Date: July 23, 2008
W.I.: 1311
Referred by: PAC

ABSTRACT

Resolution No. 3860

This Resolution adopts the Second-Cycle Lifeline Transportation Program Guidelines and Fund Estimate.

The following attachment is provided with this Resolution:

Attachment A— Second-Cycle Lifeline Transportation Program Guidelines and Funding FY 2009 through FY 2011

Date: July 23, 2008
W.I.: 1311
Referred by: PAC

RE: Second Cycle Lifeline Transportation Program Guidelines and Fund Estimate

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. NO. 3860

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

WHEREAS, MTC adopted Resolution 3814, which directed Proposition 1B funds to the Lifeline Transportation Program; and

WHEREAS, MTC adopted Resolution 3837, which established a consolidated policy for State Transit Assistance (STA) – population-based funds, including a set percentage to the Lifeline Transportation Program; and

WHEREAS, MTC is the designated recipient for federal Job Access Reverse Commute (JARC) funds and has incorporated these funds into the Lifeline Transportation Program; and

WHEREAS, MTC has conducted an administrative evaluation of the interim Lifeline Transportation Program and has made revisions to the program based on evaluation results; and

WHEREAS, MTC will use the process and criteria set forth in Attachment A of this Resolution to fund a program of projects for the second-cycle of the Lifeline Transportation Program - Fiscal Year 2009 through Fiscal Year 2011; now, therefore be it

RESOLVED, that MTC approves the program guidelines to be used in the administration and selection of the second cycle of Lifeline Transportation projects, as set forth in Attachment A of this Resolution; and be it further

RESOLVED, that the Executive Director shall forward a copy of this Resolution, and such other information as may be required, to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

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Bill Dodd, Chair

The above Resolution was entered into by the
Metropolitan Transportation Commission
at a regular meeting of the Commission held in
Oakland, California on July 23, 2008.

Second-Cycle Lifeline Transportation Program Guidelines and Funding
FY 2009 through FY 2011

Program Goals: The Lifeline Transportation Program is intended to fund projects that result in improved mobility for low-income residents of the nine San Francisco Bay Area counties, and are expected to carry out the following regional Lifeline Program goals:

The Lifeline Program supports community-based transportation projects that:

- Are developed through a collaborative and inclusive planning process that includes broad partnerships among a variety of stakeholders such as public agencies, transit operators, community-based organizations and other community stakeholders, and outreach to underrepresented stakeholders.
- Address transportation gaps and/or barriers identified in Community-Based Transportation Plans (CBTP). While preference will be given to CBTP priorities, strategies emerging from countywide or regional welfare-to-work transportation plans, the Coordinated Public Transit-Human Services Transportation Plan or other documented assessment of need within the designated communities of concern will also be considered. Findings emerging from one or more CBTPs or other relevant planning efforts may also be applied to other low-income areas, or otherwise be directed to serve low-income constituencies within the county, as applicable.
- Improve a range of transportation choices by adding a variety of new or expanded services including but not limited to: enhanced fixed route transit services, shuttles, children's programs, taxi voucher programs, improved access to autos, capital improvement projects. Transportation needs specific to elderly and disabled residents of low-income communities may also be considered when funding projects. Existing transportation services may also be eligible for funding.

Program Administration: The Lifeline Program will be administered by county congestion management agencies (CMAs) or other designated county-wide agencies as follows:

County	Lifeline Program Administrator
Alameda	Alameda County Congestion Management Agency
Contra Costa	Contra Costa Transportation Authority
Marin	Transportation Authority of Marin
Napa	Napa County Transportation Planning Agency
San Francisco	San Francisco County Transportation Authority
San Mateo	City/County Association of Governments
Santa Clara	Santa Clara Valley Transportation Authority and Santa Clara County
Solano	Solano Transportation Authority
Sonoma	Sonoma County Transportation Authority

Lifeline Program Administrators are responsible for soliciting projects for the Lifeline Program, which requires a full commitment to a broad, inclusive public involvement process. Further guidance for public involvement is contained in MTC's Public Participation Plan. For the selection of projects involving federal funds, Lifeline Program Administrators must also consider fair and equitable solicitation and selection of project candidates in accordance with federal Title VI requirements, i.e. funds must be distributed without regard to race, color, and national origin.

Funding: Fund sources for the second-cycle Lifeline Program (FY 2009 - FY 2011) include Job Access Reverse Commute (JARC), State Transit Assistance (STA) and Proposition 1B - Transit funds, as shown in Table A. Funding amounts will be assigned to each county by each fund source, based on the county's share of poverty population consistent with the estimated distribution outlined in Table B. Lifeline Program Administrators will assign funds to eligible projects. Funded projects must meet the eligibility requirements of the respective funding source.

For projects receiving JARC Funds: Lifeline Program Administrators will enter projects into the Transportation Improvement Program (TIP). Following approval of the TIP, MTC will enter projects into MTC's Federal Transit Administration (FTA) grant to be submitted in spring 2009. Following FTA approval of the grant, MTC will enter into funding agreements with project sponsors.

For projects receiving STA funds: For transit operators receiving STA funds, MTC will allocate funds directly through the annual STA claims process. For other STA eligible projects administered by sponsors who are not STA eligible recipients, MTC or the local transit operator will enter into a funding agreement directly with the project sponsor.

For projects receiving Proposition 1B Transit Funds: Project sponsors receiving Proposition 1B funds must submit a Proposition 1B application to MTC for submittal to Caltrans with prior review by MTC. The estimated due date to Caltrans is November 2008. The state will distribute funds directly to the project sponsor.

Multi-Year Programming: The second-cycle Lifeline Transportation Program will cover a three-year programming cycle. In Table A, the first year of funding is known, while the second and

third years of funding depend upon the FY 2009 and FY 2010 state budgets and are estimated. Since funding amounts for STA are unpredictable and will not be finalized before the release of the call for projects, MTC recommends that Lifeline Program Administrators select projects in two programming tiers.

Tier I Program: The Tier I Program would cover the first two years of funding. Funding for the second year is expected to be known with approval of the FY 2009 state budget, or by September 2008. Tier I projects are due to MTC by November 30, 2008[1], and are scheduled to be presented to the Commission for adoption in January 2009. Lifeline Program Administrators are strongly encouraged to program the full amount of the Tier I county targets illustrated in Table B. Any remaining amounts not submitted by November 2008 may be programmed under Tier II. However, it should be noted that due to the timing of federal deadlines associated with JARC and state deadlines associated with Proposition 1B funds, any projects for these funding sources submitted after the November 2008 deadline will experience a delay in receipt of funds of up to one year.

Tier II Program: The Tier II Program would cover the third year of funding, which is expected to be known with approval of the FY 2010 state budget, or by September 2009. Tier II projects will be due to MTC by September 30, 2009.

At their discretion, Lifeline Program Administrators may conduct a consolidated competitive selection process for both Tiers, selecting the Tier II projects at the same time as the Tier I projects. However, funding for Tier II projects will not be available until after they are presented to the Commission for adoption in December 2009.

Competitive Process: Projects must be selected through an open, competitive process with the following exception. In an effort to address the sustainability of fixed-route transit operations, Lifeline Program Administrators may elect to allocate a portion of their STA funds directly to transit operators for Lifeline transit operations within the county. Projects must be identified as Lifeline projects before transit operators can claim funds, and will be subject to Lifeline Program reporting requirements.

Grant Application: To ensure a streamlined application process for project sponsors, a universal application form (or standard format and content for project proposals) will be used, but, with review and approval from MTC, may be modified as appropriate by the Lifeline Program Administrator for inclusion of county-specific grant requirements.

Program Match: The Lifeline Program requires a minimum local match of 20% of the total project cost; new Lifeline Transportation Program funds may cover a maximum of 80% of the total project cost.

There are two exceptions to the 20% match requirement.

[1] Small Urbanized Area JARC projects will be due to MTC in September 2008.

(1) JARC operating projects require a 50% match. However, consistent with MTC's approach in previous funding cycles, Lifeline Program Administrators may use STA funds to cover the 30% difference for projects that are eligible for **both** JARC and STA funds.

(2) All auto-related projects require a 50% match.

Project sponsors may use federal or local funding sources (Transportation Development Act, operator controlled State Transit Assistance, local sales tax revenue, etc.) to meet the match requirement. The match may include a non-cash component such as donations, volunteer services, or in-kind contributions as long as the value of each is documented and supported, represents a cost that would otherwise be eligible under the program and is included in the net project costs in the project budget

For JARC projects, the federal match must be *non*-Department of Transportation (DOT) federal funds. Eligible sources of non-DOT federal funds include: Temporary Assistance to Needy Families (TANF), Community Services Block Grants (CSBG) and Social Services Block Grants (SSBG) administered by the US Department of Health and Human Services, Community Development Block grants (CDBG) and HOPE VI grants administered by the US Department of Housing and Urban Development (HUD). Grant funds from private foundations may also be used to meet the match requirement.

Project Assessment: Standard evaluation criteria will be used to assess and select projects. The six criteria include (1) project need/stated goals and objectives, (2) community-based transportation plan (CBTP) priority (3) implementation plan, (4) project budget/sustainability, (5) coordination and program outreach, and (6) cost-effectiveness and performance indicators. Lifeline Program Administrators may establish the weight to be assigned for each criterion in the assessment process.

Additional criteria may be added to a county program but should not replace or supplant the regional criteria. MTC staff will review the proposed county program criteria to ensure consistency and to facilitate coordination among county programs.

Each county will appoint a local review team of CMA staff, a local representative from MTC's Minority Citizens Advisory Committee, as well as representatives of local stakeholders, such as, transit operators or other transportation providers, community-based organizations, social service agencies, and local jurisdictions, to score and select projects. Each county will assign local priorities for project selection.

Project Selection/Draft Program of Projects: In funding projects, preference will be given to strategies emerging from local CBTP processes. Projects included in countywide regional welfare-to-work transportation plans, the Coordinated Public Transit-Human Services Transportation Plan or other documented assessment of need within the designated communities of concern will also be considered. Findings emerging from one or more CBTPs or other relevant planning efforts may also be applied to other low-income areas, or otherwise be directed to serve low-income constituencies within the county, as applicable. Per federal requirements, all JARC projects must be derived from MTC's Coordinated Public Transit-Human Services Transportation Plan. Regional Lifeline funds should not supplant or replace existing sources of funds.

Eligible operating projects, consistent with requirements of funding sources, may include (but are not limited to) new or enhanced fixed route transit services, restoration of lifeline-related transit services eliminated due to budget shortfalls, shuttles, children's transportation programs, taxi voucher programs, improved access to autos, etc. See Attachment 1 for additional details about eligibility by funding source.

Eligible capital projects, consistent with requirements of funding sources, include (but are not limited to) purchase of vehicles; bus stop enhancements, including the provision of bus shelters, benches, lighting or sidewalk improvements at or near transit stops, rehabilitation, safety or modernization improvements, etc.; or other enhancements to improve transportation access for residents of low-income communities. See Attachment 1 for additional details about eligibility by funding source.

Inter-county projects may also be funded if two or more counties wish to jointly plan for and fund such a project. Interested project sponsors or CMA staff should contact MTC to facilitate coordination.

Transportation needs specific to elderly and disabled residents of low-income communities may also be considered when funding Lifeline projects.

Project Delivery: All projects funded under the county programs will be subject to MTC obligation deadlines and project delivery requirements. All projects will be subject to a "use it or lose it" policy.

Policy Board Adoption: Projects recommended for funding must be submitted to and approved by the respective governing board of the Lifeline Program Administrator. The appropriate governing board shall resolve that approved projects not only exemplify Lifeline Program goals, but that the local project sponsors understand and agree to meeting all project delivery, funding match and eligibility requirements, and obligation deadlines.

Project Oversight: Lifeline Program Administrators will be responsible for oversight of projects funded under the county programs and ensuring projects meet MTC obligation deadlines and project delivery requirements. In addition, Lifeline Program Administrators will ensure, at a minimum, that projects substantially carry out the scope described in the grant applications. All scope changes must be fully explained and must demonstrate consistency with Lifeline Program goals. All changes to JARC-funded projects must be reported to MTC and reconciled with FTA.

Lifeline Program Administrators are responsible for programmatic and fiscal oversight of new Lifeline projects. As part of the Call for Projects, applicants will be asked to establish project goals, and to identify basic performance indicators to be collected in order to measure the effectiveness of the Lifeline projects. At a minimum, performance measures for service-related projects would include: documentation of new "units" of service provided with the funding (e.g. number of trips, service hours, workshops held, car loans provided, etc.), cost per unit of service, and a qualitative summary of service delivery procedures employed for the project. For capital-related projects, project sponsors are responsible to establish milestones and report on the status of project delivery. All reports containing performance measures will be forwarded to MTC for review and overall monitoring of the Lifeline Transportation Program.

Timeline Summary

Action	Due Date
Issue Lifeline Call for Projects	Late July 2008
Small Urbanized Area JARC projects due to MTC	September 2008
All other Lifeline projects due to MTC	November 30, 2008
Proposition 1B transit projects due to Caltrans	November 2008 (estimated)
Commission approval of Tier I Lifeline Program of Projects	January 2009
STA-funded projects: project sponsors begin to claim funds or enter into agreements	February 2009
Proposition 1B transit-funded projects: project sponsors receive funds from state	February 2009 (estimated)
MTC submits Federal Transit Administration (FTA) grant with JARC projects	Spring 2009
JARC-funded projects: project sponsors begin to enter into agreements	Summer 2009 (following FTA grant approval)
Submittal or revision of Lifeline Program of Projects (Tier II)	September 30, 2009
Commission approval of Tier II Lifeline Program of Projects	December 2009

Table A – Lifeline Transportation Program
Second Cycle Funding
FY 2009 – FY 2011

FUND SOURCE	CYCLE II: FY 09 - FY 11						Estimated Future Commitment (FY 12-FY 18)
	Tier I Program[1]				Tier II Program[2]	3-YEAR TOTAL	
	Year 1 Actual	***Year 2*** Estimated		*Subtotal Tier I*	***Year 3*** Estimated		
		May Revise[3]	Restoration[3]				
STA[3]	$ 13,306,413	$ 8,992,542	$ 8,429,189	***$ 30,728,144***	$ 13,262,271	**$ 43,990,415**	$ 115,287,585
Prop. 1B[4]	$ 6,329,987	$10,857,201		***$ 17,187,188***	$ 10,316,852	**$ 27,504,040**	$ 72,217,961
JARC[5]	$ 289,809	$2,885,368		***$ 3,175,177***	$ -	**$ 3,175,177**	$ -
TOTAL	**$ 19,926,209**	**$ 22,735,112**	**$ 8,429,189**	***$ 51,090,509***	**$ 23,579,123**	**$ 74,669,632**	**$ 187,505,545**

Notes:

[1] The Tier I Program is due to MTC on Oct. 31, 2008. Year 2 amounts will be known in Sept. 2008.

[2] The Tier II Program is due to MTC on Oct. 31, 2009. Year 3 amounts will be known in Sept. 2009.

[3] STA commitments are per MTC Resolution 3837 (including funding from the STA Consolidated Policy, Proposition 1B Swap, and Spillover). Amounts depend on State budget. Year 2 estimate reflects expected funding at the FY 09 May Revise level and additional funds if the budget were restored to the FY 09 January Proposal level ("Restoration"). Year 3 estimate is projected from FY 09 January Proposal level (including funding from the STA Consolidated Policy and no Spillover).

[4] Prop. 1B commitment is per MTC Resolution 3814.

[5] JARC Year 1 is the difference between the original estimate and actual FY 2008 apportionment. Year 2 is estimated FY 09 large urbanized area (UA) apportionment and small UA targets provided by Caltrans.

Table B - Estimated Funding Target by Fund Source per County
Second-Cycle Funding
FY 2009 – FY 2011

COUNTY & POVERTY POPULATION[1]		Tier I Program[2]				Tier II Program[3]			Total
		STA[5]	Prop 1B	JARC[4]	*Subtotal*	STA	Prop 1B	*Subtotal*	
Alameda - Available	27.40%	$ 8,030,213	$ -	$ 786,582	*$ 8,816,794*	$ 3,222,862	$ 2,826,817	*$ 6,049,680*	**$ 14,866,474**
Alameda - Advanced[5]		$ -	$ 5,098,588	$ -	*$ 5,098,588*	$ -	$ -	*$ -*	**$ 5,098,588**
Contra Costa	12.50%	$ 3,908,046	$ 2,081,370	$ 358,843	*$ 6,348,259*	$ 1,470,284	$ 1,289,606	*$ 2,759,890*	**$ 9,108,150**
Marin	2.70%	$ 844,138	$ 449,576	$ 77,510	*$ 1,371,224*	$ 317,581	$ 278,555	*$ 596,136*	**$ 1,967,360**
Napa	1.70%	$ 531,494	$ 283,066	$ 84,494	*$ 899,055*	$ 199,959	$ 175,386	*$ 375,345*	**$ 1,274,400**
San Francisco	15.10%	$ 4,720,920	$ 2,514,296	$ 433,483	*$ 7,668,698*	$ 1,776,103	$ 1,557,845	*$ 3,333,948*	**$ 11,002,646**
San Mateo	7.10%	$ 2,219,770	$ 1,182,218	$ 203,823	*$ 3,605,812*	$ 835,121	$ 732,496	*$ 1,567,618*	**$ 5,173,429**
Santa Clara	21.70%	$ 6,784,368	$ 3,613,259	$ 632,276	*$ 11,029,903*	$ 2,552,413	$ 2,238,757	*$ 4,791,170*	**$ 15,821,073**
Solano	5.50%	$ 1,719,540	$ 915,803	$ 416,834	*$ 3,052,178*	$ 646,925	$ 567,427	*$ 1,214,352*	**$ 4,266,529**
Sonoma	6.30%	$ 1,969,655	$ 1,049,011	$ 181,331	*$ 3,199,997*	$ 741,023	$ 649,962	*$ 1,390,985*	**$ 4,590,982**
Means-Based Fare Pilot[6]		$ -	$ -	$ -	*$ -*	$ 1,500,000	$ -	*$ 1,500,000*	**$ 1,500,000**
TOTAL	**100.00%**	**$ 30,728,144**	**$ 17,187,188**	**$ 3,175,177**	***$ 51,090,509***	**$ 13,262,271**	**$ 10,316,852**	***$ 23,579,123***	**$ 74,669,632**

Notes:
Estimates intended for planning purposes only. Actual allotment of funds may differ than those indicated above.

[1] Poverty percentages by county are based on federal poverty levels reported in 2000 US Census.

[2] The Tier I Program is due to MTC on Oct. 31, 2008.

[3] The Tier II Program is due to MTC on Oct. 31, 2009.

[4] JARC estimates include small urbanized area funds administered by Caltrans. The small urbanized areas in the region include Livermore, Gilroy, Petaluma, Fairfield, Vacaville, Vallejo and Napa. These funds are subject to Caltrans requirements.

[5] The Alameda County – Advanced total reflects $5.1 million in Prop. 1B programmed in advance under MTC Resolution 3834. Alameda County's share of Tier I Prop. 1B funds was $4.7 million. The difference of $389,299 is repaid from Alameda County's share of Tier I STA, which is distributed proportionately to the remaining counties.

[6] Reserved by MTC for a means-based fare assistance pilot program. Scope of the program to be developed.

ATTACHMENT 1

Lifeline Transportation Program
Second-Cycle Funding, FY 2009 – FY 2011

Funding Source Information

	State Transit Assistance (STA)	Proposition 1B – Transit	Job Access Reverse Commute (JARC)
Purpose of Fund Source	To improve existing public transportation services and encourage regional transportation coordination	To help advance the State's goals of providing mobility choices for all residents, reducing congestion, and protecting the environment	To improve access to transportation services to employment and related activities for welfare recipients and eligible low-income individuals
Detailed Guidelines	http://www.dot.ca.gov/hq/MassTrans/Docs-Pdfs/TDA2007Work.pdf	www.mtc.ca.gov/funding/infrastructure/PTMISEA_12-05-07.PDF	www.fta.dot.gov/documents/FTA_C_9050.1_JARC.pdf
Use of Funds	For public transportation purposes including community transit services	For public transportation purposes	For transportation services that meet the transportation needs of low-income persons
Eligible Recipients	▪ Transit operators ▪ Cities and Counties if eligible to claim TDA ▪ MTC for regional coordination ▪ Other entities, under an agreement with an eligible recipient	Transit operators or local agencies that are eligible to receive STA funds, as listed by State Controller's Office	▪ Operators of public transportation services, including private operators of public transportation services ▪ Private non-profit organizations ▪ State or local governmental authority
Eligible Projects	Transit Capital and Operations, including: ▪ New, continued or expanded fixed-route service ▪ Purchase of vehicles ▪ Shuttle service if available for use by the general public ▪ Purchase of technology (i.e. GPS, other ITS applications) ▪ Capital projects such as bus stop improvements, including bus benches, shelters, etc. ▪ Various elements of mobility management, if consistent with STA program purpose and allowable use. These may include planning, coordinating, capital or operating activities.	Transit Capital (including a minimum operable segment of a project) for: ▪ Rehab, safety, or modernization improvements ▪ Capital service enhancements or expansions ▪ New capital projects ▪ Bus rapid transit improvements ▪ Rolling stock procurement, rehab, or replacements Projects must be consistent with most recently adopted short-range transit plan or other publicly adopted plan that includes transit capital improvements.	Capital or Operating projects including: ▪ Services (e.g. late-night & weekend, shuttles) ▪ Ridesharing and carpooling ▪ Transit-related aspects of bicycling ▪ Local car loan programs ▪ Marketing ▪ Administration and expenses for voucher programs ▪ ITS, AVL, etc. for improving scheduling and dispatch ▪ Mobility management Projects must be derived from the regionally-adopted Coordinated Public Transit-Human Services Transportation Plan.

	State Transit Assistance (STA)	Proposition 1B – Transit	Job Access Reverse Commute (JARC)
Lifeline Program Local Match	20%	20%	▪ 50% for operating projects (may use STA funds to cover up to 30% if project is eligible for **both** JARC and STA) ▪ 50% for auto projects ▪ 20% for capital projects
Estimated timing for availability of funds to project sponsor	▪ Transit operators and eligible cities and counties can initiate claims immediately following MTC approval of program of projects for current fiscal year funds. ▪ For "Other entities", the eligible recipient acting as fiscal agent will initiate a funding agreement following MTC approval of program of projects. Funds will be available on a reimbursement basis after execution of the agreement.	Project sponsors must submit a Proposition 1B application to MTC for submittal to Caltrans. The estimated due date is November 2008 (or February 2009) (Tier I) and November 2009 (or February 2010) (Tier II). Disbursement is estimated to occur within 3 months of receipt of the application.	Following MTC approval of program of projects, there will be a 6-12 month process of securing the grant from FTA (adjusting funding depending on actual Congressional appropriation, entering projects in the TIP, applying for the FTA grant, FTA review and approval) and MTC entering into funding agreements with the project sponsors. Funds will be available on a reimbursement basis after execution of the agreement.
Accountability & Reporting Requirement	▪ Transit operators and eligible cities and counties must submit annual ridership statistics for the project, first to Lifeline Program Administrators for review, and then to MTC along with annual claim ▪ "Other entities" must submit quarterly performance reports with invoices, first to Lifeline Program Administrators for review, and then to MTC for reimbursement.	▪ Using designated Caltrans forms, project sponsors are required to submit project activities and progress reports to the state every six months, as well as a project close-out form. Caltrans will track and publicize progress via their website.	▪ All project sponsors will submit quarterly performance reports with invoices for reimbursement to MTC. Prior to submittal to MTC, reports will be submitted to Lifeline Program Administrators for review.

Note: Information on this chart is accurate as of May 2008. MTC will strive to make Lifeline Program Administrators aware of any changes to fund source guidelines that may be enacted by the appropriating agencies (i.e. State of California, Federal Transit Administration).