

To: Administration & Finance Committee

Date: 02/23/2022

From: Melody Reeb, Director of Planning, Marketing, & Innovation

Reviewed by: *Ref*

SUBJECT: Cap and Trade Grant (LCTOP) – FY 2021-22

Background:

The Low Carbon Transit Operations Program (LCTOP) provides cap-and-trade funding for transit in order to reduce greenhouse gas (GHG) emissions and improve mobility, with a priority on serving disadvantaged communities (DACs). Over time, the guidelines for eligible projects have been revised, allowing for increased flexibility in the use of these funds. In the last few years, County Connection has utilized these funds to operate Route 99X, connecting the Martinez Amtrak Station to BART via Pacheco Blvd. and Morello Ave., and to increase weekend service on Route 316. Both of these routes serve the DAC within County Connection's service area. Since FY 2018-19, with the passage of Senate Bill 1119 (SB 1119), County Connection was able to implement the fare subsidy project in the Monument Corridor on Routes 11, 14, and 16.

Proposed Projects:

The State Controller's Office (SCO) has released the final apportionments for the LCTOP program, and County Connection will be receiving \$1,483,983. Staff proposes using these funds to continue operating service between Amtrak and BART and subsidizing fares for Routes 11, 14 and 16. Given the increase in available funding (and decrease in ridership due to COVID-19), staff is also proposing to expand subsidized fares to weekend routes serving the Monument Corridor (Routes 311, 314, and 316). All these routes serve AB 1550 low-income communities and MTC communities of concern, which are centered around Downtown Concord and the Monument Corridor. The pilot was extremely successful prior to COVID-19, and this grant provides a guaranteed fare revenue source.

Although not part of the proposed project for FY 2021-22, staff would like to note that due to the COVID-19 pandemic, some of the funds that were programmed to subsidize fares on Routes 11, 14, and 16 over the last two years will not be disbursed. Based on current ridership, it is projected that there will be a balance of about \$340,000 that will be rolled over to FY 2021-22, augmenting the funds available for the fare subsidy program.

| | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 |
|---|---------------------|---------------------|---------------------|-------------------|---------------------|
| Cap & Trade Allocations | | | | | |
| Revenue Based | \$ 165,597 | \$ 161,497 | \$ 165,597 | \$ 91,133 | \$ 214,031 |
| Population-Based | \$ 963,733 | \$ 971,709 | \$ 963,733 | \$ 542,538 | \$ 1,269,952 |
| Subtotal | \$ 1,129,330 | \$ 1,133,206 | \$ 1,129,330 | \$ 633,671 | \$ 1,483,983 |
| Local Funds | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Revenues | \$ 1,129,330 | \$ 1,133,206 | \$ 1,129,330 | \$ 633,671 | \$ 1,483,983 |
| Projects Funded | | | | | |
| Electric Trolley/Bus | \$ 913,620 | \$ - | \$ - | \$ - | \$ - |
| Martinez Amtrak to BART | \$ 215,710 | \$ 375,378 | \$ 215,710 | \$ 215,710 | \$ 600,619 |
| Subsidized Fares for Monument Corridor Routes | \$ - | \$ 757,828 | \$ 913,620 | \$ 417,961 | \$ 883,364 |
| Total Expenses | \$ 1,129,330 | \$ 1,133,206 | \$ 1,129,330 | \$ 633,671 | \$ 1,483,983 |

Financial Implications:

For FY 2021-22, County Connection will receive a total of \$1,483,983 in LCTOP funds. Staff plans to use \$600,619 to operate service within the DAC, and \$883,364 to subsidize fares on routes serving the Monument Corridor.

Recommendation:

Staff recommends that the A&F Committee approve the proposed allocation of LCTOP funds. The additional project year for subsidized fares on routes serving the Monument Corridor will cover FY 2022-23.

Action Requested:

Staff requests that the A&F Committee forward the proposed LCTOP project funding allocation to the Board for approval.

Attachments:

None