

Bay Area’s Cap and Trade Funding History

Cap and Trade funds play an important role in supporting transit and affordable housing in the Bay Area. Since 2015, the Bay Area has secured over \$5 billion from the \$16 billion available under the continuously appropriated Transit and Intercity Rail Capital Program (TIRCP), Affordable Housing and Sustainable Communities (AHSC) program, and Low Carbon Transit Operations Program (LCTOP). More recently, SB 125 created the \$1.1 billion Zero-Emission Transit Capital Program (ZETCP), which is primarily funded through the GGRF. As shown in the chart below, the Bay Area’s share of statewide funds averages 32 percent and 37 percent, depending on the program. While this exceeds the Bay Area’s 20 percent population share, it reflects the Bay Area’s high transit usage and strong demand for transit-oriented development.

Bay Area Cap and Trade Funding History

Programs	Statewide Funding	Bay Area Awards	Bay Area Share	Notes
TIRCP (2015-2029)	\$10.8 billion	\$3.4 billion	32%	TIRCP helps fund major Bay Area transit expansion and modernization projects, including Caltrain Electrification, SMART to Windsor, San Francisco Bay Ferry electrification, the Portal, Valley Link, BART Transbay Core Capacity, and BART to Silicon Valley Phase 2.
AHSC (2015-2024)	\$4 billion	\$1.5 billion	36%	Approximately 2/3 of the Bay Area’s AHSC funds support new transit-oriented affordable housing and the remaining 1/3 improves bicycle, pedestrian and transit access for residents of affordable housing.
LCTOP (2015-2024)	\$1.2 billion	\$440 million	37%	LCTOP provides funds for expanded bus or rail service, Bay Area zero emission bus and ferry fleet transitions, and free or reduced transit fare programs.
ZETCP (2024-2028)	\$1.1 billion	\$400 million	37%	ZETCP serves as emergency transit operating funds to mitigate dire service cuts.

Notes:

- TIRCP is distributed competitively by the California State Transportation Agency (CalSTA). Because CalSTA's practice includes committing future year funds, the figures in the chart reflect TIRCP funding commitments through 2029. Totals include continuously appropriated revenues from the Greenhouse Gas Reduction Fund (GGRF) and SB1 as well as a \$3 billion in state general funds distributed via the competitive TIRCP program.
- AHSC is distributed competitively to affordable housing projects with connected transportation improvements.
- LCTOP is distributed via the State Transit Assistance (STA) formula, with 50% statewide distributed to transit operators on revenue basis and 50% distributed to regional transportation planning agencies (RTPAs) on a population basis.
- ZETCP is distributed to RTPAs via the STA formula, described above. Of the \$1.1 billion in total ZETCP, \$910 million is funded through the GGRF and the remainder is funded from the state's Public Transportation Account.
- Not included in table is 25% continuous appropriation for High Speed Rail (totaling \$6.7 billion through Feb 2024), 5% (up to \$130 million) for Safe and Affordable Drinking Water, and \$200 million for forests and wildfire protection that are continuously appropriated each year.