Transportation Development Act

Local Transportation Fund

CLAIM MANUAL

FY 2026-27

SBCAG

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Chapter 1. Overview of the Transportation Development Act

The California Transportation Development Act[1] (TDA) is a funding source for the development and support of public transportation needs that exist in California. The California Department of Transportation (Caltrans) is responsible for oversight of the TDA program on a statewide basis. State-designated Regional Transportation Planning Agencies (RTPAs) are responsible for implementing the TDA—administering the distribution of funds to local TDA recipients (claimants) and monitoring the subsequent use of those funds to ensure conformity with all state and local requirements. Funds are allocated to areas of each county based on population, taxable sales, and transit performance. The TDA provides funding for use by local jurisdictions and agencies for a variety of transportation purposes with public transportation as the first priority. Other eligible purposes are regional transportation planning & programming, bicycle and pedestrian projects, and local street and road projects when certain conditions are met. The main purpose and priority of TDA, however, is to provide funding for public transportation.

The Transportation Development Act was signed into law on November 4, 1971, and became effective July 1, 1972. Several bills have amended the TDA over time. The full text of the Transportation Development Act as amended is available in a Caltrans publication titled *Transportation Development Act—Statutes and California Code of Regulations*. This publication is currently being edited by Caltrans to include the changes to TDA imposed by Senate Bill 508 (Beall) signed into law in October 2015.

The TDA provides two major sources of funding, the Local Transportation Fund (LTF) and the State Transit Assistance[2] (STA) Fund.

FIGURE 1-1 TDA FUNDING SOURCES

[1] The TDA is also known as *SB 325* and the *Mills-Alquist-Deddeh Act*.
[2] The STA Fund is also sometimes referred to as *SB 620*.

Local Transportation Fund (LTF)

The Local Transportation Fund is a local fund into which the state deposits sales tax revenue to be used for transportation purposes defined by TDA. Santa Barbara County is the "local" jurisdiction responsible for holding the fund that is administered by SBCAG.

Where Does the Money Come From?

Revenue for Santa Barbara County's Local Transportation Fund comes from ¼ cent of the current state sales tax levied on every eligible dollar collected in Santa Barbara County. Because sales tax revenues are generally higher in times of economic boom and lower in times of recession, LTF revenues deposited in the County fund vary from year to year.

Who Can Use the Money?

SBCAG is comprised of Santa Barbara County and the eight incorporated cities within the County. The cities, the County, and the Santa Barbara Metropolitan Transit District (SBMTD), as well as the designated Consolidated Transportation Services Agencies (CTSA) Easy Lift and SMOOTH, are eligible recipients of TDA funds. They must, however, meet the eligibility requirements set forth in the TDA. Figure 1-2 lists the agencies that are eligible to use LTF money in Santa Barbara County. Chapter 2 explains the purposes for which each of these agencies can use Local Transportation Funds. Chapters 3 and 4 explain the requirements for using the money.

FIGURE 1-2 ELIGIBILITY: LOCAL AGENCIES THAT CAN USE LOCAL TRANSPORTATION FUNDS

Eligible Agencies per TDA	Eligible Agencies in Santa Barbara County
Cities/Towns	Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria, and Solvang
Regional Transportation Planning Agency (RTPA)	SBCAG
County	Santa Barbara County
Transit Operators	Guadalupe, Lompoc, Santa Maria, SBMTD, and the JPA – Santa Ynez Valley Transit (SYVT) which is administered by Solvang
Transit Districts	Santa Barbara Metropolitan Transit District
Joint Powers Authority (JPA)	Santa Ynez Valley Transit (SYVT) – administered by Solvang (Buellton, Solvang and the County of Santa Barbara contribute to SYVT)
Consolidated Transportation Service Agencies (CTSAs)	Easy Lift and SMOOTH

How Do Local Agencies Get the Money?

As the RTPA for Santa Barbara County, SBCAG is responsible for distributing LTF to the jurisdictions and local agencies within the County. There are four steps to distributing the money:

Step 1: Apportionment

Per the TDA, SBCAG divides the estimated amount to be deposited in the fund over the coming fiscal year among each of the County's local jurisdictions based on population percentages (PUC 99231) provided by the Department of Finance. After SBCAG receives the fund estimates from the County Auditor on February 1st, SBCAG informs each jurisdiction of this amount, called the apportionment (CCR 6644). The apportionment is the amount after subtracting for "off the top" allocations for County Auditor expense to administer the fund, as well for SBCAG TDA administration, planning, and audits. SBCAG typically presents this information at the February Technical Transportation Advisory Committee (TTAC) and SBCAG Board of Directors meetings.

The apportionments are based on the amount the County expects to receive from sales tax revenues which fluctuate due to economic conditions and local spending patterns. The County Auditor develops an estimate of what the coming year should bring based on economic forecast and past experience.

Once money is apportioned to a jurisdiction, the money can only be allocated to that jurisdiction. Jurisdictions can develop agreements so that a portion of a jurisdiction's apportionment goes to another jurisdiction. In some counties, or in parts of some counties, the apportionment goes directly to a transit district, a transit development board, or a Joint Powers Authority (JPA). The amount apportioned to a district such as Santa Barbara Metropolitan Transit District (SBMTD) is based upon the population of the area it serves (PUC 99231). In the case of a JPA, the amount apportioned to the JPA will also depend on the agreements that the member jurisdictions made when forming the JPA. In the case of SYVT, funding is transferred from the JPA partners to Solvang which administers the service.

Step 2: Claims

Preparing and submitting a claim to SBCAG is the step where the jurisdictions decide what they want to do with their apportionments in the coming year. The jurisdictions file "claims" with SBCAG requesting funding amounts for various purposes. For example, one local jurisdiction might claim all of its LTF apportionment for transit, while another might claim the majority for transit, some for bicycle projects[3], and some for streets and roads. The total amount claimed by a jurisdiction cannot be more than the amount apportioned to that jurisdiction. The State, through the TDA statute, has certain requirements that each jurisdiction must meet to be able to claim the money for different purposes. This manual reviews these requirements in detail in Chapters 5.

[3] According to the TDA, 2% of a jurisdiction's LTF allocation is for bicycle and pedestrian facilities unless the transportation planning agency (SBCAG) determines the money can be better spent for purposes stated in Articles 4 and 4.5, or for local street and road purposes (PUC 99233.3).

The primary intent of TDA is to fund public transportation. Therefore a jurisdiction has several requirements to meet before funds can be used for other purposes such as streets and roads: specifically, a jurisdiction must have no unmet transit needs that are reasonable to meet. Secondly, the State wants to make sure that transit operations is efficient and can meet basic performance standards: specifically that the operator meet its required farebox recovery ratio (See Figure 3-1). An operator must achieve these standards before SBCAG releases its full allocation. If the requirements are not met, SBCAG can hold back the incremental increase of the apportionment from the prior fiscal year and not allocate it until requirements are satisfied (CCR 6633.9).

Step 3: Allocations

This is the step, generally in June, where the SBCAG board approves through resolution the amount of funding to be distributed to each local agency and eligible uses of funds based on the claims submitted.

Step 4: Payment

Based on the amounts claimed by each jurisdiction, SBCAG provides instructions to the County Auditor to remit payment to each jurisdiction. Disbursement instructions from SBCAG to the County Auditor are typically provided monthly as indicated in the resolution approved by the SBCAG board and based on actual reciepts. The approved resolution is also provided to the County Auditor annually. At a minimum, SBCAG must provide written instructions at least annually prior to the start of the fiscal year, although the instructions could be delayed if agreed to by the claimant (CCR 6659).

SBCAG disburses LTF funds each month when revenue comes in from the Board of Equalization (BOE). If LTF revenues are less than what was apportioned to a jurisdiction, then SBCAG disburses revenues based on what was actually received from the BOE up to the apportionment approved by resolution. If more revenues are received in a given fiscal year, SBCAG is required to go back to the board with a new resolution to apportion the year-end balance.

Reserving LTF Funds

It is SBCAG policy that agencies may hold funds in reserve.

State Transit Assistance (STA) Fund

See SBCAG's Transportation Development Act State Transit Assistance Claim Manual for information about STA.

Who is Responsible for What and When Does it Happen?

Figure 1-3 provides the claim filing timeline.

FIGURE 1-3 TDA CLAIM TIMELINE

First Quarter	Activity	Reference
January	SBCAG holds a public hearing to receive input on the existence of unmet transit needs. All transit claimants submit annual Financial Transactions Report to State and SBCAG	
Prior to February 1	County Auditor-Controller furnishes SBCAG with an estimate of funds to be generated in the LTF within the county in the upcoming year.	CCR 6620
Prior to March 1	SBCAG prepares and adopts the findings of apportionment.	CCR 6644
Second Quarter	**Activity**	**Reference**
April 15	Claimants file annual LTF claims with SBCAG.	CCR 6630, PUC 99261
April/May	SBCAG makes findings concerning the existence of unmet transit needs that can be reasonably met.	
June	SBCAG Board approves LTF allocations and SBCAG provides written allocation instructions to the County Auditor for payment of funds.	CCR 6659
Third Quarter	**Activity**	**Reference**
July	County Auditor reports to SBCAG actual LTF revenues received during the prior fiscal year. SBCAG advises prospective claimants if unallocated (year-end balance) funds are available.	
*August/September	SBCAG advises claimants of STA apportionments.	
*September/October	Claimants file revised claims with SBCAG for STA and year-end balance funds (if available).	
Fourth Quarter	**Activity**	**Reference**
October 1	Article 8(a) (i.e., non-transit) claimants submit Streets and Roads Report to State Controller by October 1 after fiscal year-end. SBCAG and all transit claimants submit annual Financial Transactions Report to State Controller (transit claimants-within 110 days after fiscal year-end if filed electronically; SBCAG-within 7 months after fiscal year-end). Transit and non-transit claimants must also submit a copy of their report to SBCAG.	CCR 6660, 6665; PUC 99243
*October/November	SBCAG approves STA allocations (if available).	
December 31	Annual fiscal audits from LTF recipients and SBCAG are due to the State Controller (LTF recipients-within 180 days after fiscal year-end, or receive a 90-day extension from SBCAG; SBCAG – within 12 months after fiscal year-end).	CCR 6664, 6662

*refers to STA

Chapter 2. Making Sense of the LTF Articles

The TDA statute is divided into "articles." Each article is comprised of sections of the Public Utilities Code. As a result, claims are often referenced by the article of the statute under which they are filed. Figure 2-1 provides an overview of the articles and how they relate to funding purposes.

FIGURE 2-1 HOW ARTICLES APPLY IN SANTA BARBARA COUNTY

	TDA Administration Costs	Bicycle/ Pedestrian	General Public Transit	Elderly & Disabled Transit	Streets & Roads
Article 3 (Admin)- 99233.1	County Auditor & SBCAG				
Article 3 Planning- 99233.2	SBCAG up to 3%				
Article 3 (Bicycle & Pedestrian)		cities, county- 2%			
Article 4 (General Public, Elderly & Disabled Transit)			*Operators:* cities and transit district	*Operators:* cities and transit district	
Article 4.5 (Community Transit Services)				CTSAs	
Article 8 (Transit, Streets & Roads)			*Non operators:* county	*Non operators:* county	cities, county

Cities = Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara. Santa Maria, Solvang
County = Santa Barbara County
Transit district = Santa Barbara Metropolitan Transit District (SBMTD)
CTSAs = Easy Lift and SMOOTH

Priority Funding Order

The TDA statute establishes a priority order by which LTF funds are to be distributed, shown in Figure 2-2. TDA administration has the highest priority to the LTF, with the County Auditor allocated a small amount for fund administration, and SBCAG receiving what it needs to administer TDA. SBCAG also receives an allocation a limited percentage of funding (3%) for regional transportation planning. All the purposes for which a jurisdiction can use its LTF under Article 4 receive equal priority. Similarly, all purposes under Article 8 receive equal priority. Article 4 claims, however, take priority over Article 8 claims. Thus, a transit claim filed under Article 4 is funded before an Article 8 claim.

FIGURE 2-2 ALLOCATION PRIORITIES FOR LOCAL TRANSPORTATION FUND

Allowed "Allocation Priorities" per TDA	Amount Allowed per TDA
1. TDA Administration (County Auditor and SBCAG, PUC 99233.1)	As necessary, SBCAG Admin of TDA plus amount for performance audits
2. SBCAG Regional Transportation Planning (PUC 99233.2)	3% of the remaining LTF
3. Pedestrian & Bicycle Facilities (PUC 99233.3, 99923.4) (Also referred to as Article 3)	2% of the remaining LTF
4. Rail passenger service operations and capital improvements (PUC 99233.4, 99234.9)	Not applicable in Santa Barbara County
5. Community Transit Services (e.g., CTSAs) (PUC 99233.7) (Also referred to as Article 4.5)	Countywide, up to 5% of remaining LTF
6. Public Transportation (Also referred to as Articles 4 and 8)	Remaining LTF for public transit services
7. Other including streets and roads and multimodal transportation facilities (Also referred to as Article 8)	Remaining amount provided there are no findings of unmet needs reasonable to meet

Jurisdictions located in counties with a population less than 500,000 per the 1970 census can file claims under Article 8. Santa Barbara County is such county where local jurisdictions can file under Article 8. Local agencies are permitted to use LTF for streets and roads purposes under Article 8 only if SBCAG makes a finding annually that there are no unmet transit needs that are reasonable to meet.

Eligible Claimants by Article

The figures below list the eligible claimants and eligible projects/uses for each article.

FIGURE 2-3 ARTICLE 3—BICYCLE AND PEDESTRIAN FACILITIES

Eligible Claimants	Eligible Projects/Uses
• Buellton • Carpinteria • Goleta • Guadalupe • Lompoc • Santa Maria • Santa Barbara • Solvang • County of Santa Barbara	• SBCAG apportions 2% of LTF to counties and cities for facilities provided for the exclusive use of pedestrians and bicycles. SBCAG does not provide guidelines on the types of projects that might be eligible. Some examples, however, include: – New path or lane construction – Sidewalk construction – Trail maintenance – Bicycle plans – Bicycle and pedestrian safety education programs – Bike parking – Trail signage

FIGURE 2-4 ARTICLE 4[4]—TRANSIT

Eligible Claimants	Eligible Projects/Uses
• Only transit "operators"[5] can claim under Article 4. Currently this includes: – SBMTD – City of Santa Maria – City of Lompoc – City of Guadalupe – SYVT (JPA of Buellton, Solvang, and Santa Barbara County. Managed by Solvang.) • An operator must meet the applicable farebox requirements set forth in PUC 99268.2, 99268.3, 99268.4, 99268.5, 99268.12; CCR 6633.2, 6633.5; SBCAG Resolutions 10-35, 10-36. (See next section for more information about farebox requirements.)	• "all purposes necessary and convenient to the development and operation of a public transportation system, including: – Planning and contributions to the transportation planning process, – Acquisition of real property, – Construction of facilities and buildings, – Purchase and replacement of vehicles, and – System operation, maintenance and repair" (PUC 99262) Payments for the above-listed items can be direct expenses or payment of principal and interest on equipment, other indebtedness or bonds.

FIGURE 2-5 ARTICLE 4.5—COMMUNITY TRANSIT SERVICES

Eligible Claimants	Eligible Projects/Uses
• CTSAs – Easy Lift – SMOOTH • Claimant must meet the farebox requirements set forth in PUC 99268.5, per SBCAG Resolution 90-1. (See next section for more information about farebox requirements.)	"community transit services, including such services for those, such as the disabled, who cannot use conventional transit services" (PUC 99275)

[4] Because no Santa Barbara County jurisdictions "operate" rail passenger service, Article 4 rail claims are not applicable in Santa Barbara County.

[5] "**Operator**" means any transit district, included transit district, municipal operator, included municipal operator, or transit development board (PUC 99210). "**Municipal operator**" means a city or county, including any nonprofit corporation or other legal entity wholly owned or controlled by the city or county, which operates a public transportation system, or which on July 1, 1972, financially supported, in whole or in part, a privately owned public transportation system, and which is not included, in whole or in part, within an existing transit district (PUC 99209). "**Operates**" for purposes of Sections 99209…mean[s] that the operator owns or leases the equipment, establishes routes and frequency of service, regulates and collects fares, and otherwise controls the efficiency and quality of the operation of the system, but does not require that operators of rolling stock be employees of a public agency (PUC 99209.5).

FIGURE 2-6 ARTICLE 8(c)-(e)—TRANSIT

Eligible Claimants	Eligible Projects/Uses
• Jurisdictions that are not operators can claim under Article 8. Currently this includes: – County of Santa Barbara • Claimant must meet the applicable farebox requirements set forth in PUC 99268.2, 99268.3, 99268.4, 99268.5, 99268.12; CCR 6633.2, 6633.5; SBCAG Resolutions 10-35, 10-36. (See next section for more information about farebox requirements.)	• Money claimed for transit under Article 8 can only be used for payment to a contractor to provide public transportation or special needs public transportation (PUC 99400(c)). Therefore a city/town or county that uses its own employees to provide the transportation service cannot file under Article 8. • Article 8 funds may also be used for payments for administrative and planning cost for contract transportation services (PUC 99400d). • Article 8 funds may also be used for payments for capital expenditures to acquire vehicles and related equipment, bus shelters, bus benches, and communication equipment for the transportation services (PUC 99400e).

FIGURE 2-7 ARTICLE 8(a)[6]—STREETS AND ROADS

Eligible Claimants	Eligible Projects/Uses
• Buellton • Carpinteria • Goleta • Guadalupe • Lompoc • Santa Maria • Santa Barbara • Solvang • County of Santa Barbara	• Street and road projects eligible for LTF include those that are "necessary or convenient to the development, construction, and maintenance of the city's or county's streets or highway network, including planning, acquisition of real property and construction of facilities and buildings" (PUC 99402). • Projects which are provided for use by pedestrian and bicycles. • Jurisdictions may file Article 8 claims for local streets and roads (PUC 99400(a)) only if all unmet transit needs that are reasonable to meet have been met.

Some transit claimants may be eligible to file for transit funding under either Article 4 or 8. Figure 2-8 provides assistance in determining which article is more appropriate.

[6] In addition to streets and roads, Santa Barbara County jurisdictions may file Article 8 claims for multimodal transportation terminals and passenger rail (PUC 99400.5 and 99400(b)). Multimodal transportation facilities include park and ride lots, transit centers or other locations where passengers can transfer between modes. Because no Santa Barbara County jurisdictions "operate" rail passenger service, Article 8 rail claims are not applicable in Santa Barbara County. However, jurisdictions with Amtrak stations such as Santa Barbara, Goleta, Carpinteria, Guadalupe and the County of Santa Barbara may provide funding for the maintenance of these stations through Article 8. PUC 99400(f) pertains to vehicle and equipment for farmworker vanpool program.

FIGURE 2-8 DECISION TREE—ARTICLE 4 OR ARTICLE 8?

Chapter 3. LTF Requirements

In order to file a claim for TDA funds, claimants must comply with a series of reporting and other requirements. This chapter provides detailed information for some of the more complex requirements. See Chapter 4 for a full listing of the requirements for each type of claim.

Regional Transportation Plan

SBCAG may only allocate funds to expenditures that are in conformity with the Regional Transportation Plan (RTP-SCS) (CCR 6651). Each jurisdiction is responsible for submitting projects for inclusion in the RTP, which SBCAG prepares every four years.

See Document E.

Annual Fiscal Audits

All claimants must submit an annual certified fiscal audit, prepared by an independent auditor, to SBCAG (PUC 99245, SBCAG Resolution 90-1). A report on the audit (which must contain a certification that LTF funds were expended in conformance with applicable laws and rules and regulations, and must include the audited amounts for the fiscal year prior to the fiscal year audited) must be submitted to SBCAG and to the State Controller within 180 days after the end of the fiscal year. Upon written request, with justification, SBCAG may extend the deadline up to 90 days. The reports ensure funding is being spent and reported properly, and that LTF, STA, and other revenue sources are not commingled.

SBCAG retains a Certified Public Accountant to conduct all fiscal audits with the exception of SBMTD, Easy Lift, and SMOOTH, which contract for their own fiscal audits.

If a claimant fails to submit the results of the audit to SBCAG and the State, the claimant's requested TDA allocations cannot be distributed. SBCAG will hold disbursements until the fiscal audits are completed and submitted to the SBCAG and the State.

See Document H.

Annual State Controller Reports

Article 3 bike/ped claimants must report expenditures to the State Controller within 90 days after the close of the fiscal year (CCR 6665).

Transit claimants (Articles 4, 4.5, and 8) must prepare and submit annual reports of their operation to SBCAG and to the Controller within 90 days of the end of the fiscal year. The report shall specify

- the amount of revenue generated from each source and its application for the prior fiscal year, and
- the data necessary to determine, which section, with respect to Sections 99268.1, 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9, the operator is required to be in compliance with in order to be eligible for funds under this article (PUC 99243).

Article 8 streets and roads claimants must report (by way of inclusion in the report prepared pursuant to Chapter 4 of Division 3 of the Streets and Highways Code) expenditures of money received for streets and roads under TDA Article 8 to the State Controller on or before October 1 or within 90 days after the close of the fiscal year (CCR 6665, PUC 99406).

See Document H.

Triennial Performance Audit

SBCAG and all operators filing for TDA Article 4 claims must complete a triennial performance audit (PUC 99248) in order to remain eligible for Article 4 funds (PUC 99246). All Article 4.5 claimants (CTSAs) must also participate in the triennial performance audit per SBCAG Resolution 90-1. Article 8 transit claimants are not statutorily required to have a performance audit; however, to enable a comprehensive and objective review that serves the benefit of both the RTPA and the transit provider, SBCAG contracts for performance audits of all transit claimants allocated funding under TDA.

Every three years, SBCAG designates an independent consultant/auditor to perform the performance audit. The audit reviews transit operating trends and each entity's compliance with TDA regulations over the prior three fiscal years. Based on the audit findings, the auditor details and makes recommendations on compliant and non-compliant items. The triennial performance audit also examines SBCAG policies and procedures in administering the TDA process and transportation planning and programming.

Productivity Improvement Plan

A Productivity Improvement Program (PIP) allows SBCAG to monitor a transit operator's or transit claimant's progress toward meeting recommended improvements that are designed to lower transit operating costs. SBCAG is required to identify, analyze, and recommend potential improvements on an annual basis for transit claimants (PUC 99244). The recommendations should include, but are not limited to, the productivity recommendations made in the operator's most recent TDA triennial performance audit. Actions by SBCAG to recommend potential improvements and to meet state and federal requirements include:

- Review of short-range transit plans (SRTP) for the transit operators. The SRTPs are updated every five years and generally include service recommendations to improve transit services.
- Commissioning regional transit studies such as the North County Transit Plan Update that provide potential productivity improvements.
- Commissioning triennial performance audits of the operators as required by state statute.
- Conducting the annual unmet transit needs process to determine whether transit needs are being met. Transit performance data is included in the annual Transit Needs Assessment.
- Discussion with SBCTAC members about transit operational issues and specialized transit service.
- Working directly with the transit operators to address special issues such as meeting farebox recovery standards and taking board action through recommendations from the advisory committees.

At the time of LTF claim submittal (April 1), each transit claimant shall submit a Productivity Improvement Progress Report. This report shall include:

- Implementation status for each of the recommendations from the most recent TDA triennial performance audit.
- A description of any other efforts made or planned to improve cost effectiveness and/or increase ridership. These efforts shall be summarized for both fixed route and demand response operations.

Each transit claimant shall provide sufficient information to enable SBCAG to determine if a reasonable effort has been made to implement the recommendations. If SBCAG determines that the operator has not made a reasonable effort to implement the recommended improvements, SBCAG shall not approve LTF transit allocations for the coming fiscal year that exceed the transit allocation for the current fiscal year (PUC 99244).

See Document C.

California Highway Patrol Certification

All transit claimants must provide SBCAG with certification from the Department of California Highway Patrol (CHP) completed within the last 13 months indicating that the operator is in compliance with Section 1808.1 of the California Vehicle Code.

See Document H.

Farebox Requirements

Figure 3-1 summarizes each transit claimant's minimum farebox recovery ratio requirement.

FIGURE 3-1 MINIMUM FAREBOX RECOVERY RATIO REQUIREMENTS BY TRANSIT CLAIMANT

	Ratio of Fares + Local Funds to Operating Expenses	Applicable PUC	Applicable SBCAG Resolution
COLT Demand Response **	10%	99268.5	
COLT Fixed Route (including SB Shuttle, Wine Country Express) * and **	20%	99268.3, 99268.12	
COLT Systemwide	20%	99238.3, 99268.12	
County (including Cuyama Transit and Los Alamos Shuttle)	10%	99268.4	
Easy Lift	10%	99268.5	90-1
Guadalupe Demand Response **	10%	99268.5	
Guadalupe Fixed Route (including Flyer and Shuttle) **	10%	99268.4	
Guadalupe Systemwide	10%	99268.4	
SBMTD Fixed Route [SB 508]	20%	99268.2	

	Ratio of Fares + Local Funds to Operating Expenses	Applicable PUC	Applicable SBCAG Resolution
SMAT Demand Response **	10%	99268.5	
SMAT Fixed Route (including Breeze) *	20%	99268.3	14-02 14-35
SMAT Systemwide	20%	99268.3	14-02 14-35
SMOOTH	10%	99268.5	90-1
SYVT Demand Response **	10%	99268.5	
SYVT Fixed Route **	10%	99268.4	
SYVT Systemwide	10%	99268.4	

** COLT, SMAT, SYVT and Guadalupe: Per SBCAG's policy (see SBCAG Resolution 10-35), an operator which provides both specialized demand response and general public fixed route services may be allocated TDA funds if either its demand response services meet the farebox recovery ratio specified in CCR 6633.5(a) and its fixed route services meet the applicable farebox recovery ratios as specified in the PUC, or its services combined meet the farebox recovery ratio specified in CCR 6633.2(a).

Definition of "Fares"

California Code of Regulations 6611.2 defines the term "fare revenues" as all revenues in the following account classes of the uniform system of accounts and records adopted by the State Controller pursuant to PUC Section 99243:

401.000 Passenger Fares for transit services
402.000 Special Transit Fares
403.000 School Bus Service Revenues

Fare revenues include revenues earned under contractual arrangements with public or private entities, either (1) for transit fares for a specified group of employees, members, or clients, or (2) to guarantee a minimum revenue on a line operated especially for the benefit of the paying entity (e.g. an employer, shopping center, university, etc.). They may also include cash donations made by individual passengers or community organizations in lieu of a prescribed fare.

Exemptions and Exclusions to the Farebox Recovery Requirement

Service Extension

When a transit operator expands service, it is recognized that the new service or route can take some time to achieve its full ridership potential and achieve the farebox recovery ratio requirement. As such, service extensions are exempt from this requirement until two years after the end of the fiscal year during which they were established (PUC 99268.8). This exemption applies only if the new service was not provided nor was funded by LTF/STA during any of the prior three fiscal years (CCR 6619.1 and 6633.8).

An extension of public transit service for purposes of the farebox ratio requirement exemption includes:

- Additions of geographic areas or route miles,
- Improvements in service frequency or hours of service greater than 25% of the route total, or
- Addition of new days of service (PUC 99268.8)

To receive this exemption from SBCAG, an operator must track performance data for the extension separately from the rest of the system. In addition, the operator must also submit a report to SBCAG that defines the area served by the extension, the revenues it generated and the cost to provide the service. This report must be submitted within 90 days of the end of the fiscal year (PUC 99268.8). See also Appendix C, SBCAG Resolution 10-35.

Additional Exclusions

SB 508 provides additional exclusions from the definition of "operating cost"[7] for purposes of calculating the required farebox recovery ratio. These exclusions include the following:

(1) The additional operating costs required to provide comparable complementary paratransit service as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), as identified in the operator's paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations that exceed the operator's costs required to provide comparable complementary paratransit service in the prior year as adjusted by the Consumer Price Index.

(2) Cost increases beyond the change in the Consumer Price Index for all of the following:
(A) Fuel.
(B) Alternative fuel programs.
(C) Power, including electricity.
(D) Insurance premiums and payments in settlement of claims arising out of the operator's liability.
(E) State and federal mandates.

(3) Startup costs for new services for a period of not more than two years.

The exclusion of the above costs from the definition of operating costs applies solely for the purpose of farebox recovery calculation and does not authorize an operator to report an operating cost other than as defined in subdivision (a) of Section 99247 to any of the following entities:

[7] Per PUC 99247(a), "Operating cost" means all costs in the operating expense object classes exclusive of the costs in the depreciation and amortization expense object class of the uniform system of accounts and records adopted by the Controller pursuant to Section 99243. "Operating cost" excludes all subsidies for commuter rail services operated on railroad lines under the jurisdiction of the Federal Railroad Administration, all direct costs for providing charter services, all vehicle lease costs, and principal and interest payments on capital projects funded with certificates of participation

- The State Controller pursuant to Section 99243.
- The entity conducting the fiscal audit pursuant to Section 99245.
- The entity conducting the performance audit pursuant to Section 99246.

Newly Designated Urbanized Areas

If a jurisdiction in Santa Barbara County grows so that it becomes an urbanized area (population of 50,000 or more), SBCAG may grant the operator up to five years from July 1 of the year following the census year, to meet the urbanized farebox recovery ratio requirement (PUC 99270.2). See also Appendix C, SBCAG Resolution 10-35.

Work Stoppages

If an operator has two separate work stoppages for 15 days or longer during one fiscal year and at least one is not related to a labor dispute, SBCAG may waive the farebox ratio requirement during that fiscal year. SBCAG may only waive the requirement if the waiver is necessary to enable the operator to provide vital public transportation services. (PUC 99268.11)

What Happens When an Operator Does Not Meet its Farebox Recovery Ratio?

If an operator does not meet the required farebox recovery ratio, a few things can happen.

1. The operator could raise local funds to meet the ratio requirement (PUC 99268.19). Local agencies typically use Measure A revenues to make up the difference. In addition to Measure A revenue, SB 508 loosened the definition of local funds to mean any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator.

   Local funds include all of the revenues in the following revenue account classes of the uniform system of accounts and records:

   406.000 Auxiliary Transportation Revenues

   407.000 Non-Transportation Revenues

   408.000 Taxes Levied Directly by Transit System

   409.011 Local Cash Grants and Reimbursements - General Operating Assistance

   410.000 Local Special Fare Assistance

   440.000 Subsidy from Other Sectors of Operation

   For illustration purposes, a sample listing of other revenues include the following:

   - Advertising revenues
   - Lease revenues
   - Concession revenue
   - Local transportation sales tax
   - Interest revenue

- Gain on sale of capital assets

2. If an operator fails to achieve its farebox ratio requirement for two consecutive fiscal years, the operator's eligibility for LTF and STA funds is reduced by the difference between the required fare revenues and the actual fare revenues for the second fiscal year that the required ratio was not maintained. Figure 3-2 describes the penalty timeline for noncompliance with the farebox requirements.

FIGURE 3-2 PENALTY TIMELINE FOR NONCOMPLIANCE WITH FAREBOX RATIO REQUIREMENTS

Please note: As of June 29, 2020 the governor approved Assembly Bill No. 90 which prohibits the imposition of penalties on an operator that does not maintain the required ratio of fare revenues to operating cost during the 2019-20, 2020-21 or 2021 -22 fiscal years.

Grace Year (Year 0)	Noncompliance Year (Year 1)	Determination Year (Year 2)	Penalty Year (Year 3)
The first fiscal year for which an operator or transit service claimant does not maintain the required FRR is the grace year. There is neither any penalty nor any loss of eligibility for TDA funds in this year.	The second fiscal year for which an operator or transit service claimant does not maintain the required FRR is the noncompliance year. There is no loss of eligibility for TDA funds in this year; however, the future penalty will be based on audited figures from this year.	The fiscal year after the Noncompliance Year is the Determination Year. There is no loss of eligibility for TDA funds in this year. The audited amount of the difference between the required and actual FRR as reported in the claimant's fiscal and compliance audit for the Noncompliance Year must be determined in this year. In other words, the penalty that will be applied in the following fiscal year (Penalty Year) is calculated during this year (Determination Year) based on the previous year (Noncompliance Year) audit.	In the third, or penalty, year, the operator's or transit service claimant's eligibility to receive TDA funds shall be reduced, for one year only, by the amount of the difference between the required fare revenues and the actual fare revenues in the Noncompliance Year. A claimant subject to the penalty in this section shall demonstrate to SBCAG how it will achieve the required ratio during any Penalty Year.

Based on PUC 99268.9 and CCR 6633.9

FIGURE 3-3 EXAMPLE OF PENALTY TIMELINE FOR NONCOMPLIANCE WITH FAREBOX RATIO REQUIREMENTS

	One-Time Grace Year	Non-compliance Year	Determination Year	Penalty Year
	Year 0	Year 1	Year 2	Year 3
Operating Cost	$100,000	$100,000	$100,000	$100,000

	One-Time Grace Year	Non-compliance Year	Determination Year	Penalty Year
	Year 0	Year 1	Year 2	Year 3
Required Fares at 20%	$20,000	$20,000	$20,000	$20,000
Actual Fares	$15,000	$18,000	$23,000	$28,000
Reduced Eligibility	$0	$0	$0	-$2,000
TDA Eligibility	$85,000	$82,000	$77,000	$70,000

See Document G.

Unmet Transit Needs Process

Before SBCAG can allocate funds for purposes "not directly related to public transportation services, specialized transportation services, or facilities provided for the exclusive use of pedestrians and bicycles" (PUC 99401.5), i.e., streets and roads, SBCAG must first implement the annual unmet transit needs process. Since the primary purpose of the TDA is to fund transit, the unmet transit needs process is used to determine whether or not there are "unmet transit needs" that are "reasonable to meet" (see Appendix B for the SBCAG Board-adopted definitions of these terms) prior to funding street and road projects. The unmet transit needs process, however, is not required before SBCAG can allocate Article 8 funds for rail projects or multimodal terminals.

The unmet transit needs process is described in PUC 99401.5 and summarized below.

- SBCAG must establish and consult with the Social Services Transportation Advisory Council (SSTAC). The SSTAC is a countywide body that includes representatives from the elderly and disabled communities, social service providers and other members representing the persons of limited means as appointed by SBCAG. The Santa Barbara County Transit Advisory Committee (SBCTAC) serves as the statutorily required SSTAC in the County, and comprises the required representatives plus additional members. The SBTAC is responsible for participating in the annual unmet transit needs process (PUC 99238).
- SBCAG must identify the transit needs of the jurisdictions that have been considered as part of the transportation planning process, including the following:
  - An assessment of the size and location of identifiable groups likely to be transit dependent or transit disadvantaged, including but not limited to the elderly and persons with disabilities, including individuals eligible for paratransit and other special transportation services, and persons of limited means, including but not limited to recipients under the CalWORKs program
  - An analysis of the adequacy of existing public transportation and specialized transportation services, including privately and publicly provided services, to implement the plan to meet identified transit demand
  - An analysis of potential alternative public transportation and specialized transportation services and service improvements that would meet all or part of the transit demand

- SBCAG must hold at least one annual unmet transit needs hearing to gather comments on needs.
- After considering all the information it has compiled through the unmet needs process, SBCAG must adopt one of the following findings:
  - There are no unmet transit needs.
  - There are no unmet transit needs that are reasonable to meet, or
  - There are unmet needs, including needs that are reasonable to meet.

If SBCAG adopts the third option, then unmet transit needs shall be funded before any allocations are made for streets and roads within the jurisdiction (99401.5(e)).

The unmet transit needs process is specific to the claims filed in, and revenues available to, individual jurisdictions. For example, if a jurisdiction does not claim any of its LTF for streets and roads, the unmet transit needs process is moot in that jurisdiction (cities, county, transit agencies and CTSAs) although the TDA states that at least one public hearing must be held. Citizens may still voice concerns about transit needs in that particular jurisdiction, but if the entire jurisdiction's LTF is going to transit, rail, multimodal terminals, or bicycle and pedestrian projects, SBCAG does not have to produce findings about the needs expressed in those jurisdictions. SBCAG might still decide to produce a finding for transit planning purposes, but the jurisdiction would have no LTF with which to address the finding.

Additionally Lompoc and Santa Maria (with mandatory attendance by a representative of the County) are legally required to: [See Document H, #15 and Figure 3-3 on next page]

1. Conduct publicly noticed workshops in the Fall, prior to their submission of TDA Claims to SBCAG, in order to obtain public input on unmet transit needs,
2. Present the results of these workshops to SBCTAC, and,
3. Provide information on transit needs to the public as their respective councils and board consider approval of their TDA claim.

FIGURE 3-4 UNMET TRANSIT NEEDS FINDINGS PROCESS

Chapter 4. How to Complete TDA Claim Forms

Figure 4-1 below provides a checklist of the claim forms (i.e., Documents A-H) required of each claimant. **The claim forms can be found in the Excel document, *SBCAG TDA Claim Forms*, available on the SBCAG website at http://sbcag.org/documents.html**. General instructions are below; form-specific instructions follow.

General Instructions

1. Before completing any of the forms, become familiar with the definitions, instructions and requirements associated with the forms. Wherever appropriate the forms are consistent with the Federal National Transit Database (NTD) reporting system and the State Controller's reporting system. **Please see Appendix B for a glossary of terms.**
2. Please, use footnotes when necessary to explain any data items that are unusual or exceptional in nature. Attach additional sheets if necessary.
3. For specific information on the TDA law and regulations, refer to your copy of the Transportation Development Act Statutes and California Code of Regulations which is also available at: http://www.dot.ca.gov/hq/MassTrans/Docs-Pdfs/STIP/TDA_4-17-2013.pdf. Please note that this document has not yet been updated to include SB 508 changes.
4. Attached the signed checklist form to the front of your claim forms, verifying all required information has been completed and attached.

Claim Amendments

1. Claimants must spend funds as allocated. No borrowing is permitted between roads and transit disbursements without an approved amendment.
2. All revised claim forms must be dated and signed and must be accompanied by a memo which explains the requested change(s).

FIGURE 4-1 REQUIRED FORMS CHECKLIST

Article 3 Bike/ Ped	Article 4 Transit	Article 4.5 Community Transit	Article 8(a) Streets & Roads	Article 8(c) Transit	REQUIRED FORMS CHECKLIST Claimant:	
Cities and County	**COLT, Guad., SBMTD, SMAT, SYVT**	**CTSAs: Easy Lift and SMOOTH**	**Cities and County**	**County**	**Document Name**	
X	X	X	X	X	**Document A: Claim Form**	
X	X	X	X	X	**Document B: Resolution**	
	X	X		X	**Document C: Productivity Improvement**	
					Document D: Fiscal Reporting	
	X	X		X	**Part A**	**Proposed Operating Budget**
	X	X		X	**Part B**	**Proposed Capital Budget**
X	X	X	X	X	**Document E: Project Description & RTP Conformity**	
	X	X		X	**Document F: Maximum Transit Allocation**	
					Document G: Fare and Local Funds Ratios	
	X			X	**G.1**	**Fixed Route**
	X (not SBMTD)	X			**G.2**	**Demand Response**
	X (not SBMTD)				**G.3**	**Systemwide (combined)**
					Document H: Standard Assurances	
	X	X		X	**H.1**	**Farebox Ratio**
	X	X		X	**H.2**	**Extension of Service**
	X	X		X	**H.3**	**Federal Funding**
	SBMTD Only	X			**H.4**	**Fiscal Audit**
		X			**H.5**	**LTF ≤ 50% of CTSA's operating budget**
	X	X		X	**H.6**	**State Controller Annual Report****
X			X		**H.7**	**State Controller Annual Report****
	X	X		X	**H.8**	**Retirement System Funding**
	X	X		X	**H.9**	**Staffing of Vehicles**
	X	X		X	**H.10**	**Budget Increase ***
	X	X		X	**H.11**	**CHP Certification ****
	X	X		X	**H.12**	**Fares for Senior and Disabled**
	X	X		X	**H.13**	**Accessibility to Disabled**
	X			X	**H.14**	**Contract for Transit Services ****
		X			**H.15**	**Operations Plan and Budget ****
		X			**H.16**	**Indemnify, Hold Harmless; Insurance ****
	COLT & SYVT Only				**H.17**	**5% Demand Response**
			X		**H.18**	**Unmet Needs ***

*attachments may be required
**attachments required

I hereby certify that I have completed all forms necessary to comply with the requirements of the Transportation Development Act.		**Submitted by:**	
		Name:	
Signature:		**Title:**	
		E-mail	
Date:		**Phone:**	

How to Complete Document A: Transportation Development Act Claim Form

Fill in all applicable blanks highlighted in green. Other blanks should auto-populate if using the provided Excel spreadsheet.

Lines 1 & 6: Identify fiscal year for which funds are claimed. *Line 6 should auto-populate if using the provided Excel spreadsheet.*

Lines 2 & 3: Identify claimant and address fully in spaces provided

Lines 4 & 5: Identify name, title, and telephone number of contact person.

Line 7:

- **Apportionment:** Enter LTF apportionment for regional transportation planning. (See Appendix A, Column "Planning Funds" for your agency's apportionment.)

- **Claimed:** Enter LTF amount claimed for regional transportation planning. The claimed amount should be equal to the Apportionment. *Line 7 "Claimed" should auto-populate if using the provided Excel spreadsheet.*

Line 8:

- **Apportionment:** Enter LTF apportionment for pedestrian and bikeway facilities. (See Appendix A, Column "Bike & Ped Funds".)

- **Claimed:** Enter LTF amount claimed exclusively for pedestrian and bikeway facilities. The claimed amount should be equal to the Apportionment. *Line 8 "Claimed" should auto-populate if using the provided Excel spreadsheet.*

Line 9: Enter total LTF apportionment for public transportation purposes (Appendix A, Column "Available for Articles 4 & 8").

Lines 10-14: Enter amount(s), if any, of apportionment released to other jurisdiction(s). Identify jurisdiction(s). Confirm amount(s) with identified jurisdiction(s) before submitting claim forms.

Lines 15-19: Enter amount(s), if any, of apportionment released from other jurisdiction(s) for use by your agency. Please list by jurisdiction. Confirm amount(s) with identified jurisdiction(s) before submitting claim forms.

Line 20: Enter LTF amount claimed for public transit purposes (Article 4, PUC 99260). From Line 9, subtract Lines 10-14, add lines 15-19, subtract Line 22, and subtract Line 23. *Line 20 should auto-populate if using the provided Excel spreadsheet.*

Line 21:

- **Apportionment:** Enter LTF apportionment for community transit purposes. (See Appendix A, Column "Article 4.5".)

- **Claimed:** Enter LTF amount claimed for community transit purposes. The claimed amount should be equal to the Apportionment. Only Easy Lift and SMOOTH may claim funds here. *Line 21 "Claimed" should auto-populate if using the provided Excel spreadsheet*.

Line 22: Enter LTF amount claimed for street and road purposes (PUC 99400a). A claimant may only claim funds for streets and roads if there are no unmet transit needs that are reasonable to meet in the claimant's jurisdiction.

Line 23: Enter LTF amount claimed for payment to contractor for public transportation services (PUC 99400c). Only the County may claim funds here.

Line 24:

- **Apportionment:** Enter total LTF apportionment (sum of lines 7, 8, 9, and 21 "Apportionment").

- **Claimed:** Enter total amount claimed (sum of lines 8 and 20-23 "Claimed").

Line 24 should auto-populate if using the provided Excel spreadsheet.

Line 25: Enter LTF amount, if any, to be held in reserve. Remember, funds may only be reserved for three years. Indicate whether the claimant or SBCAG is to hold the funds.

Lines 26-28: Complete when STA is available, usually in August.

Line 29: Enter total Transportation Development Act funds claimed (add Lines 24 and 28). *Line 29 should auto-populate if using the provided Excel spreadsheet.*

Lines 30-32: Provide the signature and title of the individual authorized in the resolution (Document B) to claim funds on behalf of the claimant. Also enter the date on which this document was signed.

Lines 33-35: Provide the name, title and signature of the chief financial officer (CCR 6632).

How to Complete Document B: Resolution

This is a sample format the claimant can use to prepare the required resolution. The claim and the individual signing the claim and certifications must be authorized by the governing body. Fill in the blank spaces as described below. *All blanks should auto-populate if using the provided Excel spreadsheet.*

Blank #1: Enter Line 1 from Document A.

Blank #2: Enter Line 26 from Document A.

Blank #3: Enter Line 27 from Document A.

Blank #4: Enter Line 1 from Document A.

Blank #5: Enter Line 7, second column, from Document A.

Blank #6: Enter Line 8, second column, from Document A.

Blank #7: Enter the sum of lines 16, 17, 19 and 23 from the second column of Document A. the amount claimed for transit.

Blank #8: Enter line 18 from Document A, the amount claimed for streets and roads.

***NOTE:** This resolution can be replaced by alternate documentation such as a budget resolution. It is important, however, that the substitute documentation clearly identify the specific amounts being claimed for each of the allowable purposes (i.e., transit, pedestrian and bicycle facilities, and streets and roads). The substitute documentation must also include authorization of an individual empowered to execute and file an appropriate claim. This authorized individual must sign the claim forms including the applicable certifications. If the resolution or substitute documentation is not included with the initial claim, please indicate when the required documentation will be forwarded to the SBCAG office. Subsequent revisions and supplemental claims made during the year do not require a resolution.

How to Complete Document C: Productivity Improvement Progress Report

All transit claimants must complete Document C—find your customized Document C.

Page 1: Describe the current implementation status of each of the recommendations from the most recent TDA Triennial Performance Audit using the link below: http://sbcag.org/documents.html

Provide sufficient information to enable SBCAG to determine if a reasonable effort was made to implement the recommendations.

Page 2: Describe any other efforts made, or planned, to improve cost effectiveness and/or increase ridership. Summarize such efforts for both fixed route and demand response service, if applicable.

How to Complete Document D, Part A: Proposed Operating Budget

Since these forms will be completed before the end of the "prior year" (the current year), and the “project year” has not yet started, information in these columns will be estimated. Data for the “prior year” should be based on approximately eight months of actual data and four months of estimated data.

Line 1: Enter the fiscal year for which the funds are being claimed under Project Year and the preceding year under Prior Year.

Line 2: Enter total operating cost for both years. (Please see PUC 99247 and CCR 6611.1 for detailed instruction as to what is allowable and not allowable.) Do not include depreciation or amortization expense since these are to be shown in the capital budget. **Do not exclude liability or casualty insurance premiums.** You may exclude only that portion of amounts paid in disposition of claims arising out of the operator's liability which exceed 125 percent of average annual payments for disposition of claims during the previous three years (PUC 99268.17). SB 508 excludes the principal and interest payments on all capital projects funded with certificates of participation from the definition of operating costs used for the farebox recovery definition.

Line 3: Enter estimated fares (CCR 6611.2).

Line 4: Subtract Line 3 from Line 2. *These figures should auto-populate if using the provided Excel spreadsheet.*

Lines 5 to 13: Enter amounts of operating revenue by source. Include only that revenue applied to operating expenditures. For Line 7, specify any amount of LTF revenue received under Article 4 in the Prior Year that remained unspent, and that has now been applied to Project Year expenditures. For Line 10, note in a footnote whether funds are regional and/or local Measure D/A monies (if both, list amounts). For Lines 11-13, list other local fund sources. Local fund means all revenues in the account classes of the uniform system of accounts and records adopted by the State Controller pursuant to the PUC 99243: SB 508 expands the definition of local funds to include any non-federal and non-state grants of other revenues generated by or distributed to the operator.

- 406.000 Auxiliary Transportation Revenue
- 407.000 Non-Transportation Revenues
- 408.000 Taxes Levied Directly by Transit District (already listed in Line 5 above)
- 409.011 Local Cash Grants and Reimbursements / General Operating Assistance
- 410.000 Local Special Fare Assistance
- 440.000 Subsidy from Other Sectors of Operation

Line 14: Add Lines 5-13 from Line 4. *These figures should auto-populate if using the provided Excel spreadsheet.* If Line 14 does not equal zero, provide an explanation in a footnote.

How to Complete Document D, Part B: Proposed Capital Budget

Line 15: Enter the fiscal year for which funds are claimed under Project Year and the preceding fiscal year under Prior Year. *These years should auto-populate from Document D, Part A if using the provided Excel spreadsheet.*

Lines 16 to 23: Itemize capital expenditures by project for the Prior (i.e., current) Year and the Project Year. Indicate which expenditures involve funds allocated or to be allocated to an LTF Reserve Account (CCR 6648). Indicate which expenditures involve the use of STA monies. Prior year entries should reflect anticipated expenditures of funds for capital purposes. Project Year should include projected capital expenditures and should also include grant applications filed (or anticipated to be filed) in Project Year. Expenditures that involve grant applications should be identified as such to differentiate them from actual expenditures. Use additional lines or footnotes if necessary.

Line 24: Add Lines 16-23. *These figures should auto-populate if using the provided Excel spreadsheet*.

Lines 25 to 35: Enter amount of capital revenue by source. Include only that revenue applied to capital expenditures. For Line 28, specify any amount of LTF Revenue received under Article 4 during the Prior year that remained unspent, and that has now been applied to Project Year expenditures. For Line 30, enter any amount of STA allocated in the Prior Year for a project that has now been deferred to the Project Year. (Note: STA funds can only be used for expenditures incurred or committed to during the fiscal year in which the funds were allocated (CCR 6753)).

Line 36: Add Lines 25-35. *These figures should auto-populate if using the provided Excel spreadsheet.*

Line 37: Subtract Line 36 from Line 24. *These figures should auto-populate if using the provided Excel spreadsheet.* If Line 37 does not equal zero, provide an explanation in a footnote.

How to Complete Document E: Project Description & Regional Transportation Plan Conformity

Complete *all* sections that apply to claims made. Follow the instructions for each type of claim.

How to Complete Document F: Maximum Transit Allocation

There are some technicalities about the amount of LTF funds you can claim for the transit system. The State wants to ensure that an agency does not claim more than the actual transit budget minus the amount received from other sources (CCR 6634).

Operating Costs

CCR 6634(a) stipulates that an operator or claimant cannot receive funding for operating costs in an amount that exceeds its fiscal year operating cost minus the sum of:

- Fare revenues received during the Fiscal Year
- The amount of local funds required to meet the required farebox ratio
- The amount of federal operating assistance received during the Fiscal Year
- The amount received during the Fiscal Year from a city or county to which the operator provides service beyond its boundaries
- Any reduced funding eligibility resulting from the operator's failure to meet the required farebox recovery ratio.

Capital and Debt Service Costs

An operator or claimant cannot receive funding for capital costs and debt service purposes in an amount that exceeds the operator's actual fiscal year capital requirements and actual fiscal year debt service requirements minus any revenues received from other sources for such purposes (CCR 6634(b) and (c)). SB 508 excludes principal and interest payment on all capital projects funded with certificates of participation from the definition of operating cost used for the farebox recovery ratio requirement.

Elderly and Disabled Services

Transit claimants claiming funds for elderly and disabled transit under Article 4 (PUC 99260.7) are not eligible to receive more capital funds than actual bus/van purchase expenditures (CCR 6634(e)).

Document F verifies Claimants' eligibility for amounts requested for transit purposes.

Line 1: Enter the fiscal year for which the funds are claimed. *Line 1 should auto-populate if using the provided Excel spreadsheet.*

Line 2: Enter Line 2 from Document D, Part A for Project Year. *Line 2 should auto-populate if using the provided Excel spreadsheet.*

Line 3: Enter Line 3 from Document D, Part A for Project Year. *Line 3 should auto-populate if using the provided Excel spreadsheet.*

Line 4: Enter Line 5 from Document D, Part A for Project Year. *Line 4 should auto-populate if using the provided Excel spreadsheet.*

Line 5: Specify remaining sources and amounts of local revenue (CCR 6611.3).

Line 6: Enter Line 9 from Document D, Part A for Project Year. *Line 7 should auto-populate if using the provided Excel spreadsheet.*

Line 7: Enter total payments anticipated to be received for service provided beyond boundaries pursuant to PUC 99288 if not included in amounts shown on Document A.

Line 8: Enter any reduced funding eligibility resulting from the operator's failure to meet the required farebox recovery ratio.

Line 9: Subtract Lines 3-8 from Line 2. *Line 9 should auto-populate if using the provided Excel spreadsheet.*

Line 10: Enter Line 7 from Document D, Part A (CCR 6649). *Line 10 should auto-populate if using the provided Excel spreadsheet.*

Line 11: Subtract Line 10 from Line 9. *Line 11 should auto-populate if using the provided Excel spreadsheet.* This amount should equal the sum of the amounts shown on Lines 6 and 8 for the Project Year on Document D, Part A. If not, provide an explanation in a footnote.

Line 12: Enter Line 24 from Document D, Part B for the Project Year. *Line 12 should auto-populate if using the provided Excel spreadsheet.*

Line 13: Enter Line 31 from Document D, Part B for the Project Year. *Line 13 should auto-populate if using the provided Excel spreadsheet.*

Lines 14 & 15: Enter any other revenues for capital expenses not claimed from TDA.

Line 16: Subtract Lines 13-5 from Line 12. *Line 16 should auto-populate if using the provided Excel spreadsheet.*

Line 17: Enter Line 27 from Document D, Part B for the Project Year. *Line 17 should auto-populate if using the provided Excel spreadsheet.*

Line 18: Enter Line 28 from Document D, Part B. *Line 18 should auto-populate if using the provided Excel spreadsheet.*

Line 19: Enter Line 30 from Document D, Part B. *Line 19 should auto-populate if using the provided Excel spreadsheet.*

Line 20: Subtract Lines 17-19 from line 16. *Line 20 should auto-populate if using the provided Excel spreadsheet.* This amount should equal the sum of the amounts shown on Lines 26 and 29 for the Project Year on Document D. If not, provide an explanation in a footnote.

Line 21: Add Line 11 and Line 20. This amount should equal the sum of the amounts shown in the second column of lines 16, 17, 19, and 23 on Document A. If not, provide an explanation in a footnote. *Line 21 should auto-populate if using the provided Excel spreadsheet.*

How to Complete Documents G-1, G-2, and G-3: Fare and Local Fund Ratios

Transit claimants must complete the appropriate Document G for each type of service they provide:

- If you provide only fixed route service, complete only G-1. (County, Santa Barbara MTD)
- If you provide only demand response service, complete only G-2. (Easy Lift, SMOOTH)
- If you provide both fixed route and demand response service, complete G-1, G-2, *and* G-3. (Guadalupe, Lompoc, Santa Maria, Solvang)

The instructions for the three documents are the same; however, most of G-3 should auto-populate if using the provided Excel spreadsheets.

Required Minimum Ratios

Line 1: Determine your required minimum fare plus local funds ratio for each type of service based on PUC 99268.2, 99268.3, 99268.4, 99268.5, 99268.9, 99268.12 or 99270.2. See also Figure 3-1 and Appendix C.

Line 2: Indicate the PUC section used for Lines 6 and 7 (i.e., 99268.2, 99268.3, 99268.4, 99268.5, 99268.9, 99268.12 or 99270.2). See also Figure 3-1 and Appendix C**Error! Reference source not found.**.

Line 3: Enter the applicable SBCAG resolution number (or action) authorizing reduction from minimum fare box ratio. This is currently “N/A” for all claimants except Lompoc. See also Appendix C.

Project Year Ratios

Complete operating cost and fare and local funds worksheet for each type of service as applicable to each transit claimant (G-1, G-2, and/or G-3).

FIGURE 4-2: FAREBOX RECOVERY--SUMMARY OF WHAT'S INCLUDED[8]

APPENDIX IV. FAREBOX RECOVERY
Summary of What's Included
(Public Utilities Code Section 99243 & 99247)

REVENUE – (6611.2 & 6611.3)

Fare Revenues

401: Passenger Fares for Transit Services
Full adult, senior, student, child, handicapped, park & ride lot revenues (must be operated of transit operator), special and reduced fares collected from passengers.

402: Special Transit Fares
Includes guaranteed revenues collected by an organization rather than a rider for rides given along special routes.

403: School Bus Service
Revenues collected from schools for providing service to children to and from school.

Local Funds

408: Taxes Levied Directly by Transit System (99268.19)

Tax revenues collected from independent local, state, or federal taxing Transportation Commission authorities.

Specialized Service

410: Local Special Fare Assistance
Subsidies collected from local governments to help offset the difference between full adult fares and special reduced fares.

440: Subsidy From Other Sector of Operation
Funds collected from non-transit sectors to help cover the cost of operating a transit system.

HTTP://WWW.FTA.DOT.GOV/LIBRARY/LEGAL/ADA/PREAMBLE.HTML

EXPENSE – (6611.1)

Operating Costs

501: Labor - Operator/Other Salaries & Wages (.010 & .020)
502: Fringe Benefits
503: Services
504: Materials & Supplies – Fuels, Lubricants, Tires, Tubes, Other (.010, .020, .990)
505: Utilities
506: Casualty & Liability Costs
507: Taxes
508: Purchased Transportation Service
509: Miscellaneous
510: Expense Transfers
511: Interest
512: Leases & Rentals – Vehicles, Other Capital Assets (.040 & .990)

[8] Source: Caltrans. *Transportation Development Act Guidebook*. April 2013. http://www.dot.ca.gov/hq/MassTrans/Docs-Pdfs/STIP/TDA_4-17-2013.pdf
Note: 1.) Local funds now includes any non-federal or non-state grants or other revenues generated by or distributed to the operator. 2). Interest and principal payments on capital projects are not qualified expenses.

How to Complete Document H: Standard Assurances

Initial each section (or indicate “N/A” as appropriate). Fill in additional information and attach additional documentation as requested.

Sign and date the document.

Appendix A. LTF Apportionments FY 2016/17

Transportation Development Act
Local Transportation Fund (LTF)
Apportionments
2016-17

CLAIMANTS	Population 1	% of Total Population	Maximum Apportionment 2	Bike & Ped. Funds (2%)	Planning Funds (3%)	Article 4.5 (5%)	Available for Articles 4 & 8
Buellton	4,931	1.1267200%	$197,978	$3,960	$5,821		$188,197
Guadalupe	7,205	1.6463228%	$289,279	5,786	8,505		$261,239 *
Lompoc	43,479	9.9348326%	$1,745,669	34,913	51,323		$1,659,433
Santa Maria	102,087	23.3266003%	$4,098,764	81,975	120,504		$3,701,471 *
Solvang	5,489	1.2542215%	$220,382	4,408	6,479		$209,495
SB County (Unincorp. North County)	64,536	14.7463248%	$2,591,106	51,822	76,179		$2,398,348 *
SMOOTH (S. M. Valley CTSA)						$273,320	
So. Co. Claimants (See Below)	209,915	47.9649780%	$8,428,022	168,560	247,784	400,584	$7,611,094
Total	437,642	100.0000000%	$17,571,200	$351,424	$516,595	$673,904	$16,029,277
SOUTH COUNTY CLAIMANTS							
SBMTD	209,915		$7,858,878		$247,784		$7,611,094
Easy Lift			$400,584			$400,584	
Carpinteria	13,547	3.0954524%	$10,878	$10,878			
Goleta	30,765	7.0297184%	$24,704	24,704			
Santa Barbara City	91,088	20.8133588%	$73,143	73,143			
SB County (Unincorp. South County)	74,515	17.0264484%	$59,835	59,835			
Total	209,915	47.9649780%	$8,428,022	$168,560	$247,784	$400,584	$7,611,094

1 January 2015 Department of Finance figures.
2 TDA revenue estimate from County Auditor-Controller, January 2016.
** Adjusted to provide funding for SMOOTH (Santa Maria Valley CTSA).*
*** Per SB County ,estimated revenue for FY 2016-17 is $17,571,200 which is a 2.9% increase over FY 2015-16 revised estimated revenue of $17,061,200.*

Appendix B. Glossary of Terms

Allocation: How a jurisdiction elects to split its TDA apportionment between transit, bicycle, pedestrian, and street & road projects.

Apportionment: The share of Santa Barbara County's TDA funds earmarked for each jurisdiction.

Claimant: A jurisdiction filing a TDA claim. A claimant might be a city or county that is an operator or a transit service claimant (see definitions for each of these below), or a city or county that is filing a bicycle/pedestrian project claim or a streets & roads claim.

Community Transit Service: Community transit refers to transportation services which link intra-community origins and destinations, including services for those, such as the disabled, who cannot use conventional transit services.

Consolidated Transportation Service Agency (CTSA): An agency, defined by SBCAG, that consolidates the provision of Social Service Transportation within Santa Barbara County. Social Service Transportation is specialized services mainly used by social service recipients. SMOOTH and Easy Lift are CTSAs in Santa Barbara County.

Fare and Local Fund Recovery Ratio: Ratio of the sum of fare revenue and local fund to operating costs.

Fare Revenues: Passenger fares for transit service, special transit fares and school bus service revenues (PUC 99243). Special transit fares include revenues for charter services and fees paid by an entity to support service for their benefit (e .g. a shopping center, university, employer). Fares can also include donations made by passengers when a fare is not charged.

Farebox Recovery Ratio: Ratio of fare revenue to operating costs.

"Findings of Apportionment": The amount apportioned to each jurisdiction for the coming fiscal year is called the "Findings of Apportionment."

Fiscal Year: July 1st through June 30th

Independent Auditor: The State Controller, a certified public accountant, or public accountant who is not an officer or employee of the claimant. The county auditor is not an "independent auditor" with reference to the county or to an operator for which the county auditor serves as a financial officer.

Jurisdiction: The geographical area over which a court or government body has the power and right to exercise authority.

Local Funds: The amount of local funding used to support the transit system. This could include city general fund money, a local sales tax (e.g., Measure A) or other taxes levied directly by the transit system. SB 508 expanded the definition to include any non-federal or non-state grants or other revenues generated by or distributed to the operator.

Local Transportation Fund (LTF): The LTF is a local fund into which the state deposits sales tax revenue to be used for transportation purposes defined by TDA. Revenue for the Local Transportation Fund (LTF) comes from ¼ cent of the state sales tax collected in Santa Barbara County.

Mills-Alquist-Deddeh Act: Another name for the Transportation Development Act.

Operating Costs: For the purposes of calculating farebox recover ratios per the TDA, operating costs are defined as all costs of operating a transit system, exclusive of capital depreciation and amortization. Per SB 508 excludes principal and interest payment on all capital projects funded with certificates of participation from the definition of operating cost.

Operator: A City/Town or County that is responsible for the following aspects of the transit service: sets route structure, sets schedules, sets fares, controls the quality and basic operation of the system. A City/Town or County can be considered an operator regardless of whether it leases or owns the transit vehicles and/or regardless of whether it employs or contracts drivers.

Population Formula Allocation Funds: The 50% of STA funds that are apportioned on the basis of population share.

Productivity Improvement: A recommended improvement that can lower transit costs.

Productivity Improvement Program (PIP): A program that allows SBCAG to monitor a transit operator's or transit claimant's progress toward meeting recommended improvements that can lower transit operating costs. See Chapter 5.

Reasonable to Meet: Each RTPA adopts is own definition of "reasonable to meet." The SBCAG Board adopted the following definition on December 21, 2006:

> An identified unmet transit need shall be determined to be ―reasonable to meet‖ if SBCAG determines that the transit service will be in general compliance with the following criteria:
>
> 1. Can be implemented consistent with the transportation improvement priorities, policies and performance standards contained in the Regional Transportation Plan, the transit development plan, or the short-range transit plan for the area.
>
> 2. Can be implemented safely and in accordance with local, state, and federal laws and regulations.
>
> 3. Excluding the first three years of operation, the additional transit service shall not cause the system of which it is a part to fail to meet system-wide performance standards including:
>
> a. the operator's ability to maintain the required fare to operating cost ratio;
>
> b. the estimated number of passengers carried per service hour for proposed service shall be in the range of other similar services provided; and

4. The proposed service would not cause claimant to incur expenses in excess of the maximum allocation of TDA funds.

5. The proposed service is projected to reach a 20% fare box recovery within 3 years, 10% in non-urbanized areas providing rural services, 10% in non-urbanized areas serving urbanized areas, and projected to show continuous progress toward meeting the fare box recovery ratio within 3 years.

Regional Transportation Planning Agency (RTPA): An RTPA is responsible for the preparation of all federal and state transportation plans and programs that secure transportation funding for highways, local streets and roads, transit, aviation, rail and bikeway/pedestrian facilities. The Santa Barbara County Association of Governments (SBCAG) is the Regional Transportation Planning Agency in Santa Barbara County.

Revenue Formula Allocation Funds: The 50% of STA funds that are apportioned on the basis of the relative share of passenger fares and local fund revenues collected by the jurisdiction.

Social Services Technical Advisory Council (SSTAC) known as Santa Barbara County Transit Advisory Committee (SBCTAC): A committee appointed by SBCAG made up of representatives from social service providers, the elderly and the disabled. The SBCTAC participates in the annual unmet transit needs process.

SB 325: Another name for the Transportation Development Act.

SB 620: Another name for the State Transit Assistance Fund.

Specialized Transportation Services: Transit that primarily serves older adults, people with disabilities, and others whose mobility needs are not addressed by traditional fixed-route service. Typical services include demand-response, feeder, community bus, and route and point deviation services.

State Transit Assistance Fund (STA Fund): STA funds are generated from the statewide sales tax on motor vehicle fuel (gasoline and diesel). Each year, during the state budget process, the State Legislature designates the amount of money available for STA. STA funds are distributed to the counties for transit funding purposes

Transit Service Claimant: In Santa Barbara County, a jurisdiction filing a claim for contract transit payments pursuant to Article 8, 99400(c). (A claimant filing under Article 4 is considered an operator.)

Transportation Development Act (TDA): The Transportation Development Act (TDA) provides two major sources of funding for public transportation: the Local Transportation Fund (LTF) and the State Transit Assistance fund (STA). These funds are for the development and support of public transportation needs that exist in California and are allocated to areas of each county based on population, taxable sales and transit performance. Some counties, such as Santa Barbara County, have the option of using LTF for local streets and roads projects, if they can show there are no unmet transit needs.

Unallocated Apportionment: SBCAG may allocate to a claimant an amount less than the apportionment for their area. The amount that is not allocated is called an "unallocated apportionment."

Unmet Transit Need: Each RTPA adopts is own definition of "unmet transit need." The SBCAG Board adopted the following definition on January 19, 2006:

> An unmet transit need is the expressed or identified need of the community for additional public transportation services to meet existing basic mobility needs, which are not currently being met through the existing system of public transit services or private transportation services. Included, at a minimum, are those public transportation or specialized services which are identified in the Regional Transportation Plan, short-range transit plan, and/or transit development plan that have not been implemented or funded.
>
> If an expressed or identified need is determined by SBCAG to be an operational issue, it shall not be considered to be an unmet transit need. Requests that do not require an identifiable additional increment of service will generally be considered operational. Issues such as, but not limited to, the adequacy of location of bus stops, minor route improvements, marketing, and service reliability will generally be considered operational.
>
> The identified needs must be for the system of general public transit services. All eligible users of a given service should have equivalent access or opportunity to use the service.

Unmet Transit Needs Process: An annual process conducted by SBCAG to hear about unmet transit needs from the community and determine if there are no unmet transit needs that are reasonable to meet, or there are unmet needs, including needs that are reasonable to meet.

Urbanized Area: An urbanized area refers to the urbanized area boundaries as reported in the latest federal census. An urbanized area has a population of 50,000 or more.

Appendix C. SBCAG Resolutions

RESOLUTION OF THE SANTA BARBARA
COUNTY-CITIES AREA PLANNING COUNCIL

Revision of Policies for the Allocation of Transportation Development Act (TDA) Funds for Paratransit	)	RESOLUTION NO. 90-1

WHEREAS, there is a demonstrated and continuing need for the provision of public door-to-door transit service for elderly and handicapped individuals (paratransit) in Santa Barbara County; and

WHEREAS, in its role as the Regional Transportation Planning Agency, the Area Planning Council is responsible for the allocation of Transportation Development Act funds; and

WHEREAS, the need for paratransit services requires special consideration in allocating Transportation Development Act funds;

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT the Santa Barbara County-Cities Area Planning Council adopt the policy shown in Exhibit A as the regional policy for allocation of Transportation Development Act funds for Paratransit.

Passed and adopted this 15th day of February, 1990 by the following vote:

AYES: Supervisors Rogers and Owens; Councilmembers Loney, Miller, Hays, and Lawrence.

NOES: None

ABSENT: Supervisors Ochoa, Wallace, and Miyoshi; Councilmembers Hobbs and Sanchez.

ATTEST:

G. R. Lorden
Executive Director

David F. T. Lawrence
Chairman, Santa Barbara County-Cities Area Planning Council

EXHIBIT A

POLICY ON TRANSPORTATION
DEVELOPMENT ACT FUNDING FOR
PARATRANSIT

It shall be the policy of the Santa Barbara County-Cities Area Planning Council that an amount equal to at least 5% of Local Transportation Funds allocated for public transit purposes be made available for the provision of demand-responsive transit service for elderly and handicapped individuals.

The policy shall be implemented as described below.

A. For claimants in transit service areas without a designated Consolidated Transportation Service Agency (CTSA).

The claimant shall be required to certify in the TDA claim that not less than 5% of the amount claimed under Article 4 will be expended for demand-response service for the elderly and handicapped.

B. For CTSA claimants under Article 4.5

1. Up to 5% of the population based allocation for the CTSA's service area shall be available for allocation under Article 4.5. This allocation is subject to the condition that no more than 50% of the CTSA's operating budget for the year come from Local Transportation Funds.

2. The claimant shall, prior to the beginning of the program year, submit a claim which includes an operations plan and budget. This document will describe existing and proposed service, and report on progress of coordination and consolidation objectives.

3. Like Article 4 claimants, the Article 4.5 claimant shall conform to TDA audit requirements set forth in PUC sections 99245-99248. The annual fiscal audit shall include documentation on all funding sources for verification of the 50% LTF funding threshold. The tri-ennial performance audit shall establish service standards for total rides, number of unduplicated clients served, cost/passenger, cost/vehicle hour and other areas as deemed appropriate. Standards will be used as evaluation guides and to assist the claimant in operational planning.

4. The claimant shall be subject to fare ratio requirements set forth in PUC Section 99268.5.

5. At the time of claim submittal, the claimant shall submit an agreement to indemnify and hold harmless the Area Planning Council from any claims, judgments or liabilities against the claimant shall submit proof of insurance coverage with limits of general liability to be specified.

A RESOLUTION OF THE SANTA BARBARA
COUNTY ASSOCIATION OF GOVERNMENTS

APPLICATION OF FAREBOX RECOVERY RATIO STANDARDS TO TRANSIT OPERATIONS IN SANTA BARBARA COUNTY	))))	RESOLUTION NO. 10-35

WHEREAS, the Santa Barbara County Association of Governments (SBCAG) has been designated as the Regional Transportation Planning Agency for Santa Barbara County; and

WHEREAS, California Code of Regulations (CCR) Section 6633.5(b) states that, for a claimant that provides both services to elderly and handicapped persons, and services to the general public, either 1) its services to elderly and handicapped persons shall meet the fare ratio specified in 6633.5(a), or 2) its services combined shall meet the fare ratio specified in Section 6633.2(a); and

WHEREAS, California Public Utilities Code (PUC) Section 99275.5(c) states that, prior to approving a claim filed under Article 4.5, the RTPA shall find that the claimant is in compliance either with the applicable fare and local support ratio, or with the performance criteria, local match requirement, or fare recovery ratio adopted by resolution of the RTPA for any or all types of community transit services; and

WHEREAS, PUC Section 99270.1 states that, if an operator serves urbanized and non-urbanized areas in the jurisdiction of an RTPA, the RTPA shall adopt rules and regulations to determine the operator's required farebox ratio; and

WHEREAS, PUC Section 99270.2 states that, if an operator serves an area that is first designated as an urbanized area in the federal census of 1980 or later, the RTPA may grant the operator not more than five years from July 1 of the year following the year of the census to meet the farebox recovery ratio required of an operator serving an urbanized area; and

WHEREAS, PUC Section 99268.8 states that the required farebox recovery ratios of Article 4 shall not apply to an "extension of public transportation services" until two years after the end of the fiscal year in which the extension of services was put into operation;

NOW, THEREFORE, BE IT RESOLVED that the Santa Barbara County Association of Governments adopt the policy shown in Exhibit A as the policy on the application of farebox recovery ratio standards to transit operations in Santa Barbara County.

PASSED AND ADOPTED this 16th day of December 2010 by the following vote:

AYES: SUPERVISORS WOLF, FARR, GRAY, MAYORS LAVAGNINO, ALVAREZ, LINN, SCHNEIDER, RICHARDSON, COUNCILMEMBERS ACEVES, ARMENDARIZ, HICKS AND CHAIR CARBAJAL

NOES:

ABSENT: SUPERVISOR CENTENO

ABSTAIN:

ATTEST:

Jim Kemp
Executive Director

Salud Carbajal, Chair
Santa Barbara County
Association of Governments

APPROVED AS TO FORM:

Steve Underwood
Chief Assistant County Counsel

EXHIBIT A

POLICY ON THE APPLICATION OF FAREBOX RECOVERY RATIO STANDARDS TO TRANSIT OPERATIONS IN SANTA BARBARA COUNTY

Operators of Both Elderly/Handicapped and Regular Public Transportation Services

It shall be the policy of the Santa Barbara County Association of Governments (SBCAG) that an operator which provides both exclusive transportation services for elderly and handicapped persons and regular scheduled public transportation services may be allocated TDA funds if either

- its services to elderly and handicapped persons meet the farebox recovery ratio specified in California Code of Regulations (CCR) Section 6633.5(a):

  > For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent or the ratio that the claimant had for the services in 1978-79, whichever is greater.

  and its services to the general public meet the applicable farebox recovery ratios as specified in the California Public Utilities Code (PUC).

  OR

- its services combined meet the farebox recovery ratio specified in CCR Section 6633.2(a):

  > The ratio of fare revenues to operating cost shall be at least the greater of the following ratios:
  >
  > (1) Twenty percent if the claimant is serving an urbanized area, ten percent if the claimant is serving a non-urbanized area, or an intermediate percentage if determined by the transportation planning agency pursuant to its rules and regulations as adopted pursuant to section 6645. In a newly designated urbanized area, the transportation planning agency or county transportation commission may grant an operator up to 5 years from the July 1 of the year following the year of the census to meet the new farebox requirements.
  >
  > (2) The ratio of fare revenues to operating cost that the claimant had for such services during the 1978-79 fiscal years.

Regardless of which requirement an operator elects to meet, the claimant shall submit, on its claim for TDA funds, information sufficient to calculate both the separate and combined farebox recovery ratios.

Paratransit

CTSA claimants under Article 4.5 shall be subject to the fare ratio requirements set forth in PUC Section 99268.5 as explained in Resolution 90-1 of the Santa Barbara County-Cities Area Planning Council.

Service to Both Urbanized and Non-Urbanized Areas

It shall be the policy of SBCAG that, for operators serving urbanized and non-urbanized areas, the definitions of the California Code of Regulations Sections 6613.1 and 6613.2, which classify each claimant either as serving an urbanized area or as serving a non-urbanized area, apply. These definitions shall be the basis for determining a single farebox recovery ratio for each claimant's services to the general public.

Newly Urbanized Areas

It shall be the policy of SBCAG that if an operator serves an area newly designated as an urbanized area in a federal census, SBCAG shall grant the operator five years from July 1 of the year following the year of the census to meet the farebox ratio required of an operator serving an urbanized area.

Extension of Service

It shall be the policy of SBCAG that if a claimant meets the conditions set forth in PUC Section 99268.8 and CCR Section 6633.8, the fare revenues and operating cost attributable to an extension of public transportation services (as defined in PUC Section 99268.8 and CCR Section 6619.1) may be, but do not have to be, excluded in determining the claimant's compliance with the farebox ratio requirements.

The fare revenues and operating cost attributable to an extension of public transportation services may be excluded for up to three years as described in PUC Section 99268.8 and CCR Section 6633.8.

If excluding an extension of services, the operator must submit a report to SBCAG as described in PUC Section 99268.6 and CCR Section 6633.8.

A RESOLUTION OF THE SANTA BARBARA
COUNTY ASSOCIATION OF GOVERNMENTS

REDUCTION OF FAREBOX RECOVERY RATIO REQUIRED UNDER THE TRANSPORTATION DEVELOPMENT ACT	))))	RESOLUTION NO. 10-36

WHEREAS, the Santa Barbara County Association of Governments (SBCAG) has been designated as the Regional Transportation Planning Agency for Santa Barbara County; and

WHEREAS, Santa Barbara County has a population of less than 500,000; and

WHEREAS, City of Lompoc Transit (COLT) provides fixed route and demand response transit service in the Lompoc Urbanized Area; and

WHEREAS, the CCR Section 6633 states that an operator that began service before July 1, 1974, may qualify for TDA funds under either the farebox recovery ratio requirement or the 50% expenditure limitation; and

WHEREAS, City of Lompoc Transit is required to maintain a farebox recovery ratio of at least 20% for fixed route service and 10% for demand response service, or 20% for systemwide service, to be eligible for TDA funds; and

WHEREAS, City of Lompoc Transit has been receiving TDA funds under the 50% expenditure limitation rather than the farebox recovery ratio requirement; and

WHEREAS, the 2003/04-2005/06 triennial performance audit of City of Lompoc Transit found that COLT's failure to meet the required 20% farebox recovery ratio was mitigated by compliance with the 50% expenditure limitation; and

WHEREAS, Lompoc began general public demand response service in 1976, not before July 1, 1974; and

WHEREAS, the 2006/07-2008/09 triennial performance audit of City of Lompoc Transit found that COLT is not eligible to qualify for TDA funds using the 50% expenditure limitation; and

WHEREAS, COLT has not achieved a 20% farebox recovery ratio since FY 2002/03; and

WHEREAS, the California Code of Regulations (CCR) Section 6645.1 provides that a transportation planning agency may make findings to establish a required farebox recovery ratio of no less than 15% for an operator serving an urbanized area in a county with a population less than 500,000; and

WHEREAS, City of Lompoc Transit and SBCAG staff have discussed the issue; and

WHEREAS, SBCAG has considered the size, density, dispersed employment, among other factors of the Lompoc Urbanized Area in which COLT provides services to the general public in the transportation planning process as shown below:

- The population of the Lompoc Urbanized Area, according to the 2006-2008 American Community Survey, is 51,512.
- The density of the City of Lompoc, according to the 2000 Census, is 3,532.2 people per square mile and 1,170.5 housing units per square mile; and

WHEREAS, SBCAG has considered the proportion of COLT's ridership that is transit dependent, including elderly, handicapped and low-income patrons, as appropriate, in the transportation planning process as shown below:

- The percentage of Lompoc Urbanized Area households with no vehicle available, according to the 2006-2008 American Community Survey, is 5%.
- The percentage of the Lompoc Urbanized Area population age 65 and older, according to the 2006-2008 American Community Survey, is 10%.

- The percentage of the Lompoc Urbanized Area population age 5 and older with a disability, according to the 2005-2007 American Community Survey, is 16.8%.
- The percentage of Lompoc Urbanized Area families with an income below the poverty level, according to the 2006-2008 American Community Survey, is 9.3%.
- The percentage of Lompoc Urbanized Area residents with an income below the poverty level, according to the 2006-2008 American Community Survey, is 13.5%; and

WHEREAS, Lompoc is initiating a Short Range Transit Plan update that will identify cost-saving and revenue-enhancing measures that will likely require additional time to implement;

NOW, THEREFORE, BE IT RESOLVED that the required farebox recovery ratio for the City of Lompoc is hereby changed from 20% to 15% (for fixed route service or systemwide service) for a period of three years (2011/12 – 2013/14), at which time SBCAG and City of Lompoc staff will evaluate the need to continue the reduction; and

BE IT FURTHER RESOLVED that the required farebox recovery ratio for City of Lompoc demand response service will remain at 10%; and

BE IT FURTHER RESOLVED that approval of a reduction in the farebox recovery ratio requirement for City of Lompoc does not set a precedent for such actions by SBCAG.

PASSED AND ADOPTED this 16th day of December 2010 by the following vote:

AYES: SUPERVISORS WOLF, FARR, GRAY, MAYORS LAVAGNINO, ALVAREZ, LINN SCHNEIDER, RICHARDSON, COUNCILMEMBERS ACEVES, ARMENDARIZ, HICKS AND CHAIR CARBAJAL

NOES:

ABSENT: SUPERVISOR CENTENO

ABSTAIN:

ATTEST:

Jim Kemp
Executive Director

Salud Carbajal, Chair
Santa Barbara County
Association of Governments

APPROVED AS TO FORM:

Steve Underwood
Chief Assistant County Counsel

A RESOLUTION OF THE SANTA BARBARA
COUNTY ASSOCIATION OF GOVERNMENTS

EXTENSION TO REDUCTION OF FAREBOX RECOVERY RATIO REQUIRED UNDER THE TRANSPORTATION DEVELOPMENT ACT	)	RESOLUTION NO. 14-01

WHEREAS, the Santa Barbara County Association of Governments (SBCAG) has been designated as the Regional Transportation Planning Agency for Santa Barbara County; and

WHEREAS, Santa Barbara County has a population of less than 500,000; and

WHEREAS, City of Lompoc Transit (COLT) provides fixed route and demand response transit service in the Lompoc Urbanized Area; and

WHEREAS, COLT is required by law to maintain a farebox recovery ratio of at least 20% for fixed route service and 10% for demand response service, or 20% for systemwide service, to be eligible for Transportation Development Act (TDA) funds; and

WHEREAS, COLT has not achieved the required farebox recovery ratio since FY 2002/03; and

WHEREAS, the California Code of Regulations (CCR) Title 21 Section 6645.1 provides that a transportation planning agency may make findings to establish a required farebox recovery ratio of no less than 15% for an operator serving an urbanized area in a county with a population less than 500,000; and

WHEREAS, SBCAG passed and adopted Resolution 10-36 on December 16, 2010, which changed the required farebox recovery ratio for the City of Lompoc from 20% to 15% (for fixed route service or systemwide service) for a period of three years (2011/12 – 2013/14); and

WHEREAS, COLT's triennial performance audit for fiscal years 2009/10-2011/12 indicates that COLT did not achieve the reduced 15% farebox recovery ratio for the audit period; and

WHEREAS, COLT's annual fiscal audit for fiscal year 2011/12 (the portion of the triennial performance audit period to which the reduced 15% farebox ratio applies) indicated that SMAT was in compliance with farebox ratio requirements with the reduced 15% farebox ratio for each year and therefore does not provide a basis for imposing any statutory penalty for non-compliance; and

WHEREAS, SBCAG has considered the size, density, and dispersed employment, among other factors relevant to the Lompoc Urbanized Area in which COLT provides services to the general public in the transportation planning process as shown below:

- The population of the Lompoc Urbanized Area, according to the 2010-2012 American Community Survey, is 51,509.
- The density of the Lompoc urbanized area, according to the 2010-2012 American Community Survey, is 4,813.9 people per square mile and 1,677.0 housing units per square mile; and

WHEREAS, SBCAG has considered the proportion of COLT's ridership that is transit-dependent, including elderly, handicapped and low-income patrons, according to the 2010-2012 American Community Survey, in the transportation planning process as shown below:

- The percentage of Lompoc Urbanized Area households with no vehicle available is 8.3%.
- The percentage of the Lompoc Urbanized Area population age 65 and older is 11.5%.
- The percentage of the Lompoc Urbanized Area population with a disability is 12.7%.

- The percentage of Lompoc Urbanized Area families with an income below the federal poverty level is 13.9%.
- The percentage of Lompoc Urbanized Area residents with an income below the federal poverty level is 18.1%; and

WHEREAS, COLT and SBCAG need more time to develop long-term, systemic solutions to address farebox recovery issues within the COLT transit system.

NOW, THEREFORE, BE IT RESOLVED that pursuant to 21 CCR 6645.1, having considered the size, density and dispersed employment relevant to the Lompoc Urbanized Area in which COLT provides services to the general public, and the proportion of COLT's ridership that is transit-dependent, including elderly, handicapped and low-income patrons, SBCAG now finds that the addition of new transit services and service expansions have increased operating costs and that COLT ridership has declined since FY 2007/08 due to a combination of economic conditions, a COLT fare increase implemented in 2008, and overall slow population growth in the Lompoc Valley; and

BE IT FURTHER RESOLVED that the required farebox recovery ratio of 15% (for fixed route service or systemwide service) for the City of Lompoc is hereby extended for a period of one year (fiscal year 2014/15), at which time SBCAG and City of Lompoc staff will evaluate the need to continue the reduction; and

BE IT FURTHER RESOLVED that the required farebox recovery ratio for City of Lompoc demand response service will remain at 10%; and

Res. No. 14-01, Page 4

BE IT FURTHER RESOLVED that approval of a reduction in the farebox recovery ratio requirement for City of Lompoc does not set a precedent for such actions by SBCAG.

PASSED AND ADOPTED this 16th day of January 2014 by the following vote:

AYES: DIRECTORS CARBAJAL, WOLF, FARR, ADAM, LAVAGNINO, ROMERO, LINN CLARK, RICHARDSON, SCHNEIDER, PATINO, SIERRA AND CHAIR ACEVES

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Jim Kemp
Executive Director

Roger Aceves, Chair
Santa Barbara County
Association of Governments

APPROVED AS TO FORM:

Michael A. Munoz
Deputy County Counsel

A RESOLUTION OF THE SANTA BARBARA
COUNTY ASSOCIATION OF GOVERNMENTS

REDUCTION OF FAREBOX RECOVERY RATIO REQUIRED UNDER THE TRANSPORTATION DEVELOPMENT ACT	)	RESOLUTION 14-02

WHEREAS, the Santa Barbara County Association of Governments (SBCAG) has been designated as the Regional Transportation Planning Agency for Santa Barbara County; and

WHEREAS, Santa Barbara County has a population of less than 500,000; and

WHEREAS, Santa Maria Area Transit (SMAT) provides fixed route and demand response transit service in the Santa Maria Urbanized Area; and

WHEREAS, SMAT is required to maintain a farebox recovery ratio of at least 20% for fixed route service and 10% for demand response service, or 20% for systemwide service, to be eligible for Transportation Development Act (TDA) funds; and

WHEREAS, SMAT's triennial performance audit for fiscal years 2009/10-2011/12 indicates that SMAT has not achieved the required farebox recovery ratio since FY 2008/09; and

WHEREAS, SMAT's annual fiscal audits for the fiscal years 2009/10-2011/12 indicated that SMAT was in compliance with farebox ratio requirements for each year and therefore do not provide a basis for imposing any statutory penalty for non-compliance; and

WHEREAS, the California Code of Regulations (CCR) Title 21 Section 6645.1 provides that a transportation planning agency may make findings to establish a required farebox recovery ratio of no less than 15% for an operator serving an urbanized area in a county with a population less than 500,000; and

WHEREAS, SBCAG has considered the size, density, and dispersed employment, among other factors of the Santa Maria Urbanized Area in which SMAT provides services to the general public in the transportation planning process as shown below:

- The population of the Santa Maria Urbanized Area, according to the 2010-2012 American Community Survey, is 130,447.
- The density of the Santa Maria urbanized area, according to the 2010-2012 American Community Survey, is 4,478.1 people per square mile and 1,367.0 housing units per square mile; and

WHEREAS, SBCAG has considered the proportion of SMAT's ridership that is transit-dependent, including elderly, handicapped and low-income patrons, according to the 2010-2012 American Community Survey in the transportation planning process as shown below:

- The percentage of Santa Maria Urbanized Area households with no vehicle available is 6.6%.
- The percentage of the Santa Maria Urbanized Area population age 65 and older is 11.5%.
- The percentage of the Santa Maria Urbanized Area population with a disability is 12.2%.
- The percentage of Santa Maria Urbanized Area families with an income below the federal poverty level is 14.4%.
- The percentage of Santa Maria Urbanized Area residents with an income below the federal poverty level is 18.0%; and

WHEREAS, SMAT and SBCAG need more time to develop long-term, systemic solutions to address farebox recovery issues within the SMAT transit system.

NOW, THEREFORE, BE IT RESOLVED that pursuant to 21 CCR 6645.1, having considered the size, density and dispersed employment relevant to the Santa Maria Urbanized

Area in which SMAT provides services to the general public, and the proportion of SMAT's ridership that is transit dependent, including elderly, handicapped and low-income patrons, SBCAG now finds that the Santa Maria transit system has undergone extensive service changes over the last few years, largely due to the relocation of primary operations of the central transit hub to the Santa Maria Transit Center and that these service changes led to a decline in ridership and increase in costs ; and

BE IT FURTHER RESOLVED that the required farebox recovery ratio for the City of Santa Maria is hereby reduced from 20% to 15% (for fixed route service or systemwide service) for a period of one year (fiscal year 2014/15), at which time SBCAG and City of Santa Maria staff will evaluate the need to continue the reduction; and

BE IT FURTHER RESOLVED that the required farebox recovery ratio for the City of Santa Maria demand response service will remain at 10%; and

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BE IT FURTHER RESOLVED that approval of a reduction in the farebox recovery ratio requirement for the City of Santa Maria does not set a precedent for such actions by SBCAG.

PASSED AND ADOPTED this 16th day of January 2014 by the following vote:

AYES: DIRECTORS CARBAJAL, WOLF, FARR, ADAM, LAVAGNINO, ROMERO, LINN, CLARK, RICHARDSON, SCHNEIDER, PATINO, SIERRA AND CHAIR ACEVES

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Jim Kemp
Executive Director

Roger Aceves, Chair
Santa Barbara County
Association of Governments

APPROVED AS TO FORM:

Michael A. Munoz
Deputy County Counsel

A RESOLUTION OF THE SANTA BARBARA
COUNTY ASSOCIATION OF GOVERNMENTS

EXTENSION TO REDUCTION OF FAREBOX RECOVERY RATIO REQUIRED UNDER THE TRANSPORTATION DEVELOPMENT ACT	)))))	RESOLUTION NO. 14-34

WHEREAS, the Santa Barbara County Association of Governments (SBCAG) has been designated as the Regional Transportation Planning Agency for Santa Barbara County; and

WHEREAS, Santa Barbara County has a population of less than 500,000; and

WHEREAS, City of Lompoc Transit (COLT) provides fixed route and demand response transit service in the Lompoc Urbanized Area; and

WHEREAS, COLT is required by law to maintain a farebox recovery ratio of at least 20% for fixed route service and 10% for demand response service, or 20% for systemwide service, to be eligible for Transportation Development Act (TDA) funds; and

WHEREAS, COLT has not achieved the statutorily required farebox recovery ratio since FY 2002/03; and

WHEREAS, the Title 21 California Code of Regulations (CCR) Section 6645.1 provides that a transportation planning agency may make findings to establish a required farebox recovery ratio of no less than 15% for an operator serving an urbanized area in a county with a population less than 500,000; and

WHEREAS, SBCAG passed and adopted Resolution 10-36 on December 16, 2010, which reduced the required farebox recovery ratio for the City of Lompoc from 20% to 15% (for fixed route service or systemwide service) for a period of three years (2011/12 – 2013/14); and

WHEREAS, SBCAG passed and adopted Resolution 14-01, which extended the reduced required farebox recovery ratio of 15% (for fixed route service or systemwide service) for the City of Lompoc for a period of one year (fiscal year 2014/15); and

WHEREAS, COLT's triennial performance audit for fiscal years 2009/10-2011/12 indicates that COLT did not achieve the reduced 15% farebox recovery ratio for the audit period; and

WHEREAS, COLT's annual fiscal audit for fiscal year 2012/13 (the portion of the triennial performance audit period to which the reduced 15% farebox ratio applies) indicated that COLT was in compliance with farebox ratio requirements with the reduced 15% farebox ratio for each year and therefore does not provide a basis for imposing any statutory penalty for non-compliance; and

WHEREAS, SBCAG has considered the size, density, and dispersed employment, among other factors relevant to the Lompoc Urbanized Area in which COLT provides services to the general public in the transportation planning process as shown below:

- The population of the Lompoc Urbanized Area, according to the 2010-2012 American Community Survey, is 51,509.
- The density of the Lompoc urbanized area, according to the 2010-2012 American Community Survey, is 4,813.9 people per square mile and 1,677.0 housing units per square mile; and

WHEREAS, SBCAG has considered the proportion of COLT's ridership that is transit-dependent, including elderly, handicapped and low-income patrons, according to the 2010-2012 American Community Survey, in the transportation planning process as shown below:

- The percentage of Lompoc Urbanized Area households with no vehicle available is 8.3%.

- The percentage of the Lompoc Urbanized Area population age 65 and older is 11.5%.
- The percentage of the Lompoc Urbanized Area population with a disability is 12.7%.
- The percentage of Lompoc Urbanized Area families with an income below the federal poverty level is 13.9%.
- The percentage of Lompoc Urbanized Area residents with an income below the federal poverty level is 18.1%; and

WHEREAS, the resident population of the City of Lompoc (41,864 residents) decreases by 5,938 residents to an estimated daytime population of 35,926 residents, according to the 2006-2010 American Community Survey, causing the daytime population for the Lompoc Urbanized Area to fall below the 50,000 population threshold for an urbanized area, and

WHEREAS, a portion of the Lompoc Urbanized Area population resides in group quarters in the Federal Correctional Institution (1,383 inmates) and the U.S. Penitentiary (1,965 inmates), and do not have access to COLT services, and

WHEREAS, COLT and SBCAG need more time to develop long-term, systemic solutions to address farebox recovery issues within the COLT transit system.

NOW, THEREFORE, BE IT RESOLVED that the required farebox recovery ratio of 15% (for fixed route service or systemwide service) for the City of Lompoc is hereby extended for a period of three years (fiscal years 2015/16 through 2017/18), at which time SBCAG and City of Lompoc staff will evaluate the need to continue the reduction; and

BE IT FURTHER RESOLVED that the required farebox recovery ratio for City of Lompoc demand response service will remain at 10%; and

BE IT FURTHER RESOLVED that approval of a reduction in the farebox recovery ratio requirement for City of Lompoc does not set a precedent for such actions by SBCAG.

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BE IT FURTHER RESOLVED that the City of Lompoc shall provide annual reports to SBCAG on progress in meeting the minimum farebox recovery ratio.

PASSED AND ADOPTED this 19th day of February, 2015 by the following vote:

AYES: DIRECTORS CARBAJAL, WOLF, FARR, LAVAGNINO, BENNETT, LIZALDE, LINGL, CLARK, SCHNEIDER, SIERRA AND CHAIR RICHARDSON

NOES: DIRECTOR ADAM

ABSENT:

ABSTAIN:

ATTEST:

Jim Kemp
Executive Director

Jim Richardson, Chair
Santa Barbara County
Association of Governments

APPROVED AS TO FORM:

William M. Dillon
Deputy County Counsel

A RESOLUTION OF THE SANTA BARBARA
COUNTY ASSOCIATION OF GOVERNMENTS

EXTENSION TO REDUCTION OF FAREBOX RECOVERY RATIO REQUIRED UNDER THE TRANSPORTATION DEVELOPMENT ACT	)	RESOLUTION NO. 14-35

WHEREAS, the Santa Barbara County Association of Governments (SBCAG) has been designated as the Regional Transportation Planning Agency for Santa Barbara County; and

WHEREAS, Santa Barbara County has a population of less than 500,000; and

WHEREAS, Santa Maria Area Transit (SMAT) provides fixed route and demand response transit service in the Santa Maria Urbanized Area; and

WHEREAS, SMAT is required to maintain a farebox recovery ratio of at least 20% for fixed route service and 10% for demand response service, or 20% for systemwide service, to be eligible for Transportation Development Act (TDA) funds; and

WHEREAS, SMAT's triennial performance audit for fiscal years 2009/10-2011/12 indicates that SMAT has not achieved the required farebox recovery ratio since FY 2008/09; and

WHEREAS, SMAT's annual fiscal audits for the fiscal years 2009/10-2012/13 indicated that SMAT was in compliance with farebox ratio requirements for each year and therefore do not provide a basis for imposing any statutory penalty for non-compliance; and

WHEREAS, SMAT claimed exemptions for new routes established in 2012 in its FY 2012/13 annual fiscal audit when calculating fiscal year 2012/13 farebox recovery ratio, but these exemptions are only available for two years from the date of new service; and

WHEREAS, SMAT's farebox recovery ratio for FY 2012/13 as calculated by SBCAG staff based on the annual fiscal audit would not meet the minimum farebox recovery ratio of 20% without the new route exemptions; and

WHEREAS, the California Code of Regulations (CCR) Title 21 Section 6645.1 provides that a transportation planning agency may make findings to establish a required farebox recovery ratio of no less than 15% for an operator serving an urbanized area in a county with a population less than 500,000; and

WHEREAS, SBCAG passed and adopted Resolution 14-02, which temporarily reduced the required farebox recovery ratio for the City of Santa Maria from 20% to 15% (for fixed route or systemwide service) for a period of one year (fiscal year 2014/15); and

WHEREAS, SBCAG has considered the size, density, and dispersed employment, among other factors of the Santa Maria Urbanized Area in which SMAT provides services to the general public in the transportation planning process as shown below:

- The population of the Santa Maria Urbanized Area, according to the 2010-2012 American Community Survey, is 130,447.
- The density of the Santa Maria urbanized area, according to the 2010-2012 American Community Survey, is 4,478.1 people per square mile and 1,367.0 housing units per square mile; and

WHEREAS, SBCAG has considered the proportion of SMAT's ridership that is transit-dependent, including elderly, handicapped and low-income patrons, according to the 2010-2012 American Community Survey in the transportation planning process as shown below:

- The percentage of Santa Maria Urbanized Area households with no vehicle available is 6.6%.
- The percentage of the Santa Maria Urbanized Area population age 65 and older is 11.5%.

- The percentage of the Santa Maria Urbanized Area population with a disability is 12.2%.
- The percentage of Santa Maria Urbanized Area families with an income below the federal poverty level is 14.4%.
- The percentage of Santa Maria Urbanized Area residents with an income below the federal poverty level is 18.0%; and

WHEREAS, SMAT and SBCAG need more time to develop long-term, systemic solutions to address farebox recovery issues within the SMAT transit system.

NOW, THEREFORE, BE IT RESOLVED that the reduction in the required farebox recovery ratio for the City of Santa Maria from 20% to 15% (for fixed route service or systemwide service) is hereby extended for a period of one year (fiscal year 2015/16), at which time SBCAG and City of Santa Maria staff will evaluate the need to continue the reduction; and

BE IT FURTHER RESOLVED that the required farebox recovery ratio for the City of Santa Maria demand response service will remain at 10%; and

BE IT FURTHER RESOLVED that approval of a reduction in the farebox recovery ratio

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requirement for the City of Santa Maria does not set a precedent for such actions by SBCAG.

PASSED AND ADOPTED this 15th day of January by the following vote:

AYES: DIRECTORS CARBAJAL, WOLF, FARR, LAVAGNINO, ACEVES, LIZALDE SCHNEIDER, PATINO, SIERRA AND CHAIR RICHARDSON

NOES: DIRECTORS ADAM, CLARK

ABSENT: LINGL

ABSTAIN:

ATTEST:

Jim Kemp
Executive Director

Jim Richardson, Chair
Santa Barbara County
Association of Governments

APPROVED AS TO FORM:

William M. Dillon
Deputy County Counsel