

**Metropolitan Transportation Commission
Programming and Allocations Committee**

June 11, 2025

Agenda Item 3a-25-0736

MTC Resolution Nos. 4677, Revised, 4707, 4709, 4710, 4711 4712, 4713, 4717, and 4718

Subject:

Allocation of \$822.3 million in FY2025-26 Transportation Development Act (TDA), State Transit Assistance (STA), Regional Measure 2 (RM2), Regional Measure 3 (RM3), AB 1107, Senate Bill 125, and 5% Unrestricted State funds to eight transit operators, the Transbay Joint Powers Authority, and MTC to support transit operations and capital projects in the region.

Background:

The TDA, STA, RM2, RM3, AB1107, and 5% Unrestricted State funding programs are critical components of transit operating assistance in the Bay Area. TDA is derived from a ¼ cent general sales tax generated within counties. STA is derived from a statewide sales tax on diesel fuel sales. RM2 and RM3 are derived from voter approved bridge toll increases of \$1 and \$3 from 2004 and 2018, respectively. AB1107 is derived from a ½ cent general sales tax collected in the counties of Alameda, Contra Costa, and San Francisco, of which 75% is apportioned to BART and the remaining 25% is administered by MTC for an equal distribution between AC Transit and the San Francisco Municipal Transportation Agency. 5% Unrestricted State funds are derived from a percentage of bridge tolls revenues that are exchanged with state General Fund revenues.

MTC is required by state statute to prepare and adopt an annual fund estimate for the funding programs described above with the exclusion of the RM2 and RM3 Operating programs. Transit operators refer to this estimate when budgeting and use it to prepare a formal claim authorization packet that is submitted on a rolling basis to MTC. MTC staff review the claim authorization packet for statutory compliance and present proposed allocations above \$1 million to the Commission for approval. Proposed allocations under this amount are allocated through the Delegated Authority process.

This year, a combined \$248 million in SB 125, RM3 Operating, and STA funding is proposed for allocation to address the standardized shortfall needs of AC Transit, BART, ECCTA, and NVTa in FY2025-26. These allocations are based on the funding framework identified through MTC Resolution 4619, Revised. More information on the progress these operators have made toward their SB 125 Regional Accountability Measures is included as Attachment B.

This month ten entities are requesting TDA, STA, RM2, RM3, AB1107, SB 125, and 5% Unrestricted State allocation this month that exceeds the \$1 million Delegated Authority limit, in the amount of \$822.3 million. These funds comprise a significant share of the revenue for the agency's operating budget.

The proposed allocation amounts are based on the programming levels identified in the FY 2025-26 Fund Estimate (MTC Resolution 4688, Revised), the RM2 Operating Program (MTC Resolution 4705) and the RM3 Operating Program (MTC Resolution 4706). The proposed allocations are summarized in the table on page 3.

Information regarding the FY 2025-26 operating budgets and current and future operations for the transit operators receiving allocations is provided in Attachment A. The MTC share of the Clipper operating budget is estimated to be \$25 million of the total \$50.8 million. STA and RM2 funds are estimated to provide \$12.2 million of revenue toward MTC's cost share.

Issues

None.

Recommendations:

Refer MTC Resolution Nos. 4677, Revised, 4707, 4709, 4710, 4711, 4712, 4713, 4717, and 4718 to the Commission for approval.

Attachments:

- Attachment A - Transit Operator Budget Summary
- Attachment B – Senate Bill 125 Regional Accountability Measure Progress Update for Claimant(s)
- MTC Resolution No. 4677, Revised
 - Attachment A
- MTC Resolution No. 4707
 - Attachment A
- MTC Resolution No. 4709
 - Attachment A
- MTC Resolution No. 4710
 - Attachment A
- MTC Resolution No. 4711
 - Attachment A
- MTC Resolution No. 4712
 - Attachment A
- MTC Resolution No. 4713
 - Attachment A
- MTC Resolution No. 4717
 - Attachment A
- MTC Resolution No. 4718
 - Attachment A
- Presentation



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