

October 15, 2007

Prop 1B Transit

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MTC's Proposed Allocation Process

Attached is a proposed allocation plan for the region's \$58 million share of the \$600 million available statewide in FY 2007-08. Project sponsors should review the Caltrans' guidelines to confirm project eligibility before submitting to MTC. The investment categories and programming shares were adopted by MTC in June 2007. The proposed allocation plan for FY 2007-08 is based on the principles listed below.

1. The proportional share of the \$58 million is available to each investment category: Lifeline, Urban Core and Small Operators/Northern Counties.
2. Within each category, MTC will submit projects for allocation based on ready-to-go status. The rationale is that it will be important to put transit-bond dollars to work to demonstrate the need for funding. MTC staff will attempt to allocate regional coordination projects to free up more flexible funds within the Lifeline category, as directed in the June 2007 program adoption. Given the timeline for the next Lifeline call for projects – expected in the summer of 2008 after completion of a program evaluation – Lifeline funds not swapped for “flexibility” will likely be held in reserve this year.
3. MTC will evaluate this process in Spring 2008, before the State's second round of FY 2007-08 allocations. The evaluation will consider the remaining available FY 2007-08 funding, the amount of bond funds proposed in the FY 2008-09 State Budget, the Resolution 3434 Strategic Plan and any new legislation regarding the state bond program. At this point, if funding is still available in any one category, shifting funds between categories may be considered.

MTC is soliciting input from the Partnership on this proposal. We look forward to working with you to deliver projects under this accelerated schedule. Feel free to contact me at 510.817.5804 or kfolan@mtc.ca.gov with any questions or comments.

Attachment

**Proposed FY 2007-08 Allocation Proposal
 Proposition 1B - Transit Capital Funds - Population-Share**

Estimated Prop 1B Bond Proceeds to MTC based on Population Formula

Investment Category	Prop 1B Total	Percentage of Regional Total
Lifeline		
Lifeline Funding for Transit Operators*	80,000,000	
MTC Regional Programs*	32,000,000	
Subtotal - Lifeline Program	112,000,000	32%
*Subject to Swap to increase Lifeline Program access to operating funds		
Urban Core Transit Improvements		
BART to SFO Settlement Agreement (directed to Transbay Tube Seismic)	24,000,000	
San Francisco Muni Central Subway	100,000,000	
Santa Clara VTA Line 522/523 Bus Rapid Transit	45,000,000	
BART to Warm Springs	17,000,000	
East Contra Costa BART Extension	17,000,000	
Subtotal - Urban Core Transit Improvements	203,000,000	59%
Small Operators/North Counties		
Marin	3,404,800	
Napa	1,808,000	
Solano (includes Vallejo)	5,683,200	
Sonoma	6,448,000	
CCCTA	6,556,800	
ECCTA	3,654,400	
LAVTA	2,582,400	
Union City	956,800	
WestCat	905,600	
Subtotal - Small Operators/North Counties	32,000,000	9%
Total	347,000,000	100%

**FY 2007-08 Appropriation based on
 \$57.8 Million Available for MTC
 Population-based**

Funding Available by Category
Lifeline
18,670,125
Urban Core Transit Improvements
33,839,602
Small Operators/North Counties
5,334,321
57,844,048

Allocation Principles

1. Funds available proportionally by category.
2. Within each category, MTC will submit projects for allocation based on ready-to-go status.
3. MTC will evaluate the proposal before the second round of FY 2007-08 allocations - taking into consideration amount allocated in January, the FY 2008-09 State Budget, the Resolution 3434 Strategic Plan and any new legislation regarding the state bond program. At this point if funding is still available in any one category, shifting funds between categories may be considered.