APPENDIX A

FUND SOURCE GUIDE
INTRODUCTION

This appendix describes the fund sources that are anticipated to be available for programming by MTA through the 2015 Transportation Improvement Program (TIP) Call for Projects. Although information is provided for each funding source, the focus of the TIP Call for Projects is on attracting, evaluating, and prioritizing the best regional projects, without regard to funding sources. After projects are approved for funding by the MTA’s Board, MTA staff will assign specific funds to each project based on fund source eligibility requirements and in an effort to leverage the maximum amount of federal and state funds for the County. The funds described in the following paragraphs are not all inclusive as MTA may assign other funds that may become available before we complete and adopt the 2015 Call for Projects. The descriptions herein are for information purposes only and cannot be construed to represent the current policies of MTA or any other agency.

LOCAL REVENUES

Proposition C

Proposition C revenues are generated by a Los Angeles County ½ cent sales tax approved by the voters in November 1990. Funds are allocated to a variety of capital and operating projects and programs that improve transit service and operations, reduce traffic congestion, improve air quality, and efficiently operate and improve the condition of streets and freeways utilized by transit. By ordinance, revenues from Proposition C are apportioned into the following categories: Rail & Bus Security (5%); Commuter Rail, Transit Centers, and Park and Ride Lots (10%); Local Return (20%); Transit-Related Improvements to Streets and Highways (25%); and MTA Discretionary (40%).

It is anticipated that only Proposition C 10% (Commuter Rail, Transit Centers, and Park and Ride Lots) and Proposition C 25% funds (Transit-Related Streets and Highway Improvements) will be available for programming through this Call for Projects from Proposition C. Transit Capital is the only modal category eligible for Proposition C 10% funds. The Modal Categories eligible for Proposition C 25% funds include: 1) Regional Surface Transportation Improvements, 2) Goods Movement Improvements, and 3) Signal Synchronization and Bus Speed Improvements.
Regional Improvement Program

With the passage of Senate Bill 45 (SB 45), seventy five percent (75%) of the funds available through the STIP are committed to the statewide Regional Improvement Program. These funds are derived from a variety of state and federal sources, including TEA-21, SAFETEA-LU, MAP-21 and state gas tax revenues. Caltrans amasses these funds in the State Highway Account, and distributes them through the STIP, which is based on STIP county share formulas. Projects identified through this Call for Regional Improvement Program (75%) funds will be submitted to the State in the 2016 STIP Amendment process.

Regional Improvement Program funds are intended for a broad range of transportation improvements, including not only state highways, but also grade separations, transportation system management, transportation demand management, soundwalls, bus and rail transit, local street and road projects, intermodal facilities and pedestrian and bicycle facilities.
FEDERAL TEA-21 AND SAFETEA-LU REVENUES

Regional Surface Transportation Program (STP)

As part of TEA-21, SAFETEA-LU, and MAP-21, the Federal government sets aside funds for the Surface Transportation Program (STP). Under TEA-21, fifty percent (50%) of Surface Transportation Program (STP) funds were for the Regional Surface Transportation Program (RSTP). The RSTP is now about fifty-six percent (56%) of STP funds because SAFETEA-LU eliminated the 10% set-aside for Safety Construction. This program is intended for use by states and localities for congestion relief in urban areas. Eligible uses include construction, reconstruction, rehabilitation, resurfacing, restoration, enhancement, and operational improvements for highways, capital costs for transit projects eligible for assistance under the Federal Transit Act, publicly-owned intra-city or inter-city bus terminals and facilities, carpool projects, fringe and corridor parking facilities, bicycle and pedestrian walkways, and highway and transit safety improvements.

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

The Congestion Mitigation and Air Quality Improvement Program (CMAQ) is designed to fund projects that contribute to the attainment of national ambient air quality standards with a focus on ozone and carbon monoxide. Projects in this program must be consistent with a State Implementation Plan (SIP) that has been approved pursuant to the Clean Air Act. However, projects involving alternative fuel fleet conversions no longer need to be specifically identified or included in the SIP or maintenance plan in order to be eligible for CMAQ funding. Programs, projects, and activities that are eligible for CMAQ funding are mainly for Transportation Control Measures, Travel Demand Management, and Public Transportation. Typical projects include transit capital and operating improvements, traffic flow improvements, high occupancy vehicle lanes, employer-based transportation management plans and incentives, fringe parking facilities servicing high occupancy vehicles, rideshare service programs and outreach activities, bicycle and pedestrian facilities and programs, telecommuting, intermodal freight, emission inspection and maintenance (I/M) stations, alternative fuels vehicles and facilities, diesel retrofits for on- and off-road vehicles, planning and project development activities for projects with air quality benefits, magnetic levitation transportation technology deployment programs, and experimental pilot projects and public-private partnerships considering activities showing promise for air quality emission reductions.