

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC Legislation Committee and ABAG Legislation Committee**

July 12, 2019

Agenda Item 6a

Federal Fiscal Year 2020 Appropriations Update

Subject: Update on proposed federal transportation and housing funding levels for Fiscal Year (FY) 2020.

Overview: On June 25, 2019, the U.S. House of Representatives approved a FY 2020 spending bill that would provide \$86.6 billion for federal transportation programs, an increase of \$167 million above FY 2019 and \$50.1 billion for federal housing programs, an increase of \$5.9 billion above FY 2019. The Senate has not yet released FY 2020 funding proposals.

See below for brief summaries of the transportation and housing portions of the bill and Attachment A for a chart comparing FY 2019 and proposed FY 2020 funding levels for select programs.

Transportation

Consistent with the previous two years, the bill would boost highway and transit formula funding above FAST Act-authorized levels, with a \$2.5 billion bump for FY 2020. This would result in an estimated \$40 million for the Bay Area. With regards to the Capital Investment Grant (CIG) program, the bill would fund current projects with full funding grant agreements, including the Bay Area's Caltrain Peninsula Corridor Electrification Project, and includes policy provisions intended to keep the pressure on the Federal Transit Administration to move projects like the BART Transbay Core Capacity project through the CIG pipeline. The bill would also provide \$1 billion for the BUILD (formerly TIGER) program and either meets or exceeds FAST Act funding levels for other core general-funded grant programs.

Importantly, the House rejected a proposal from Congressman Scott Perry (R-PA) that would have cut federal transit apportionments by approximately 12 percent, which would have reduced Bay Area FY 2020 apportionments by an estimated \$54 million.

Housing

The House bill would reject the President's proposals to eliminate the Community Development Block Grant and HOME Investment Partnership programs and instead increase funding for each of those programs. The bill would also increase Department of Housing and Urban Development (HUD) rental assistance programs and homeless assistance grants.

Attachments: Federal Transportation and Housing Funding Comparison Chart


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Transportation, Housing and Urban Development and Related Agencies Appropriations Fiscal Year 2019 – Fiscal Year 2020 Comparison Chart (\$ in millions)				
<i>Transportation</i>				
Program	FY 2019 Funding	FAST Act FY 2020 Authorization	FY 2020 House Appropriations Bill	California/Bay Area Impact
Highway Formula*	\$48,519	\$46,365	\$48,115	The Bay Area expects to receive approximately \$170 million in FAST Act-authorized flexible highway funding in FY 2020. The House proposal would increase Bay Area funding by approximately \$14 million.
Transit Formula*	\$10,639	\$10,150	\$10,900	The Bay area is expected to receive approximately \$452 million in FAST Act-authorized transit formula funding in FY 2020. The House proposal could result in approximately \$26 million in additional funding for Bay Area transit operators.
Capital Investment Grants	\$2,553	\$2,302	\$2,302	Caltrain's Peninsula Corridor Electrification Project is slated to receive \$100 million in FY 2020, consistent with the project's grant agreement. California projects make up approximately 17 percent of the CIG pipeline.
BUILD (formerly TIGER)	\$900	N/A	\$1,000	Since 2017, the Bay Area has received approximately 1 percent of the TIGER/BUILD awards (\$15 million for the San Francisco Better Market Street project).
Consolidated Rail Infrastructure and Safety Improvements (CRISI)	\$255	\$330	\$350	CRISI funds a range of rail investments, including ongoing efforts to implement positive train control (PTC). Bay Area projects received \$39 million of the 2018 round of CRISI awards, or 16 percent of the total grant awards.
Federal-State Partnership for State of Good Repair	\$400	\$300	\$350	Grants can reduce the state of good repair backlog on publicly-owned or Amtrak-owned rail infrastructure.
Amtrak (total)	\$1,942	\$1,842	\$1,990	California has 102 stations and more than 5 million annual riders on both state-supported and long-distance routes.

* Note: Highway and transit formula funding numbers reflect the general fund (GF) increases to the highway and transit programs as well as FAST Act-authorized highway and transit programs funded from the Highway Trust Fund (HTF). The GF funding increase is largely allocated to the HTF-funded highway and transit formula programs but also includes funding for a number of competitive grant programs, including \$10 million for transit grants to assist areas of persistent poverty.

Transportation, Housing and Urban Development and Related Agencies Appropriations Fiscal Year 2019 – Fiscal Year 2020 Comparison Chart (continued) (\$ in millions)			
<i>Housing</i>			
Program	FY 2019 Funding	FY 2020 House Appropriations Bill	California/Bay Area Impact
Tenant-based Rental Assistance (Section 8 Housing Choice Vouchers)	\$22,598	\$23,810	The Section 8 Housing Choice Voucher program helps approximately 300,000 low-income California families afford rent, more than all other state and federal rental assistance programs combined. ⁱ
Project-based Rental Assistance (Section 8 Project Based)	\$11,757	\$12,600	Section 8 project-based vouchers help approximately 100,000 low-income California families afford rent. ⁱⁱ
Community Development Block Grant Program (CDBG)	\$3,300	\$3,600	California received \$391 million in FY 2019; Entitlement communities in the Bay Area received \$73 million.
HOME Investments Partnership Program	\$1,250	\$1,750	California received \$174 million in FY 2019; Entitlement communities in the Bay Area received \$26 million.
Public Housing Capital Fund	\$2,775	\$2,855	California has 30,000 households and 79,000 residents living in public housing and an average 51 month waiting list.
Public Housing Operating Fund	\$4,653	\$4,753	
McKinney-Vento Homeless Assistance Grants (Continuum of Care, Emergency Solutions Grants, and other programs)	\$2,636	\$2,800	California received \$415 million for Continuum of Care projects in FY 2018, nearly 19 percent of the nationwide total. In FY 2019, California received \$33 million in Emergency Solutions Grants formula funding; Entitlement communities in the Bay Area received \$4 million.

ⁱ <http://www.cbpp.org/research/housing/how-housing-vouchers-can-help-address-californias-rental-crisis>

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