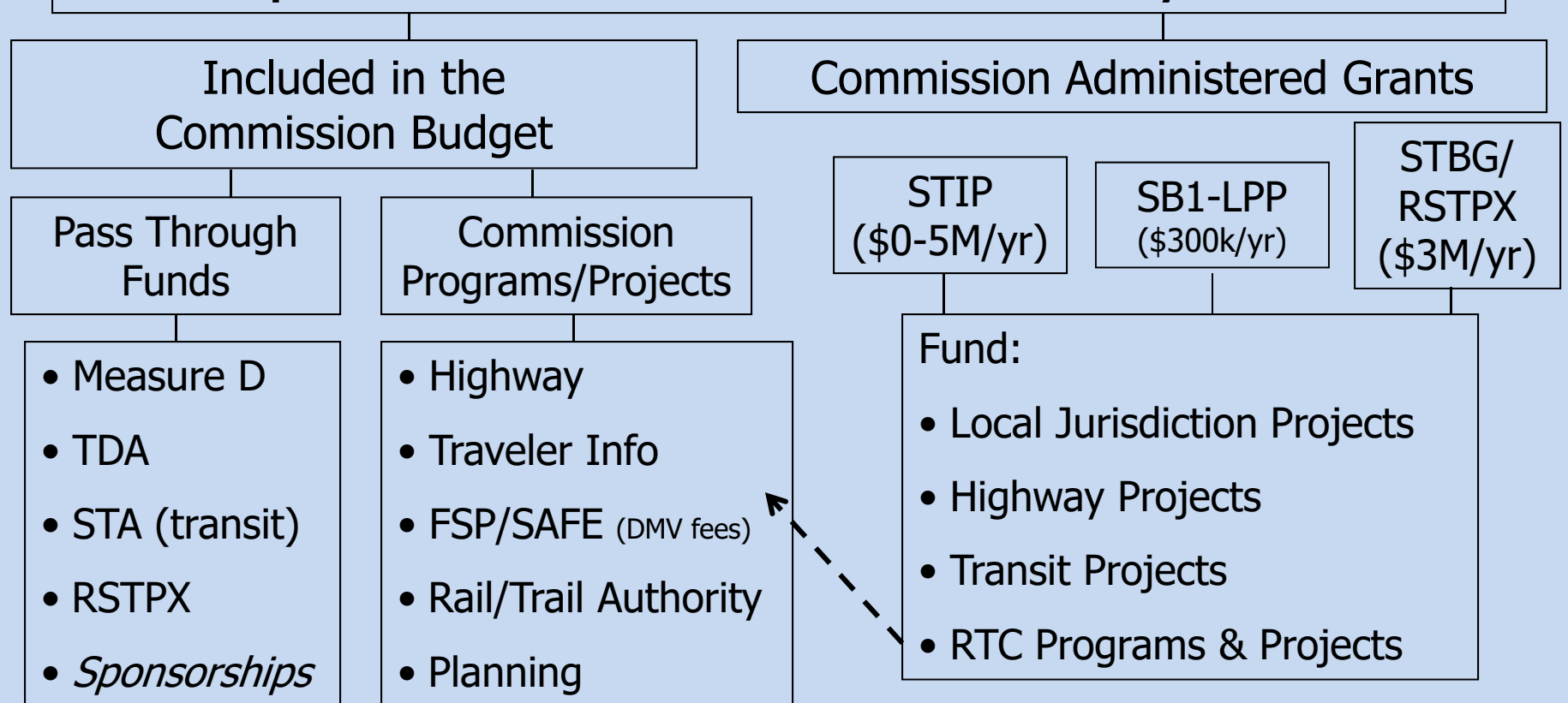
- Over 80% Dedicated: Can only be used on specific types of projects or by certain agencies
 - Transit
 - Highway Maintenance
 - Local Jurisdictions
 - Airports
 - Active Transportation (bike/ped)
- Discretionary/Flexible: Can be used for a variety of types of projects
 - Most Funds Distributed by Other Agencies (*not RTC*)
RTC Discretionary Funds - only 4% (~\$7M/year)

Who Decides How Funds Used?

- Depends on the Funding Source
 - STIP (the Regional Share of gas taxes): SCCRTC/CTC
 - Transit Sales Tax (1/2 cent approved in 1978): Metro
 - Measure D (2016): Voter-approved Exp. Plan, then recipients
 - State Highway Operation and Protection Program – CTC/Caltrans
 - Highway Bridge Rehabilitation Program & Safety Improvement Program (HSIP): Caltrans (& fed rules)
 - Active Transportation Program (ATP): CTC
 - SB1-Solutions for Congested Corridors Program (SCCP) & Local Partnership Program (LPP): CTC
 - Local streets & roads (SB1 & HUTA): Cities/County
 - Planning grants – Caltrans

RTC Managed Transportation Funds

Transportation Funds Distributed By SCCRTC

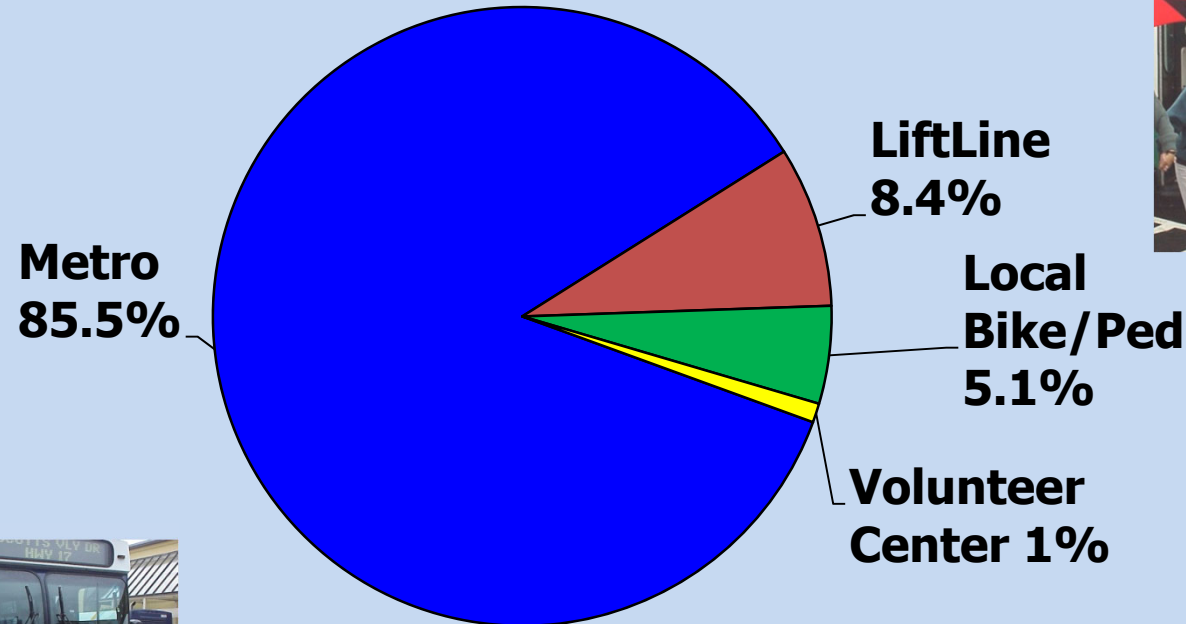


Transportation Development Act (TDA)

- 1971 Legislation
- 1/4 cent sales tax (*\$6-\$10M/year*)
 - RTC uses some for TDA Admin & Planning
 - Balance to other agencies
 - Formula set by RTC Rules & Regulations
- TDA Claims for Funds
- Committees Review Projects
- Unmet Needs – hearing on transit needs
- TDA also requires triennial performance audit of RTC, METRO & CTSA (Lift Line)
- Monthly report on revenues in RTC packet

TDA - Pass Through Funds

Transportation Development Act (TDA):

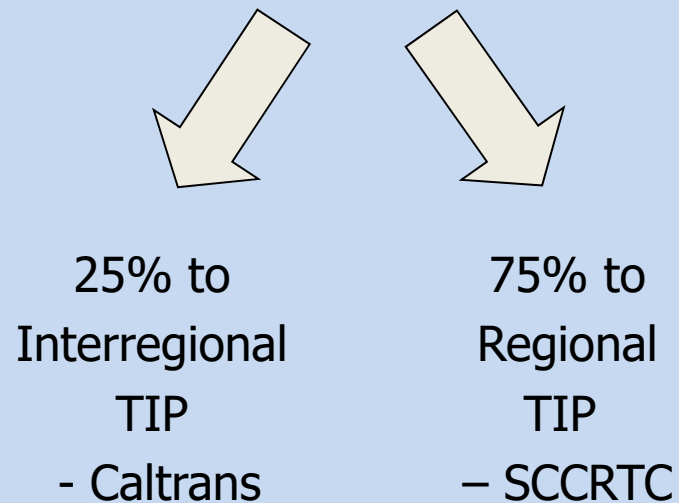


State Transportation Improvement Program

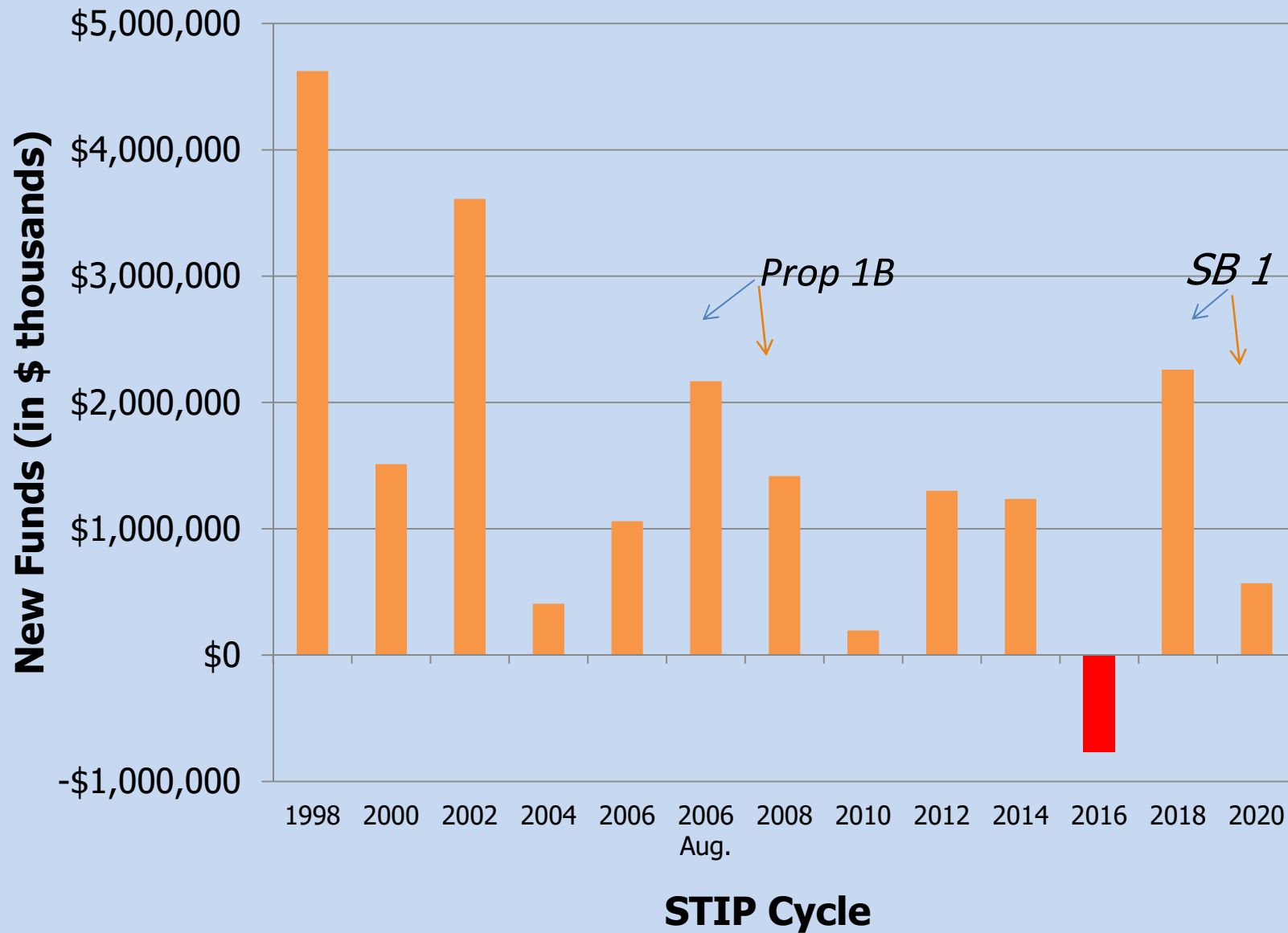
What is the STIP?

- RTC grant program – subject to CTC concurrence
- Funds from CA gas tax
- Covers a 5 year period
- Programmed every two years (2 new years of funds each cycle)
- 2010 -2017: dependent on price based excise tax, used to be combo of state and federal funds
- SB1 replaced priced-based gas tax = about half the funds
- County share~\$3-7M/year
 - \$0 new funds available in 2016 STIP (\$7M deleted by CTC)

How are STIP funds distributed?



New STIP Funds (per cycle - statewide)



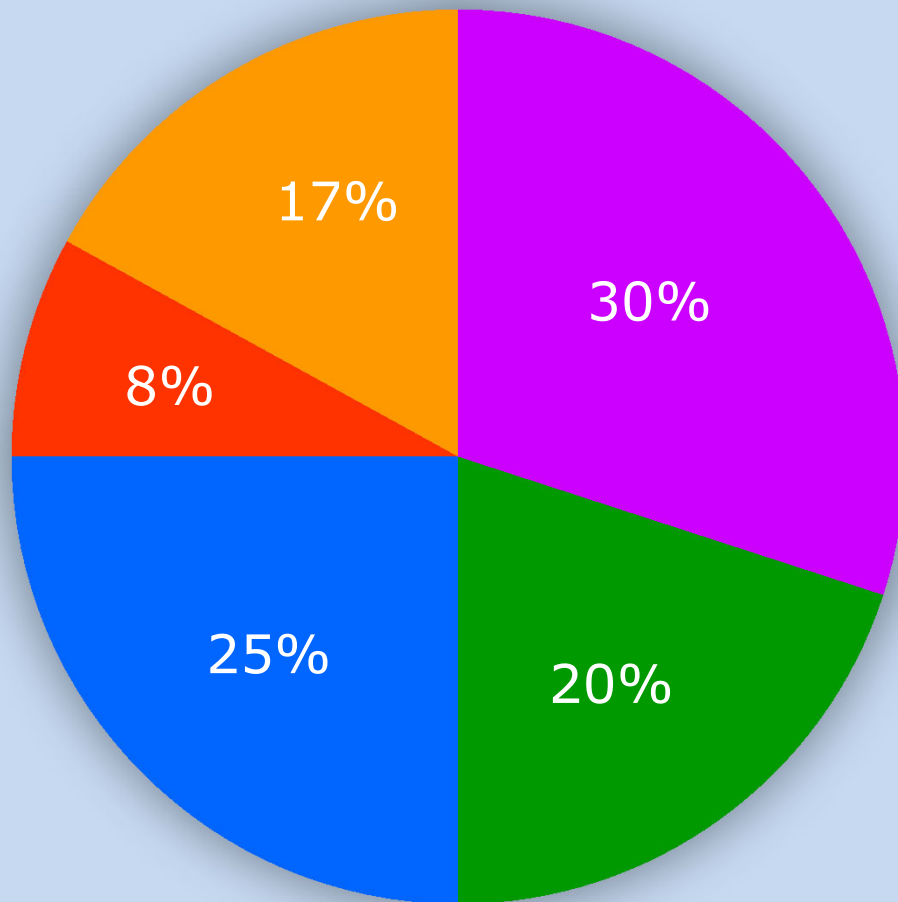
Surface Transportation Block Grant (aka RSTPX)

- Federal gas tax formula \$
 - \$ per year: \$2.5-3.5 million
- What: Road/transit rehab, operational improvements, bike, ped projects
- County gets \$224k directly
- Caltrans allows small counties to exchange for state funds (RSTPX), gives RTC check for annual amounts
 - RSTPX projects listed in RTC budget (budget & RTIP amendment)
 - RTC annual report to CT on payments to projects

Other Transit Funds

- STA- subject to TDA
 - 50% based on transit revenues
 - 50% based on population
 - Mostly diesel sales tax
 - RTPAs responsible for distribution (\$->SCO->RTC->transportation provider)
 - Avail. to pub trans and community transit programs
 - SB1 added approx. \$2M/yr
- SB1-SOGR (State of Good Repair) ~ \$670k/yr
- LCTOP
- Rules: Caltrans Div. of Rail and Mass Transportation
 - Contact: D5 Planning staff

Measure D: Expenditure Plan



- Neighborhood & Street Projects
- Transit & Paratransit
- Highway Corridors
- Rail Corridor
- Active Transportation

Other Major Funds

Federal Funds-

(Under Fixing America's Surface Transportation (FAST ACT))

- Transportation Alternative (TA) and Rec Trails
 - Incorporated into CA's Active Transportation Program
- HBP (Highway Bridge Replacement & Rehab)
 - 25% for off federal aid system- no match required
 - 75% for on federal aid system
- Highway Safety Improvement Program (HSIP)
 - Reduce traffic fatalities and serious injuries on public roads
 - Infrastructure-related highway safety improvements
 - Various set-aside's such as: Guardrail; High Friction Surface Treatment; Ped crossing enhancement

Other Federal Funds

- Transit Formula Funds – FTA Sec. 5307, 5311, State of Good Repair +
- RR Highway Crossing PUC 130
- Discretionary Program
 - BUILD (formerly TIGER)
 - Capital Improvement Grants – Small Starts
 - Federal Lands Access Program (FLAP)

State Funds

- State Transportation Improvement Program (STIP)
- State Highway Operation & Protection Program (SHOPP)
- Cap & Trade (AB32): TIRCP, LCTOP
- Senate Bill 1 (SB1)
 - TCEP, LPP, SCCP, LSR +
- Proposition 1B (2006): CMIA, PTMISEA, SLPP, TCIF, HRCSA, TLSP, LBSRA

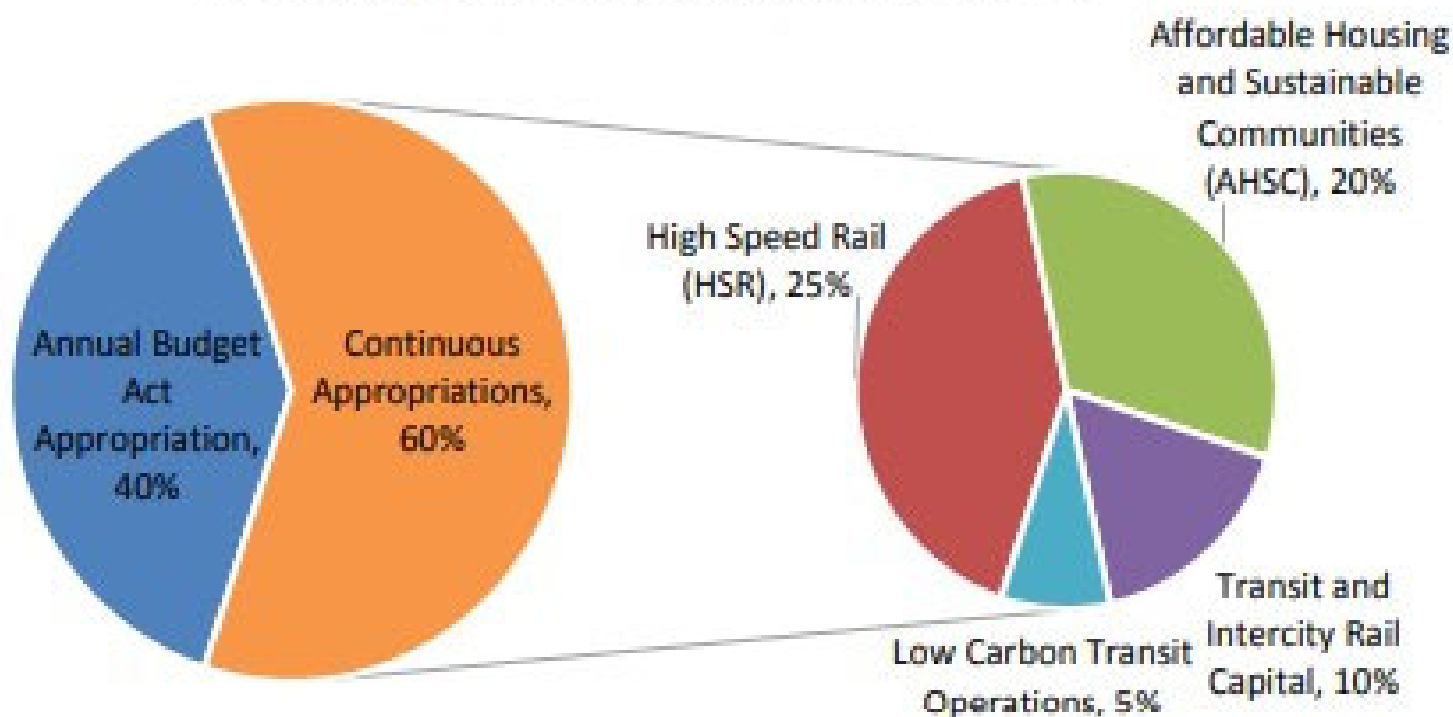
State Highway Operation & Protection Program (SHOPP)

- Four Year - “Fix it First” Program
 - Repairs
 - Preservations
 - Safety Improvements
 - Operational Improvements
 - Must fund projects according to the Transportation Asset Management Plan (TAMP)
 - 2020: Integrating Complete Streets More

State Funds

Cap & Trade

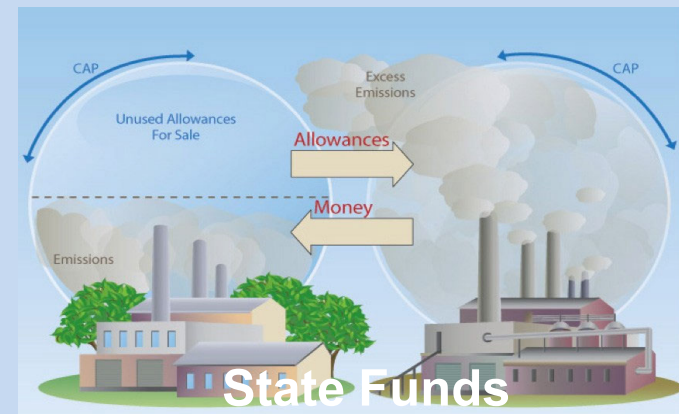
SB 862 Cap-and-Trade Revenue Allocation



State Funds

Cap & Trade

- Low Carbon Transit Operation Program (LCTOP)
 - Formulaic program – through RTPAs (RTC)
 - For transit projects that reduce GHG
- Transit & Intercity Rail Capacity Program (TIRCP)-
 - Also funded by SB 1
 - Competitive grants
 - Expand & improve transit service to increase ridership



Local Funds

- Measure D - 0.5% Sales Tax
- METRO 1978 - 0.5% Sales Tax
- City & County Taxes & Fees
 - HUTA- Gas Tax
 - County Service Area (CSA)
 - City taxes (e.g. Santa Cruz Measure H)

The background of the slide is a dense, overlapping collection of US currency, including various coins (pennies, nickels, dimes, quarters) and paper bills (one-dollar and five-dollar bills). The image is in a muted, greyish-blue color scheme, giving it a textured, almost monochromatic appearance. The text is centered over this background.

**Want to Learn
More?**

RTP Financial Element

(all figures in \$000's)

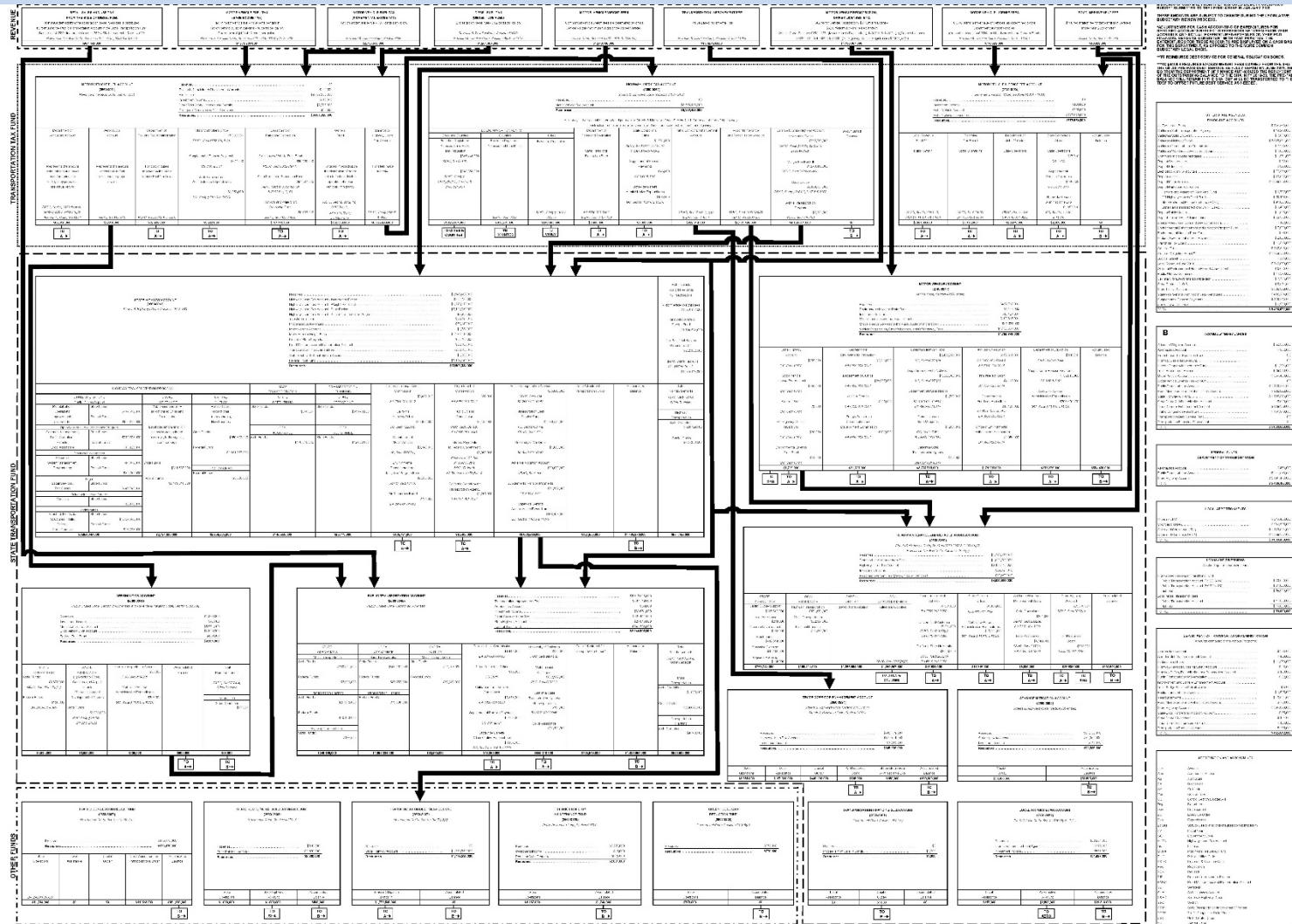
REVENUE SOURCES/PROGRAMS	Funding Type/ Eligible Uses	Base Year	2018-2020 Not Escalated	2021-2035 Not Escalated	2036-2040 Not Escalated	22 Year Total Not Escalated	22 Year Escalated*
City Sales Taxes Used on Transportation	Local Streets-Roads	\$ 2,650	\$ 5,300	\$ 39,750	\$ 13,250	\$ 58,300	\$ 70,373
City/County Developer Fees	Local Streets-Roads	\$ 1,295	\$ 2,590	\$ 19,425	\$ 6,475	\$ 28,490	\$ 34,390
City/County General Funds for Transportation Projects	Local Streets-Roads	\$ 10,075	\$ 20,150	\$ 151,125	\$ 50,375	\$ 221,650	\$ 267,551
Non-Profit, Member Fees, Private Donations	Flexible	\$ 770	\$ 1,540	\$ 11,550	\$ 3,850	\$ 16,940	\$ 20,448
LiftLine Specialized Transportation - Non-TDA revenue	Transit	\$ 730	\$ 1,460	\$ 10,950	\$ 3,650	\$ 16,060	\$ 19,386
Airport Revenues	Airport	\$ 2,820	\$ 5,640	\$ 42,300	\$ 14,100	\$ 62,040	\$ 74,888
MTC Contribution to Hwy 17 Safety Project	Hwy- Safe on 17 CHP	\$ 50	\$ 100	\$ 750	\$ 250	\$ 1,100	\$ 1,328
Rail Line Lease Revenue	Rail Corridor	\$ 90	\$ 180	\$ 1,350	\$ 450	\$ 1,980	\$ 2,390
Regional Vehicle Registration Fee (VRF)	Local Streets-Roads	\$ 2,000	\$ -	\$ 21,000	\$ 10,000	\$ 31,000	\$ 34,969
Transit Fares	Transit	\$ 10,300	\$ 20,600	\$ 154,500	\$ 51,500	\$ 226,600	\$ 273,526
Transit non-fare revenue	Transit	\$ 500	\$ 1,000	\$ 7,500	\$ 2,500	\$ 11,000	\$ 13,278
Transit Fuel Tax Credit	Transit	\$ 550	\$ 1,100	\$ 8,250	\$ 2,750	\$ 12,100	\$ 14,606
Transit Sales Tax	Transit	\$ 20,000	\$ 40,000	\$ 300,000	\$ 100,000	\$ 440,000	\$ 531,119
Transportation Development Act/LTF	Transit	\$ 9,060	\$ 18,120	\$ 135,900	\$ 45,300	\$ 199,320	\$ 240,597
UCSC Revenues & Fees	UCSC	\$ 7,550	\$ 15,100	\$ 113,250	\$ 37,750	\$ 166,100	\$ 200,497
Measure D: 2016 Transportation Sales Tax	Measure D	\$ 20,000	\$ 40,000	\$ 300,000	\$ 100,000	\$ 440,000	\$ 531,119
AB2766	Flexible	\$ 200	\$ 400	\$ 3,000	\$ 1,000	\$ 4,400	\$ 5,311
Airport Improvement Program match	Airport	\$ 7	\$ 14	\$ 105	\$ 35	\$ 154	\$ 189

RTC Budget

Annual Process

- February/March Adoption for next year
 - Estimates of TDA and Measure D for recipients' budgets
- Fall Amendment
 - Includes carryover balances
- Other Amendments (as needed)

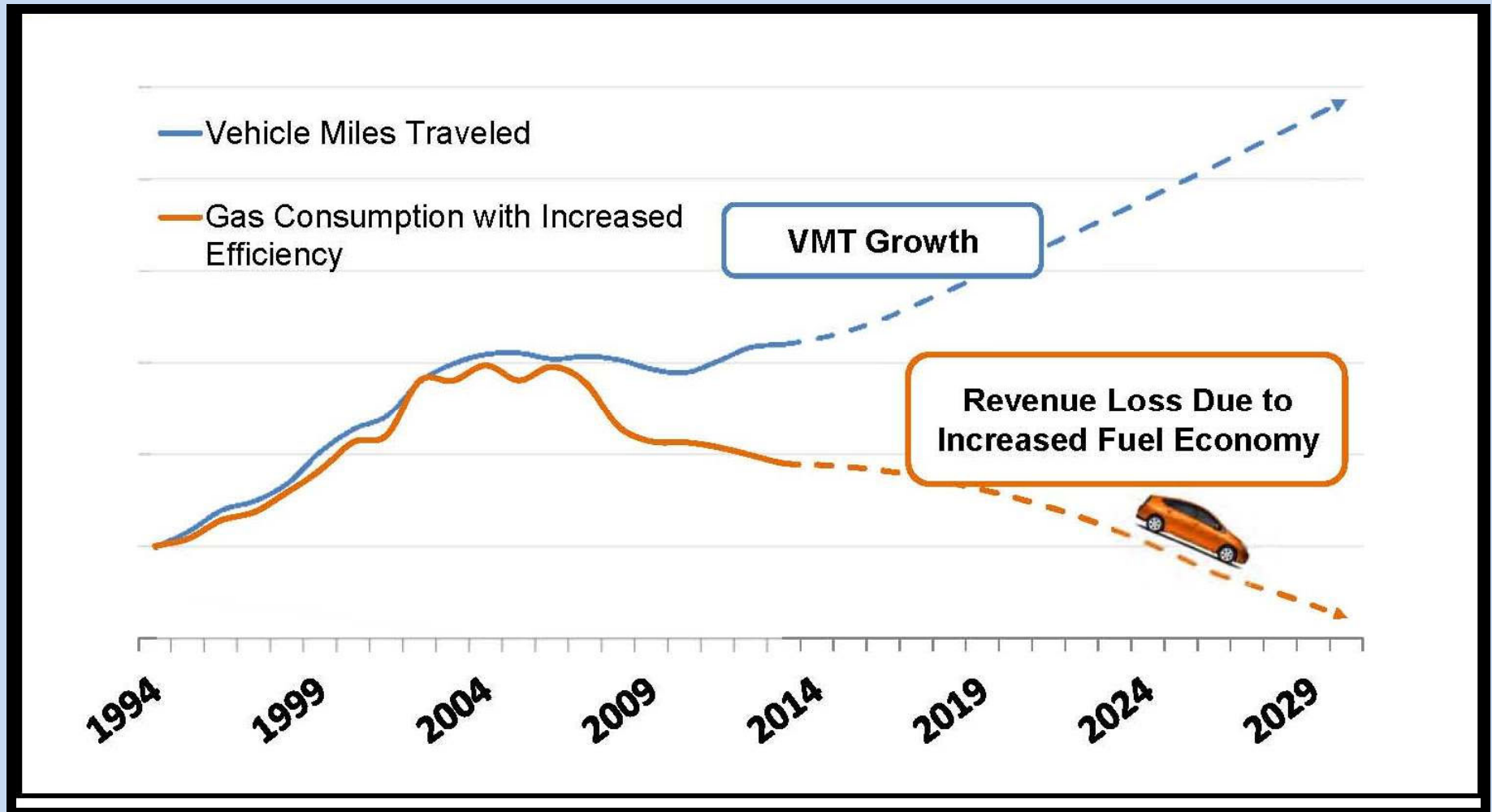
Budgetary Flow Of State Fees And Taxes Designated For Transportation Purposes (aka Chart C)



Backlog of Needs

- Additional \$10-12 million/year needed to maintain local roads
- Backlog of local and regional maintenance exceeds \$250 million (pavement=\$150M)
- More potholes
- Fewer transportation choices
- METRO facing severe deficit

Fuel Taxes have not kept up with miles driven



Prior to SB 1

