



Approve Low Carbon Transit Operations Funds Allocations for Fiscal Year 2024-2025

Consent

Author: Caroline Payne

Attachments: Yes

Referring Committee: Policy & Innovation

Issue:

Each year the State Controller publishes allocations for the Local Carbon Transit Operations Fund (LCTOP). SACOG staff use these revenue allocation to calculate proposed funding allocations to each transit agency, which are then approved by the SACOG Board of Directors.

Request:

Approve

Recommendation for Board:

The Policy & Innovation Committee recommended that the board adopt FY 2024-2025 LCTOP allocations for Sacramento, Sutter, Yolo and Yuba counties.

Recommendation for Committee:

That the Policy and Innovation Committee recommend that the board adopt FY 2024-2025 LCTOP allocations for Sacramento, Sutter, Yolo and Yuba counties.

Background:

In 2014, the California Legislature passed Senate Bill (SB) 862 to establish the Transit, Affordable Housing, and Sustainable Communities Program. Within this program, the Low Carbon Transit Operations Program (LCTOP) was established to provide operating and capital assistance for transit agencies to help reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. LCTOP is administered by the California Department of Transportation (Caltrans) in coordination with the California Air Resources Board (CARB) and the State Controller's Office (SCO).

In compliance with LCTOP guidelines and Caltrans requirements, the board has authorized SACOG's executive director to act as the Authorized Agent and Contributing Sponsor responsible for distributing regional LCTOP funds to local transit agencies in the four counties of Sacramento, Sutter, Yolo, and Yuba. This allows SACOG to release funds to each project lead by signing off on the Project Description and Allocation Request form.

This year, transit agency project proposals and allocation request forms are due to Caltrans in April 2025. Staff is coordinating with the transit operators about projects in order to bring proposed projects for board

approval ahead of the deadline. Once projects are approved by SACOG, they will be submitted to Caltrans where Caltrans and CARB will review them to ensure compliance with SB 862 requirements and LCTOP guidelines. The approved projects will then be submitted to the State Controller's Office (SCO) in May and funds will be available for allocation and distribution in June 2025.

The El Dorado County Transportation Commission and Placer County Transportation Planning Agency administer LCTOP funding for their respective counties.

Discussion/Analysis:

LCTOP funds are distributed based on Public Utilities Code (PUC 99313) which is based on the region's share of state population and Public Utilities Code 99314 (PUC 99314) which is based on each operator's revenues reported to the State Controller.

For FY 2024-2025, the State is appropriating \$5,129,210 in regional LCTOP funds (PUC Section 99313) and \$1,752,746 in operator funds (PUC Section 99314) in the four-county SACOG region. The LCTOP total is \$6,881,956. Since the establishment of the program, it has been SACOG's standing policy and practice to distribute the funding by a population-based formula to eligible transit operators.

Attachment A shows the allocations under Public Utility Codes (PUC) 99313 and 99314 and combined allocation for each operator.

The LCTOP program requires operators to submit proposed eligible projects to SACOG for approval after their respective governing boards have approved the projects. Staff is coordinating with operators and will bring eligible projects to the board for approval in April 2025. After projects are approved by Caltrans and CARB, operators will be responsible for reporting on project milestones and final products to Caltrans.

Fiscal Impact/Grant Information:

There is no fiscal impact to SACOG's operating budget. The funds are allocated by formula to transit operators and staff time for administering the program is reflected in the Budget/Overall Work Program (Budget/OWP).

List of Attachments:

(1) FY24-25 LCTOP Allocations tables