STAFF REPORT

MEETING DATE:	**June 20, 2024**
SUBJECT:	**Approve Fiscal Year 2024/25 Annual Transit Needs Assessment, Transportation Development Act Budget, and Unmet Transit Needs Findings in Resolution 24-06**
AGENDA ITEM:	**10**
STAFF CONTACT:	**Jennifer Pollom, AICP, Senior Transportation Planner** **Jessica Carlson, Chief Fiscal Officer**

SUMMARY:

The Fiscal Year (FY) 2024/25 Transit Needs Assessment is complete. The Social Services Transportation Advisory Council (SSTAC) reviewed the findings and provided their recommendation (Attachment A). The final report is available on SRTA's website (see hyperlink in Attachment B).

As regional administrator for TDA funds, SRTA determines the appropriate use of funds in accordance with statutorily defined priorities. Funding is apportioned to each jurisdiction via the annual claims process. The FY 2024/25 TDA budget – excluding state and federal transit grants – is $13,420,519 of which $2,601,593 is apportioned to RABA, $436,354 to Dignity Health Connected Living (DHCL) for CTSA services, and $7,916,084 is available for streets and roads.

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Consider the Social Services Transportation Advisory Council's (SSTAC) FY 2024/25 Unmet Transit Needs recommendations (Attachment A);
2. Approve the FY 2024/25 Transit Needs Assessment and Unmet Transit Needs recommendations;
3. Authorize the Chair to sign Resolution 24-06, finding that all current TDA-funded and grant-funded services including anticipated changes to RABA's service delivery models (e.g., adding micro-transit zones), incorporation of Sunday transit into RABA's system, and adding a rural bus service to Shingletown (Attachment C) are reasonable to meet;
4. Approve the FY 2024/25 TDA Budget of Apportionments and Transit Obligations (Attachment D);
5. Approve payment instructions to the Shasta County Auditor-Controller (Attachment E); and
6. Authorize the executive director to make minor administrative amendments to the TDA Budget and payment instructions as appropriate.

BACKGROUND:

TDA provides two major sources of funding for public transportation: State Transit Assistance (STA) and Local Transportation Funds (LTF). Funding may be utilized for the following statutorily defined priorities:

1. SRTA expenses to manage TDA and perform other regional transportation agency mandates;
2. Two percent of the remaining LTF balance for pedestrian and bicycle facilities;
3. Five percent of the remaining LTF balance for transit services provided by the CTSA (Dignity Health Connected Living);
4. Public transit services administered by RABA;

5. Other eligible transportation uses of LTF not required for public transportation, including improvements to local streets; and
6. Excess transit-only funds are held in an STA reserve and may be used for future transit needs or to create additional funds for support of non-motorized projects.

As the designated recipient and administrator of LTF for the Shasta Region, SRTA is responsible for carrying out the annual transit needs assessment process and certifying that all reasonable-to-meet needs have been met before allocating remaining funds to other eligible uses, such as streets and roads. (See Attachment B, Appendix 2 for the region's adopted "reasonable to meet" definition).

DISCUSSION:

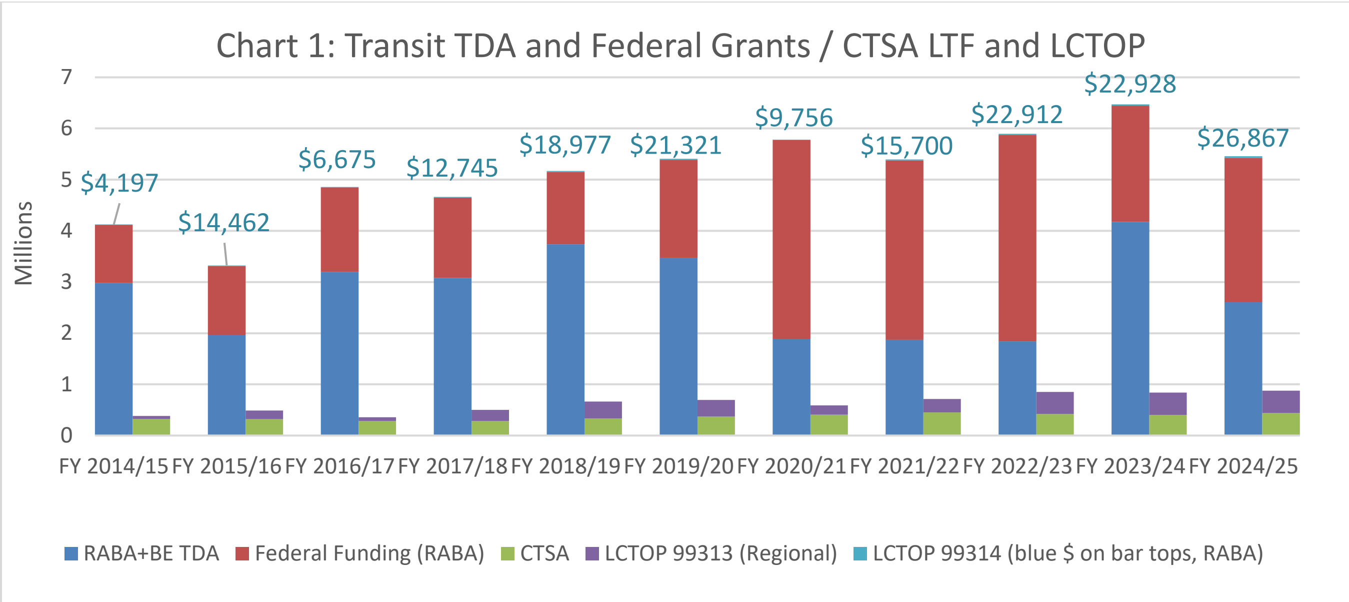
This agenda item serves two purposes. First, it brings the annual transit needs assessment to a close with approval of the final report and unmet transit needs recommendations. Second, the TDA budget for the upcoming fiscal year, consistent with the transit needs assessment and unmet transit needs findings, is presented for approval. A summary of both is provided below. Complete details are provided by attachment.

FY 2024/25 Transit Needs Assessment and Unmet Transit Needs Recommendations – At the April 25, 2024, SRTA Board of Directors meeting, a public transit funding workshop was held along with a presentation on the Unmet Transit Needs process. The Draft FY 2024/25 Transit Needs Assessment and preliminary unmet transit needs findings were presented. At the same meeting a public hearing was conducted to receive public comments on unmet transit needs (see Attachment B, Appendix 8 for public comments and responses). In accordance with TDA law, the Social Services Transportation Advisory Council (SSTAC) reviewed the findings at their April 30, 2024, meeting and provided an independent recommendation (Attachment A).

Unmet Transit Needs Recommendations and Findings – In summary, staff recommends that the SRTA Board of Directors finds that all current TDA-funded and grant-funded services including anticipated changes to RABA's service delivery models (e.g., adding micro-transit zones), incorporation of Sunday transit into RABA's system, and adding a rural bus service to Shingletown (Attachment C) are reasonable to meet.

SSTAC Recommendations – In addition to staff recommendations, the SSTAC asked that staff find ways to communicate anticipated public transit service changes more clearly regarding the RABA system, consolidation of transit services, and the use of smart phone applications and website updates.

Transit Funding in the Region – RABA's transit revenues and operating costs are bolstered by formula federal transit funds and TDA funds; however, Dignity Health Connected Living (DHCL) is not similarly compensated for their operations. DHCL services are relatively low cost when compared with the fixed-route system, but they receive significantly less state funding to support critical services (Chart 1).



FY 2024/25 TDA Budget – The FY 2024/25 TDA budget (Attachment D) includes transit claims from each jurisdiction based on the '80/20' transit service hour and population distribution formula. The remaining balance is allocated to local streets and roads or other eligible uses. Table 1 below provides recommended TDA funding apportionments for FY 2024/25. Note that this table includes TDA funds and excludes state and federal transit grants. The full TDA Budget of Apportionments and Transit Obligations report is detailed in Attachment D.

Table 1: Recommended FY 2024/25 Regional TDA Apportionments

TDA Funding Claim	RABA	SRTA	Non-Motorized	Regional Reserves	CTSA (DHCL)	Anderson	Redding	Shasta Lake	County	Regional Total
SRTA Admin		$1,659,730								**$1,659,730**
5% CTSA					$436,354					**$436,354**
Non-Motorized			$399,233							**$399,233**
Public Transit (Operations*)	$2,601,593									**$2,601,593**
RABA Admin (Excluded*)	*$1,154,987*									***$1,154,987***
STA Reserve				$407,526						**$407,526**
Local Streets & Roads						$464,705	$4,303,581	$395,857	$2,751,940	**$7,916,084**
TOTAL	**$2,601,593**	**$1,659,730**	**$399,233**	**$407,526**	**$436,354**	**$464,705**	**$4,303,581**	**$395,857**	**$2,751,940**	**$13,420,519**

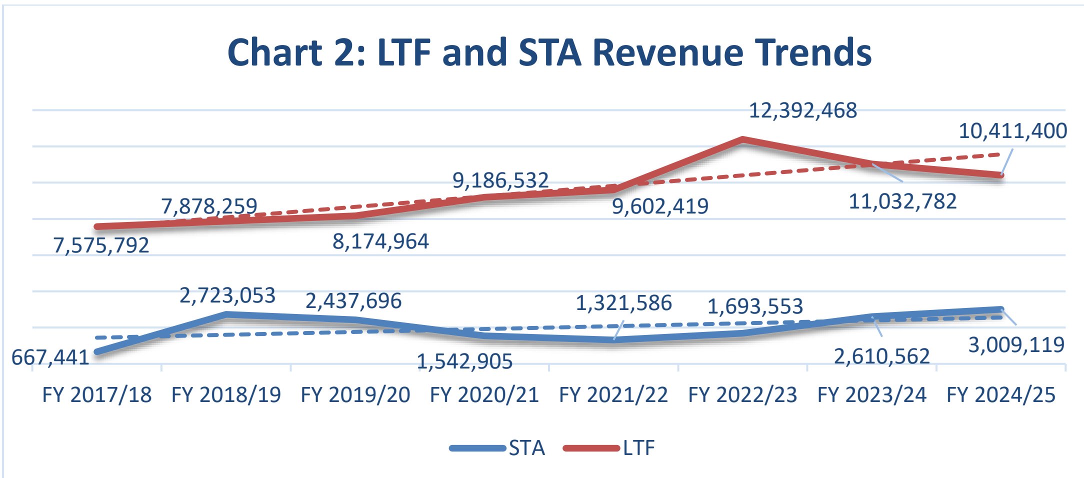
*Excluded from the total but included in RABA's TDA ask. Listed here as a separate line item, to separate from the operations allocation.

Key considerations and takeaways for the FY 2024/25 TDA budget include the following:

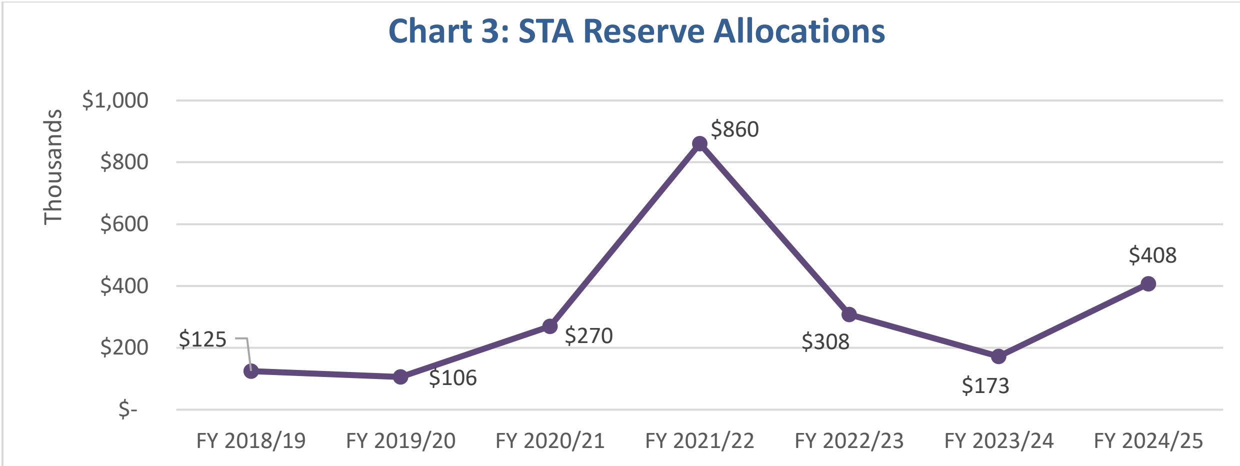
- This budget cycle includes the budget-to-actual true up of fiscal year 2022/23. These true-up amounts were deducted from the respective jurisdictions' FY 2024/25 transit obligations to credit any unused federal and TDA allocations from the 2022/23 fiscal year.
- In FY 2022/23, RABA was instructed to produce a payment of $361,664 to the city of Redding for LTF funds disbursed in the 2021/22 fiscal year that were trued-up in that budget cycle. No payments were made in FY 2022/23. Additionally, the FY 2022/23 true-up resulted in another reconciliation

similar to the previous year and $964,168 is due to the city of Redding this budget cycle. As an eligible TDA claimant, RABA can reconcile these amounts through the TDA budget process and, consequently, city of Redding's transit obligation for FY 2024/25 was reduced by these amounts.

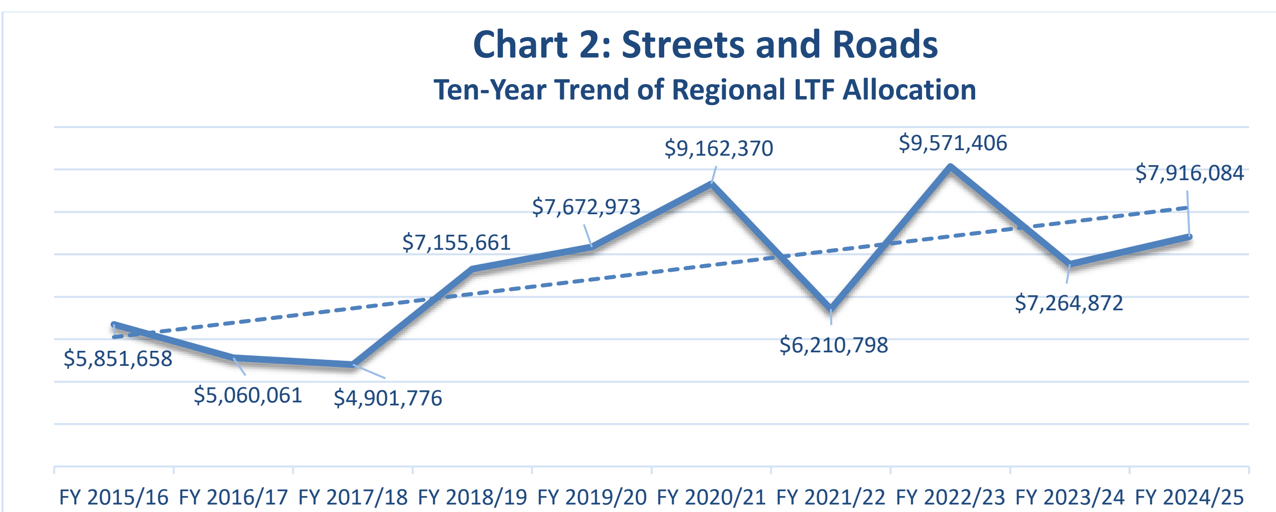
- Chart 2 below illustrates revenue for both LTF and STA over the last eight years. LTF funds currently continue to have an upward trend from those received prior to FY 2021/22, and STA is the highest estimate we've received in eight years.



- The Federal Transit Administration (FTA) Section 5311 Program no longer allows carryover funds. Each Standard Agreement contract has a performance period. If the contract is not amended, and the contract period ends, then the funds become unencumbered. Funds had previously been allowed to "carryover" for future FTA 5311 projects, but that is no longer permitted. Remaining funds go back to the state, are de-obligated, and lost to the region. FTA 5311 funds have been deobligated in previous fiscal years, including FY 15/16, FY 16/17, and FY 17/18, but there have not been any deobligated funds since.
- In addition to regularly formulated and competitive FTA 5311 funding, Shasta County was obligated three one-time grants for the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSSA) and the American Rescue Plan Act (ARPA) for transit-only projects in rural areas of the region. These grants have a combined budget of $1,698,803 in rural area operating funds through June 30, 2028. As of the end of fiscal year 2022/23, remaining funds are: $988,612 in CRRSSA; and $493,294 and $7,968 for FTA 5311 and FTA 5311(f) ARPA funds, respectively. These funds continue to fund rural transit operating costs in the current 2023/24 fiscal year.
- For the first time, all jurisdictions, including the city of Redding, have excess annual TDA funding that can only be used for public transportation services, totaling $407,526 in this 2024/25 budget after the true-up from FY 2022/23. These funds are accumulating in a STA reserve account. They will stay in reserve to offset the impacts of transit operating costs incurred in FY 2024/25 that are not included in this budget. These reserve funds can be requested by all TDA claimants for transit-related expenses such as implementation of a pilot program, subsidizing vanpools and share-a-ride services, free-fare events for special holidays, etc., as well as any other anticipated transit needs that SRTA identifies (see Charts 3 and 4). Allocations are subject to eligibility review and SRTA Board of Directors approval.



- In this FY 2024/25 budget cycle, and for the first time, the city of Redding joins the other jurisdictions with no remaining transit obligation after STA funds are applied. After deducting LTF funds for regional activities based on TDA's prioritized categories, the entire remaining LTF allocation has been budgeted for other eligible transportation uses, such as streets and roads. The amounts for each agency vary slightly from estimates provided at the April board meeting, due to impacts of the FY 21/22 and FY 22/23 true-ups. RABA anticipates receiving state funds from Senate Bill 125 Transit and Intercity Rail Capital Program (TIRCP) and the Low Carbon Transit Operation Program (LCTOP), which will significantly offset a portion of the more than ten million transit obligation and when combined with federal funds, reduce the TDA need to less than the STA funds estimated to come into the region in FY 2024/25.
- Total available TDA money for streets and roads ($7,916,084) increased nearly nine percent in FY 2024/25 over the FY 2023/24 budget ($7,264,872) as well as increased 11.86 percent over the ten-year average for streets and roads allocations ($7,076,766). This is largely due to RABA budgeting other federal and state transit-only funds for FY 2024/25 operations that offset TDA amounts that would have normally been requested to cover transit needs.



- Planning, Programming, and Monitoring (PPM) and TDA funds are the only cash flows that SRTA has to cover administration expenses. The TDA Administration budget for SRTA is $1,659,730 for FY 2024/25, consistent with the board-approved FY 2024/25 OWP. SRTA continues to receive grant awards for planning projects that require matching with local funds. Additionally, SRTA had deferred all or portions of the payments to its reserve funds in previous fiscal years, including the TDA planning and building reserves, to soften the corresponding impact of the pandemic and emergency building improvements. Those deferred payments were re-established in FY 2023/24 and are included in this budget cycle.

Next steps – In accordance with TDA law, the FY 2024/25 TDA budget funds all reasonable-to-meet transit services, as identified through the FY 2024/25 Unmet Transit Needs Findings. It is recommended that the board of directors certify by resolution (Attachment C) that the agency finds that all current TDA-funded and grant-funded services including anticipated changes to RABA's service delivery models (e.g., adding micro-transit zones), incorporation of Sunday transit into RABA's system, and adding a rural bus service to Shingletown (Attachment C) are reasonable to meet and direct the Shasta County Auditor-Controller to disburse funds in accordance with FY 2024/25 Payment Instructions (Attachment E).

ALTERNATIVES:

The board of directors may choose to fund other unmet transit needs and direct staff to include these services in the TDA budget.

OTHER AGENCY INVOLVEMENT:

The unmet transit needs process is developed in consultation with the SSTAC, county of Shasta, the cities of Anderson, Shasta Lake, and Redding, DHCL, and RABA. The SSTAC provides an independent recommendation (Attachment A). Documentation of the unmet transit needs process is approved by Caltrans. The Technical Advisory Committee (TAC) met on June 5, 2024, to review and discuss the 2024/25 Transit Needs Assessment, the Unmet Transit Needs findings and the FY 2024/25 TDA budget. The TAC concurred with the 2024/25 Transit Needs Assessment and the Unmet Transit Needs findings.

FISCAL IMPACT:

By approval of the FY 2024/25 TDA Apportionments and Transit Obligations, the Shasta County Auditor-Controller is authorized to distribute $13,420,519 in TDA funds to SRTA, DHCL, RABA, the cities of Anderson, Redding, and Shasta Lake, and Shasta County, as provided by Attachment E. All expenditures are consistent with anticipated revenues.

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Sean Tiedgen, AICP, Executive Director

Attachments:

A: Social Services Transportation Advisory Council Recommendation
B: FY 2024/25 Transit Needs Assessment Final Report (May be viewed online at: https://srta.ca.gov/146/Unmet-Transit-Needs-Process)
C: Resolution 24-06, FY 2024/25 Unmet Transit Needs Findings
D: FY 2024/25 TDA Budget of Apportionments and Transit Obligations
E: FY 2024/25 Shasta County Auditor-Controller Payment Instructions

Attachment A

Social Services Transportation Advisory Council (SSTAC)
-an advisory body to the Shasta Regional Transportation Agency (SRTA)
1255 East Street, Suite 202
Redding, CA 96001

May 30, 2024

Mark Mezzano, Chair
Shasta Regional Transportation Agency (SRTA)
1255 East Street, Suite 202
Redding, CA 96001

Dear Chair Mezzano:

The Shasta Region's Social Services Transportation Advisory Council (SSTAC) meets at least twice per year to review transit needs in the Shasta Region. The SSTAC is responsible for preparing an unmet needs recommendation to the SRTA Board of Directors as part of the annual unmet transit needs process. SSTAC met more often this fiscal year because of the development on the Shasta Coordinated Transportation Plan with meeting dates on:

- July 25, 2023
- September 28, 2023
- January 24, 2024
- April 30, 2024

At the April 30, 2024, meeting, the SSTAC reviewed and discussed the 2024/25 unmet transit needs. The SSTAC approved a recommendation to the SRTA Board of Directors.

The SSTAC reviewed and concurred with the following SRTA staff recommendations:

- Incorporate Sunday On-Demand Service into RABA's system in 2024/25.
- Continue expanded CTSA.
- Find efficiencies and reduce overlap between RABA demand response service (complimentary paratransit) and ShastaConnect.
- Evaluate new transit delivery models (micro-transit, on-demand transit with smartphone software, contactless payment, van pools, etc.) that RABA is implementing as part of their short-range transit plan.
- Explore options to implement the long-range transit plan's low-income strategy (i.e., reduced or free fares) in the near-term.
- Add a rural bus service to Shingletown.

The SSTAC asked that staff find ways to communicate anticipated changes more clearly regarding the RABA system, consolidation of transit services, and the use of smart phone applications and website updates.

Sincerely,

Patrick Geagan, Chair, SSTAC

SSTAC Membership

Patrick Geagan (Chair)	-	Resident, Disabled Transit User
Hallie Fonseca (Vice Chair)	-	Local Social Service Provider for Seniors (Transp)
Vacant	-	Transit User 60 Years of Age or Older
Denise Highfill	-	Local Social Service Provider for Seniors (Non-Transp)
Cathy Tillman	-	Local Social Service Provider for the Disabled (Transp)
Jackie Rose	-	Local Social Service Provider for the Disabled (Non-Transp)
Kary Carbone	-	Social Service Provider for Persons of Limited Means
Staci Wadley	-	Consolidated Transportation Services Agency (Administrator)
Brody Wilbourn	-	Consolidated Transportation Services Agency (Operator)
Wendy Longwell	-	Additional Member
Christina Prosperi	-	Resident, Additional Member
Carolyn Nava	-	Additional Member
Tamy Quigley	-	Additional Member
Kristen Schreder	-	Additional Member

RESOLUTION 24-06

A RESOLUTION OF THE SHASTA REGIONAL TRANSPORTATION AGENCY MAKING FISCAL YEAR 2024/25 UNMET TRANSIT NEEDS FINDINGS

WHEREAS, the Transportation Development Act (TDA) was enacted by the California Legislature to improve public transportation services and encourage regional coordination of services; and

WHEREAS, TDA established two funding sources for public transportation – the Local Transportation Fund (LTF) and the State Transit Assistance (STA) – to support public transportation services that comply with regional transportation plans; and

WHEREAS, providing certain conditions are met, counties with a population under 500,000 (according to the 1970 federal census) may also use the LTF for local streets and roads, construction, and maintenance; and

WHEREAS, prior to making any LTF allocations to claimants for non-transit purposes, Shasta Regional Transportation Agency (SRTA) is required to fund identified unmet transit needs that are consistent with a "reasonable to meet" definition adopted by the SRTA Board of Directors; and

WHEREAS, the SRTA Board of Directors, on December 13, 2016, by Resolution Number 16-14, adopted a definition for "reasonable to meet"; and

WHEREAS, pursuant to Section 99401.5 of the California Public Utilities Code (PUC), SRTA administered the Fiscal Year (FY) 2024/25 Transit Needs Assessment for the Shasta region, which included the following actions:

a. Consultations with and recommendation received from the Social Services Transportation Advisory Council (SSTAC) and other interested organizations and individuals.
b. Identification of transit needs, as documented in the FY 2024/25 Unmet Transit Needs report, through the following process:
    1. An assessment of the size and location of identifiable groups which are likely to be transit dependent or transit disadvantaged, including but not limited to the elderly, the disabled and persons of limited means.
    2. An analysis of the adequacy of existing public transportation services and specialized transportation services, including privately- and publicly-provided services, in meeting the identified transit need.
    3. An analysis of potential alternative public transportation and specialized transportation services and service improvements that would meet the transit need.
c. Advertising on March 26, 2024, for an Unmet Transit Needs public hearing on April 25, 2024, at the SRTA Board of Directors meeting and holding one SSTAC meeting on April 30, 2024.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Shasta Regional Transportation Agency makes the following FY 2024/25 unmet transit needs findings:

1. All current TDA-funded and grant-funded services including anticipated changes to RABA's service delivery models (e.g., adding micro-transit zones), incorporation of Sunday transit into RABA's system, and adding a rural bus service to Shingletown are reasonable to meet.

PASSED AND ADOPTED this 20th day of June 2024, by the Board of Directors of the Shasta Regional Transportation Agency.

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Mark Mezzano, Chair
Shasta Regional Transportation Agency

ATTEST:

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Sean Tiedgen, AICP, Executive Director
Shasta Regional Transportation Agency

Attachment D

SHASTA REGIONAL TRANSPORTATION PLANNING AGENCY - 2024/25 TDA APPORTIONMENTS AND TRANSIT OBLIGATIONS

		Anderson	Redding	Shasta Lake	County	SRTA	STA Reserve	CTSA	Non-motorized
Local Transportation Fund (LTF)	**Totals**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**
LTF Allocation FY 2024/25	9,638,405								
LTF FY 2022/23 True-ups	605,149	9,276	594,900	(25,106)	26,078			37,420	130,426
LTF for Off the Top Distributions	(2,218,237)					1,659,730		398,934	159,574
LTF from Cities in Exchange for County Spillover (50%)	(109,233)		(109,233)						109,233
Total LTF Available for Jurisdictions	**7,916,084**	**464,705**	**4,303,581**	**395,857**	**2,751,940**				

State Transit Assistance (STA)	**Totals**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**
STA Allocation FY 2024/25 (Population Formula)	2,145,720	131,698	1,104,042	121,732	788,249				
STA Revenue Basis (Section 99314)	110,998	6,813	57,112	6,297	40,776				
FY 2022/23 STA True Up	752,401		592,794				159,607		
STA Spillover to STA Reserve and to Redding			218,466		(424,593)		206,126		
Uncommitted Secondary STA Spillover from City of Shasta Lake and City of Anderson		(38,380)		(3,412)			41,792		
Total STA Available	**3,009,119**	**100,131**	**1,972,414**	**124,617**	**404,432**		**407,526**		

Federal Transit Administration Formula Funds	**Totals**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**
FTA 5307 Operating Allocation	2,000,000	122,754	1,029,064	113,465	734,717				
FTA 5311 - Operating Apportionment	539,052	33,085	277,360	30,582	198,025				
FTA 5311(f) - Operating Apportionment	288,900	17,732	148,648	16,390	106,130				
Total FTA Available	**2,827,952**	**173,572**	**1,455,072**	**160,436**	**1,038,872**				

Total Revenue Available	**16,248,471**	**738,407**	**7,731,066**	**680,910**	**4,195,245**	**1,659,730**	**407,526**	**436,354**	**399,233**

(SRTA Policy)

		Anderson	Redding	Shasta Lake	County	SRTA	STA Reserve	CTSA	Non-Motorized
Transit Funding Requirements	**Totals**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**
Redding Area Bus Authority-Operating	4,275,659								
Redding Area Bus Authority-Administration	1,154,987								
Required FY 2024/25 RABA Funding Requirement (1313.2)	5,430,646	273,702	4,753,317	285,053	1,443,305				
FY 2022/23 True-up RABA unused LTF			(964,168)						
FY 2021/22 True-up RABA unused LTF not re-paid to City of Redding			(361,664)						
No Other Transit Obligations									
Total Transit Obligations Filed Under Article 4 and 8	**5,429,545**	**273,702**	**3,427,485**	**285,053**	**1,443,305**				

		Anderson	Redding	Shasta Lake	County	SRTA Admin	STA Reserve	CTSA	Non-Motorized
Total for SRTA & STA Reserve, 5% CTSA, 2% Bike & Ped, Non-motorized	**2,902,842**					1,659,730	407,526	436,354	399,233
Total STA to Transit Operations	**2,601,593**	100,131	1,972,414	124,617	404,432				
Total LTF to Transit Operations	-	-	-	-	-				
Total Available for Other Uses (i.e., Streets & Roads)	**7,916,084**	464,705	4,303,581	395,857	2,751,940				

Total Distributions	**13,420,519**	**564,836**	**6,275,994**	**520,474**	**3,156,373**	**1,659,730**	**407,526**	**436,354**	**399,233**

Attachment E
Shasta Regional Transportation Agency
2024/25 TDA Payment Instructions

LTF	July	August	Sept	October	November	December	January	February	March	April	May	June	Totals
Article 4 - Transit Operator													
Redding Area Bus Authority (RABA)	0	0	0	0	0	0	0	0	0				0
Article 4.5 - CTSA													
SRTA	36,363	36,363	36,363	36,363	36,363	36,363	36,363	36,363	36,363	36,363	36,363	36,363	436,354
"Off -the-Top" Regional TDA Priorities													
SRTA - TDA Administration	138,311	138,311	138,311	138,311	138,311	138,311	138,311	138,311	138,311	138,311	138,311	138,311	1,659,730
SRTA - Non-Motorized	33,269	33,269	33,269	33,269	33,269	33,269	33,269	33,269	33,269	33,269	33,269	33,269	399,233
Article 8 - Other Eligible Uses													
Anderson	51,634	51,634	51,634	51,634	51,634	51,634	51,634	51,634	51,634				464,705
Redding	478,176	478,176	478,176	478,176	478,176	478,176	478,176	478,176	478,176				4,303,581
Shasta Lake	43,984	43,984	43,984	43,984	43,984	43,984	43,984	43,984	43,984				395,857
County of Shasta	305,771	305,771	305,771	305,771	305,771	305,771	305,771	305,771	305,771				2,751,940
Total LTF Distribution	781,737	781,737	781,737	781,737	781,737	781,737	781,737	781,737	781,737	207,943	207,943	207,943	10,411,400

STA		Q1	Q2	Q3	Q4	Totals
STA to RABA		650,398	650,398	650,398	650,398	2,601,593
City of Anderson	100,131					
City of Redding	1,972,414					
City of Shasta Lake	124,617					
County of Shasta	404,432					
STA to Reserve		101,881	101,881	101,881	101,881	407,526
Total STA Distribution						3,009,119