



Item #09-2-6 Information

Transportation Committee

January 28, 2009

Update on the Programming of Transit Funds for 2009

Issue: Staff is working with the Transit Coordinating Committee (TCC) on the programming of transit and Proposition 1B Bond Act funds for the upcoming cycles of Federal Transit Administration (FTA) and Proposition 1B Funds.

Recommendation: None. This is for information purposes only.

Discussion: There are a number of transit programming activities that are proceeding on schedule and with an accelerated schedule to integrate with the fast-paced activities related to the recovery/stimulus package. Staff is making an effort to integrate the funding and project identification for the three FTA formula-based programs in consultation and cooperation with the TCC. These programs include the normal annual programming of FTA funds, 5307, 5311, 5309, 5316, and 5317, and the programming of State of California Proposition 1B Bond Act funds. Staff is trying to coordinate and integrate these normal annual processes with the new recovery/stimulus process.

There are at least two major Federal bills related to the recovery/stimulus plan with a number of similarities and differences. The exact requirements and funding amounts have not yet been determined. It is expected that there will be some bill available for the President's signature by mid-February, but the exact date is subject to the normal legislative process and schedule.

Staff estimates that there will be somewhere between \$35 and \$45 million of additional FTA funds for programming through the recovery/stimulus package. In addition, in the state budget discussions, there are proposals to add an additional \$800 million of transit bond act funds to the \$350 million already contained in the adopted state budget. If this does occur, SACOG would have an additional advance of approximately \$18 million of regional bond funds for allocation, and the operators would have an additional \$9 million in operator funds to program on capital projects.

One of the options staff is discussing with TCC is to consider the issue of equity and timeliness in the use of the funds. This may be accomplished by looking at the FTA stimulus funds and the State Bond Act funds as an overall pool of funds where agencies that are ready and able to deliver projects early under the guidelines and timelines of the stimulus funds would be allocated FTA stimulus funds and projects coming on line further in the future would have the opportunity to use bond act funds.

Staff anticipates having more information available to share in time for the February 5, 2009, Transportation Committee meeting.

Approved by:

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