



Metro

Metropolitan Transportation Authority

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PLANNING & PROGRAMMING COMMITTEE

July 14, 2003

FINANCE & BUDGET COMMITTEE

July 15, 2003

SUBJECT: FISCAL YEAR 2005 TRANSIT FUND ALLOCATIONS

ACTION: APPROVE FISCAL YEAR 2005 TRANSIT FUND ALLOCATIONS

RECOMMENDATIONS

- A. Approve methodologies and assumptions, including all changes and adjustments, used for the Fiscal Year (FY) 2005 Transit Fund Allocations, as determined by staff in accordance with federal, state and local requirements, as well as MTA policies and guidelines and prior Board actions, and as identified in Attachments A through J.

- B. Approve \$ 1.1 billion in FY 2005 Transit Fund Allocations, as shown in Attachments A through I, for Los Angeles County jurisdictions, transit operators, and Metro Operations. These allocations include the following:
 - 1. \$ 496.3 million in Transportation Development Act (TDA), TDA interest, State Transportation Assistance (STA), STA Interest and Proposition A 40% Discretionary fund allocations, as shown in Attachment A;
 - 2. \$ 28.9 million in Proposition C 40% Discretionary fund allocations for the Bus Service Improvement Program (BSIP), Foothill Mitigation Program, the Transit Service Expansion (TSE) Program and the Base Restructuring Program, as shown in Attachment B;
 - 3. \$12.6 million in Proposition A and Proposition C Interest fund allocations, as shown in Attachment C;
 - 4. \$ 16.4 million in Proposition C 40% Discretionary fund allocations for the Municipal Operator Service Improvement Program (MOSIP), as shown in Attachment D;
 - 5. \$ 15.9 million in TDA Article 8 fund allocations, as shown in Attachment E;
 - 6. \$ 264.5 million in Proposition A and Proposition C Local Return and TDA Article 3 fund allocations, as shown in Attachment F;

7. \$ 11.3 million in Proposition A Incentive Program fund allocations, as shown in Attachment G;
8. \$ 26.3 million in Proposition C 5% Security fund allocations, as shown in Attachment H; and
9. \$ 194.4 million in Federal Transit Act Section 5307 Urban Formula capital fund allocations, as shown in Attachment I.

ISSUE

Each year, transit operating and capital funding consisting of federal, state and local revenues are allocated to Los Angeles County jurisdictions, transit operators, and Metro Operations for programs, projects and services. The MTA Board of Directors needs to approve allocations for FY 2005 before funds may be disbursed.

POLICY IMPLICATIONS

The MTA, as the Regional Transportation Planning Entity for Los Angeles County, is responsible for planning, programming and allocating transportation funding to Los Angeles County jurisdictions, transit operators, and Metro Operations. Once the MTA Board of Directors approves funding allocations, Los Angeles County programs, projects and services may be implemented, operated and continued, with funding made available for disbursement immediately thereafter.

OPTIONS

No alternatives were considered as federal, state and local requirements, as well as MTA policies and guidelines and prior Board actions, require the MTA to annually allocate funding to Los Angeles County jurisdictions, transit operators, and Metro Operations for programs, projects and services. Allocation methodologies and assumptions comply with federal, state and local requirements, as well as MTA policies and guidelines and prior Board actions.

FINANCIAL IMPACT

A total of \$ 1.1 billion in federal, state and local transportation funding is recommended for approval. FY 2005 Transit Fund Allocations are based on revenue estimates developed for the Board-adopted FY 2005 MTA Budget.

BACKGROUND

The recommended FY 2005 Transit Fund Allocations were developed in accordance with federal, state and local requirements, as well as MTA policies and guidelines and prior Board actions. Staff has reviewed the recommended allocations with Los Angeles County jurisdictions, transit operators, and Metro Operations through the Technical Advisory Committee (TAC), the Bus Operators Subcommittee (BOS) and the Local Transit Systems Subcommittee (LTSS). Staff

also has reviewed the methodologies and assumptions used for the recommended allocations with the TAC, the BOS and the LTSS. The TAC, the BOS and the LTSS all formally adopted the recommended allocations in May 2004.

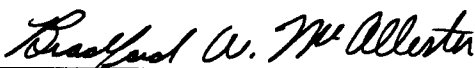
NEXT STEPS


After the MTA Board of Directors approves the recommended allocations, staff will work with Los Angeles County jurisdictions, transit operators, and Metro Operations to ensure the proper disbursement of funds in a timely manner.

ATTACHMENTS

- A. FY 2005 Los Angeles County Funding Estimates, FY 2005 Bus Transit Funding Percentage Shares, FY 2004 Included and Eligible Operators Estimated Funding Levels
- B. FY 2005 Summary of Transit Subsidies
- C. FY 2005 Prop A and Prop C Interest
- D. FY 2005 Proposition C 40% Discretionary Municipal Operator Transit Service Improvement Program
- E. FY 2005 TDA Article 8 Apportionments
- F. FY 2005 Allocations of Proposition A and Proposition C Local Return and TDA Article 3
- G. FY 2005 Proposition A 40% Discretionary Incentive Program
- H. FY 2005 Transit Security Funding Allocations
- I. FY 2005 Capital Allocation Procedure, FY 2005 Projects – 15% Discretionary and 1% TEA, Section 5307 Allocations
- J. Summary of Methodologies and Assumptions Used for the FY 2005 Transit Fund Allocations

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LOS ANGELES COUNTY FUNDING ESTIMATES
FISCAL YEAR 2005

FUNDING PROGRAM				FY2005
TDA				
	Estimated Gross Receipts			302,446,439
	carryover			2,214,145
	(-) Net Revenues			304,660,584
	Administration			6,000,000
Article 3	Pedestrian & Bike	2.00%		5,973,212
Article 4	Bus Transit	92.66%		276,738,897
	Bus Transit carryover			-
	Interest on Article 4			3,000,000
		Subtotal:		279,738,897
Article 8	Transit/S & H	5.34%		15,948,475
PROPOSITION A				
	Estimated Gross Receipts			594,955,167
	carryover			594,955,167
	(-) Net Revenues			594,955,167
	Administration	5%		29,747,758
	Local Return	25%		141,301,852
	Rail Development	35%		197,822,593
	Discretionary	40%		214,778,815
	Transit	95% of 40%		181,346,107
	- Prop A capped at CPI			33,432,708
	- Prop A growth over CPI			11,304,148
	Incentive	5% of 40%		11,304,148
PROPOSITION C				
	Estimated Gross Receipts			594,928,486
	carryover			594,928,486
	(-) Net Revenues			594,928,486
	Administration	1.5%		8,923,927
	Rail/Bus Security	5%		29,300,228
	Commuter Rail	10%		58,600,456
	Local Return	20%		117,200,912
	Freeways/Highways	25%		146,501,140
	Discretionary	40%		234,401,823
STA				
	Estimated Gross Receipts			29,484,948
	Reserves/carryover			-
	(-) Net Revenues			29,484,948
	Bus Operators	PUC 99314 Rev Base Share		15,285,439
		carryover		-
		Interest		500,000
		Subtotal:		15,785,439
Rail	PUC 99313 Population Share			14,199,509
Total Funds Available				1,527,529,185

NOTE: Proposition A, Proposition C and TDA /STA Tax Revenues are based on assumptions prepared by MTA's Budget. The revenue estimates include FY 2003 carryover/deficit and FY 2004 revised revenue mid year adjustments.

**MTA
FY05 INCLUDED & ELIGIBLE OPERATORS ESTIMATED FUNDING LEVELS**

	TDA & STA % Shares	TDA Article 4 plus interest	Rev Base Share plus interest	STA % Shares	Proposition A Discretionary	Proposition A Discretionary	Proposition A Discretionary	Total Formula Funds
Included Operators								
Arcadia	0.119796%	\$ 335,115	\$ 18,910	0.119796%	\$ 217,245	\$	217,245	\$ 571,270
Claremont	0.040546%	113,424	6,400	0.040546%	73,529		73,529	193,353
Commerce [2]	0.084905%	237,512	13,403	0.084905%	153,972		153,972	404,886
Culver City	1.414740%	3,957,577	223,323	1.414740%	2,565,575		2,565,575	6,746,475
Foothill	7.347940%	20,555,046	1,159,905	7.347940%	13,325,203		13,325,203	35,040,153
Gardena	1.719726%	4,810,744	271,466	1.719726%	3,118,657		3,118,657	8,200,867
La Mirada	0.066601%	186,308	10,513	0.066601%	120,778		120,778	317,600
Long Beach	6.170844%	17,262,252	974,095	6.170844%	11,190,586		11,190,586	29,426,932
Montebello	2.590088%	7,245,484	408,857	2.590088%	4,697,024		4,697,024	12,351,365
MTA Bus & Rail Ops. [4]	72.327077%	202,326,967	11,417,147	72.327077%	131,162,338		131,162,338	344,906,453
Norwalk	0.720880%	2,016,581	113,794	0.720880%	1,307,287		1,307,287	3,437,662
Redondo Beach	0.022709%	63,525	3,585	0.022709%	41,181		41,181	108,290
Santa Monica	5.875694%	16,436,600	927,504	5.875694%	10,655,342		10,655,342	28,019,446
Torrance	1.498455%	4,191,763	236,538	1.498455%	2,717,391		2,717,391	7,145,691
Sub-Total		279,738,897	15,785,439		181,346,107		181,346,107	476,870,444
Eligible Operators - Formula Equivalent Funds								
Antelope Valley	1.247028%	-	196,849	1.247028%	2,261,436		2,261,436	2,458,285 (3b)
Santa Clarita	1.663937%	-	262,660	1.663937%	3,017,485		3,017,485	3,280,145 (3b)
City of LA DOT	1.841591%	5,151,648	290,703	1.841591%	3,339,654		3,339,654	8,782,005 (3b)
Foothill - BSCP	1.036663%	2,899,951	163,642	1.036663%	1,879,949		1,879,949	4,943,541 (3b)
Sub-Total		8,051,598	913,854		10,498,525		10,498,525	19,463,977
Total FAP		\$ 287,790,495	\$ 16,699,293		\$ 191,844,632		\$ 191,844,632	\$ 496,334,421
FUNDING SOURCE								
Prop. A - Discretionary (95% of 40%) capped at CPI		\$ -	\$ -		\$ 181,346,107		\$ 181,346,107	\$ 181,346,107
Prop. A - Discretionary - available growth over CPI		-	-		33,432,708		33,432,708	33,432,708
Total Prop. A - Discretionary (95% of 40%)		-	-		214,778,815		214,778,815	214,778,815
Proposition A - growth over cpi allocation		-	-		-		-	19,463,977
TDA - Article 4		-	-		-		-	279,738,897
STA - PUC 99314		-	-		-		-	15,785,439
Total Funds Allocated		\$ 287,790,495	\$ 16,699,293		\$ 214,778,815		\$ 214,778,815	\$ 496,334,420

[1] FY05 Prop. A Discretionary funds, (95% of 40%) allocated to Included Operators have been capped at 2.73% CPI for FAP allocation.

[2] To compensate for Commerce having zero passenger revenue, MTA multiplies each of Commerce's funding estimates by two.

(Source of additional funds is Prop. A interest).

[3] [a] Funding source is Prop. A Incentive funds (5% of 40%) ; [b] funding source is Prop A Discretionary (95% of 40%) above CPI of 2.73%

[4] MTA's STA allocation will be exchanged with an equal amount of Santa Monica's Section 5307 funds.

FY 2005 BUS TRANSIT FUNDING PERCENTAGE SHARES

	Vehicle		Passenger Revenue	Base Fare	Fare Units	50% VSM	50% Fare Units	Sum		FAP Shares (No DAR Cap)	FAP Share (with DAR cap)	Proposition A Base Share
	Service Miles (VSM)							50% VSM + 50% Fare Units	50% Fare Units			
TDA ARTICLE 4, STA, and PROPOSITION A												
Included Operators												
Arcadia	273,400	90,600	1.00	90,600	136,700	45,300	182,000	0.119796%	0.119796%	0.119796%	0.119796%	0.119796%
Claremont	92,000	39,000	1.25	31,200	46,000	15,600	61,600	0.040546%	0.040546%	0.040546%	0.040546%	0.040546%
Commerce	257,984	-	-	-	128,992	-	128,992	0.084905%	0.084905%	0.084905%	0.084905%	0.084905%
Culver City	1,380,769	2,188,445	0.75	2,917,927	690,385	1,458,963	2,149,348	1.414740%	1.414740%	1.414740%	1.414740%	1.414740%
Foothill	10,168,000	11,794,000	0.97	12,158,763	5,084,000	6,079,381	11,163,381	7.347940%	7.347940%	7.347940%	7.347940%	7.347940%
Gardena	1,458,600	1,883,400	0.50	3,766,800	729,300	1,883,400	2,612,700	1.719726%	1.719726%	1.719726%	1.719726%	1.719726%
La Mirada	145,895	56,472	1.00	56,472	72,948	28,236	101,184	0.066601%	0.066601%	0.066601%	0.066601%	0.066601%
Long Beach	6,579,435	10,953,644	0.90	12,170,716	3,289,718	6,085,358	9,375,075	6.170844%	6.170844%	6.170844%	6.170844%	6.170844%
Montebello	2,330,000	4,986,000	0.90	5,540,000	1,165,000	2,770,000	3,935,000	2.590088%	2.590088%	2.590088%	2.590088%	2.590088%
Norwalk	872,081	790,990	0.60	1,318,317	436,041	659,158	1,095,199	0.720880%	0.720880%	0.720880%	0.720880%	0.720880%
Redondo Beach	55,000	14,000	1.00	14,000	27,500	7,000	34,500	0.022709%	0.022709%	0.022709%	0.022709%	0.022709%
Santa Monica	4,932,000	9,691,000	0.75	12,921,333	2,466,000	6,460,667	8,926,667	5.875694%	5.875694%	5.875694%	5.875694%	5.875694%
MTA Bus Ops *	76,670,000	193,180,000	1.35	143,096,296	38,335,000	71,548,148	109,883,148	72.327077%	72.327077%	72.327077%	72.327077%	72.327077%
Torrance	1,787,600	2,074,100	0.75	2,765,467	893,800	1,382,733	2,276,533	1.498455%	1.498455%	1.498455%	1.498455%	1.498455%
							151,925,327	100.00%	100.00%	100.00%	100.00%	100.00%
PROPOSITION A GROWTH OVER CPI AND/OR PROPOSITION A INCENTIVE FUNDS												
Eligible Operators												
Antelope Valley	1,844,000	2,561,000	1.20	2,134,167	922,000	1,067,083	1,989,083	N/A	N/A	N/A	1.247028%	1.247028%
Santa Clarita	2,754,514	2,553,643	1.00	2,553,643	1,377,257	1,276,822	2,654,079	N/A	N/A	N/A	1.663937%	1.663937%
Foothill - BSCP	1,451,000	1,834,000	0.97	1,890,722	725,500	945,361	1,670,861	N/A	N/A	N/A	1.036663%	1.036663%
LADOT	2,807,711	2,760,466	0.90	3,067,184	1,403,856	1,533,592	2,937,448	N/A	N/A	N/A	1.841591%	1.841591%

*MTA statistics exclude BSIP service+consent decree services
 Calculation of Mitigation of Foothill Transit impact is attached as Table 4-4
 TDA % cap for DAR operators = 0.25% for Arcadia, Claremont, La Mirada, and Redondo Beach
 * Municipal Operators statistics exclude BSIP, TSE, Base Restructuring and MOSIP services.

FY 2005 Summary of Transit Subsidies

	Federal and State FAP Subtotal		Local Formula Allocation Procedure		Formula Equivalent Funds [1a]		Formula Equivalent Funds [1b]		Zero-fare Compensation [2]		Foothill Transit Mitigation		Transit Service Expansion		Discretionary Base Restructuring		Bus System Improvement Plan Overcrowding Relief		TOTAL OPERATING		
	Federal and State FAP Subtotal	STA Plus Interest	Prop A Discretionary	Prop A Discretionary Above CPI	Prop A Discretionary	Prop A Incentive	Prop A Interest	Prop C 40%	Prop C 40%	Prop C 40%	Prop C 40%	Prop C 40%	Prop C 40%	Prop C 40%	Prop C 40%	Prop C 40%	Prop C 40%	Prop A	Prop C		
INCLUDED OPERATORS																					
Arcadia	335,115	18,910	217,245	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,550	1,842	12,661	
Claremont	113,424	6,400	73,529	-	-	-	-	167	-	-	-	-	-	-	-	-	-	-	623	4,285	
Commerce	237,512	13,403	153,972	-	-	-	404,886	7,375	-	189,412	-	-	-	-	-	-	-	-	1,305	8,973	
Culver City	3,957,577	223,323	2,565,575	-	-	-	-	122,882	182,573	-	-	-	-	-	-	-	-	-	21,748	149,519	
Foothill	20,555,046	1,159,905	13,325,203	-	-	-	-	-	252,697	1,516,407	-	-	-	-	-	-	-	-	112,957	776,577	
Gardena	4,810,744	271,466	3,118,657	-	-	-	-	149,372	524,781	-	-	-	-	-	-	-	-	-	26,437	181,752	
La Mirada	186,308	10,513	120,778	-	-	-	-	275	-	-	-	-	-	-	-	-	-	-	1,024	7,039	
Long Beach	17,262,252	974,095	11,190,586	-	-	-	-	535,988	1,732,558	-	-	-	-	-	-	-	-	-	94,862	652,174	
Monterey	7,245,484	408,857	4,697,024	-	-	-	-	224,970	-	865,011	-	-	-	-	-	-	-	-	39,816	273,737	
Norwalk	2,016,581	113,794	1,307,287	-	-	-	-	62,614	-	-	-	-	-	-	-	-	-	-	11,082	76,187	
Redondo Beach	63,525	3,585	41,181	-	-	-	-	94	-	-	-	-	-	-	-	-	-	-	349	2,400	
Santa Monica	16,436,600	927,504	10,655,342	-	-	-	-	510,352	-	-	-	-	-	-	-	-	-	-	90,324	620,980	
Torrance	4,191,763	236,538	2,717,391	-	-	-	-	130,153	614,462	550,407	-	-	-	-	-	-	-	-	23,035	158,366	
Subtotal included	77,411,930	4,368,292	50,183,769	-	-	-	404,886	1,744,242	3,307,071	3,121,236	-	-	-	-	-	-	-	2,607,257	143,148,684	-	
ELIGIBLE OPERATORS [1a,b]																					
	A	B	C	D	E																
Anelope Valley	-	196,849	2,261,436	2,458,285	-	-	-	5,478	286,133	-	-	-	-	-	-	-	-	-	-	7,925	54,482
Santa Clarita	-	262,660	3,017,485	3,280,145	-	-	-	7,310	149,656	-	-	-	-	-	-	-	-	-	-	10,574	72,696
City of Los Angeles	5,151,648	290,703	3,339,654	8,782,005	-	-	-	151,458	2,055,654	-	-	-	-	-	-	-	-	-	-	28,310	194,631
Foothill BSCP	2,899,951	163,642	1,879,949	4,943,541	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,936	109,561
Subtotal Eligible	8,051,598	913,854	10,498,525	19,463,977	-	-	-	164,246	2,491,443	-	-	-	-	-	-	-	-	189,027	22,308,692	-	
OTHER																					
City of Lynwood Trolley	-	-	-	-	-	-	-	-	163,786	-	-	-	-	-	-	-	-	-	-	163,786	-
MTA Bus Ops	202,326,967	11,417,147	131,162,338	-	-	-	-	6,282,196	-	-	-	-	-	-	-	-	-	-	-	1,111,852	7,643,981
TOTAL	\$ 287,790,495	\$ 16,699,293	\$ 191,944,632	\$ 19,463,977	\$ -	\$ -	\$ 404,886	\$ 8,190,683	\$ 5,962,300	\$ 3,121,236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,566,927	\$ 1,600,000	\$ 7,643,981	
																					11,000,000

[1a,b] These funds are allocated by formula for Foothill BSCP service, LADOT Service and to Eligible Operators in lieu of Section 9, TDA, STA and Prop A 40% Discretionary funds. fund sources are (1a) prop A growth over inflation and (1b) incentive funds. The difference between growth over cpi and eligible operators amt will revert to Prop C 40. [2] Allocated as part of FAP to Commerce as compensation for having zero passenger revenues.

ATTACHMENT C

FY 2005

Prop A and Prop C Interest

	% Shares	Interest	
		Prop A	Prop C
Arcadia	0.1150979%	\$ 1,842	\$ 12,661
Claremont	0.0389562%	\$ 623	\$ 4,285
Commerce	0.0815753%	\$ 1,305	\$ 8,973
Culver City	1.3592600%	\$ 21,748	\$ 149,519
Foothill	7.0597870%	\$ 112,957	\$ 776,577
Gardena	1.6522866%	\$ 26,437	\$ 181,752
La Mirada	0.0639890%	\$ 1,024	\$ 7,039
Long Beach	5.9288518%	\$ 94,862	\$ 652,174
Montebello	2.4885168%	\$ 39,816	\$ 273,737
MTA Bus & Rail Ops.	69.4907382%	\$ 1,111,852	\$ 7,643,981
Norwalk	0.6926101%	\$ 11,082	\$ 76,187
Redondo Beach	0.0218180%	\$ 349	\$ 2,400
Santa Monica	5.6452756%	\$ 90,324	\$ 620,980
Torrance	1.4396928%	\$ 23,035	\$ 158,366
Antelope Valley	0.4952881%	\$ 7,925	\$ 54,482
Santa Clarita	0.6608740%	\$ 10,574	\$ 72,696
City of LA DOT	1.7693726%	\$ 28,310	\$ 194,631
Foothill - BSCP	0.9960102%	\$ 15,936	\$ 109,561
Total Funds Allocated	100.00%	\$ 1,600,000	\$ 11,000,000

Note: allocation based on the operators' share of funds relative to all funds allocated.

ATTACHMENT D

FY 2005

Proposition C 40%-Municipal operator transit service improvement program

	% Shares	Percentage	MOSIP FUNDS
		Share	Prop C
Arcadia	0.1197957%	0.3580037%	\$ 58,680
Claremont	0.0405462%	0.1211705%	\$ 19,861
Commerce	0.0849049%	0.2537341%	\$ 41,589
Culver City	1.4147396%	4.2278812%	\$ 692,988
Foothill	7.3479397%	21.9589635%	\$ 3,599,273
Gardena	1.7197264%	5.1393195%	\$ 842,381
La Mirada	0.0666008%	0.1990333%	\$ 32,623
Long Beach	6.1708442%	18.4412704%	\$ 3,022,691
Montebello	2.5900882%	7.7403537%	\$ 1,268,714
Norwalk	0.7208797%	2.1543142%	\$ 353,112
Redondo Beach	0.0227085%	0.0678633%	\$ 11,123
Santa Monica	5.8756936%	17.5592268%	\$ 2,878,116
Torrance	1.4984554%	4.4780618%	\$ 733,995
Antelope Valley	1.2470278%	3.7266824%	\$ 610,837
Santa Clarita	1.6639371%	4.9725959%	\$ 815,053
City of LA DOT	1.8415915%	5.5035073%	\$ 902,075
Foothill - BSCP	1.0366634%	3.0980185%	\$ 507,793
Total Funds Allocated	33.46%	100.00%	\$ 16,390,905

Note: allocation based on the operators FAP share of funds.

ATTACHMENT E

**FY 2005 TDA ARTICLE 8 APPORTIONMENTS
(Transit/Streets & Highways)**

AGENCY	POPULATION (1)	ARTICLE 8 PERCENTAGE	TDA ARTICLE 8 REVENUE
Avalon	3,320	0.62%	\$ 99,380.50
Lancaster	126,100	23.67%	\$ 3,774,663.04
Palmdale	127,200	23.87%	\$ 3,807,590.31
Santa Clarita	162,900	30.57%	\$ 4,876,230.05
LA County Unincorporated	113,270	21.26%	\$ 3,390,611.28
Total	532,790	100.00%	\$ 15,948,475.19

(1) Population estimates are based on State of California Department of Finance census 2003 data-report
The unincorporated number not revised.

FY 2005 ALLOCATIONS OF
PROPOSITIONS A & C LOCAL RETURN, and TDA ARTICLE 3

POPULATION CITY	Population DOF Report <u>2003 data</u>	Population as % of <u>County</u>	Proposition A Local Return <u>Estimate</u>	Proposition C Local Return <u>Estimate</u>	TDA Article 3 <u>Estimate</u>	Carryover for MBA <u>Estimate*</u>
AGOURA HILLS	21,950	0.2200%	310,796	257,785	11,167	
ALHAMBRA	88,900	0.8908%	1,258,758	1,044,060	45,229	
ARCADIA	55,500	0.5561%	785,839	651,804	28,237	
ARTESIA	17,000	0.1703%	240,707	199,652	8,649	
AVALON	3,320	0.0333%	47,009	38,991	5,000	3,311
AZUSA	47,150	0.4725%	667,609	553,739	23,988	
BALDWIN PARK	79,600	0.7976%	1,127,077	934,839	40,498	
BELL	38,250	0.3833%	541,592	449,216	19,460	
BELLFLOWER	76,400	0.7656%	1,081,768	897,257	38,870	
BELL GARDENS	45,750	0.4584%	647,786	537,298	23,276	
BEVERLY HILLS	35,350	0.3542%	500,530	415,158	17,985	
BRADBURY	920	0.0092%	13,027	10,805	5,000	4,532
BURBANK	104,500	1.0472%	1,479,643	1,227,270	53,166	
CALABASAS	21,100	0.2114%	298,760	247,803	10,735	
CARSON	94,800	0.9500%	1,342,298	1,113,351	48,231	
CERRITOS	54,200	0.5431%	767,432	636,536	27,575	
CLAREMONT	36,100	0.3617%	511,149	423,966	18,367	
COMMERCE	13,200	0.1323%	186,902	155,024	6,716	
COMPTON	97,000	0.9720%	1,373,448	1,139,188	49,350	
COVINA	48,700	0.4880%	689,556	571,943	24,777	
CUDAHY	25,450	0.2550%	360,353	298,890	12,948	
CULVER CITY	40,250	0.4033%	569,910	472,704	20,478	
DIAMOND BAR	59,000	0.5912%	835,396	692,908	30,017	
DOWNEY	111,700	1.1193%	1,581,589	1,311,828	56,829	
DUARTE	22,400	0.2245%	317,167	263,070	11,396	
EL MONTE	121,900	1.2215%	1,726,014	1,431,619	62,019	
EL SEGUNDO	16,700	0.1673%	236,460	196,128	8,496	
GARDENA	60,100	0.6022%	850,972	705,827	30,577	
GLENDALE	202,700	2.0312%	2,870,082	2,380,551	103,127	
GLENDORA	51,500	0.5161%	729,202	604,827	26,202	
HAWAIIAN GARDENS	15,600	0.1563%	220,884	183,210	7,937	
HAWTHORNE	87,400	0.8758%	1,237,519	1,026,444	44,466	
HERMOSA BEACH	19,350	0.1939%	273,982	227,250	9,845	
HIDDEN HILLS	2,000	0.0200%	28,319	23,488	5,000	3,982
HUNTINGTON PARK	64,000	0.6413%	906,193	751,629	32,561	
INDUSTRY	800	0.0080%	11,327	9,395	0	(407)
INGLEWOOD	117,000	1.1724%	1,656,634	1,374,072	59,526	
IRVINDALE	1,490	0.0149%	21,097	17,499	5,000	4,242
LA CANADA-FLINTRIDGE	21,200	0.2124%	300,176	248,977	10,786	
LA HABRA HEIGHTS	6,075	0.0609%	86,018	71,346	5,000	1,909
LAKESWOOD	82,300	0.8247%	1,165,307	966,548	41,872	
LA MIRADA	48,900	0.4900%	692,388	574,292	24,879	
LANCASTER	126,100	1.2636%	1,785,483	1,480,945	64,156	
LA PUENTE	42,650	0.4274%	603,892	500,890	21,699	
LA VERNE	32,900	0.3297%	465,840	386,384	16,738	
LAWDALE	32,850	0.3292%	465,132	385,797	16,713	
LOMITA	20,850	0.2089%	295,221	244,867	10,608	
LONG BEACH	481,000	4.8199%	6,810,605	5,648,964	244,717	
LOS ANGELES CITY	3,864,400	38.7235%	54,717,049	45,384,317	2,234,877	
LYNWOOD	72,600	0.7275%	1,027,962	852,629	36,937	
MALIBU	13,300	0.1333%	188,318	156,198	6,767	
MANHATTAN BEACH	36,300	0.3637%	513,981	426,315	18,468	

**FY 2005 ALLOCATIONS OF
PROPOSITIONS A & C LOCAL RETURN, and TDA ARTICLE 3**

POPULATION CITY	Population DOF Report 2003 data	Population as % of County	Proposition A Local Return Estimate	Proposition C Local Return Estimate	TDA Article 3 Estimate	Carryover for MBA Estimate*
MAYWOOD	29,150	0.2921%	412,742	342,344	14,831	
MONROVIA	38,450	0.3853%	544,424	451,565	19,562	
MONTEBELLO	64,700	0.6483%	916,104	759,850	32,917	
MONTEREY PARK	63,400	0.6353%	897,697	744,583	32,256	
NORWALK	108,700	1.0892%	1,539,112	1,276,595	55,303	
PALMDALE	127,200	1.2746%	1,801,058	1,493,863	64,715	
PALOS VERDES ESTATES	13,950	0.1398%	197,522	163,832	7,097	
PARAMOUNT	57,300	0.5742%	811,326	672,943	29,152	
PASADENA	142,200	1.4249%	2,013,447	1,670,026	72,347	
PICO RIVERA	65,900	0.6604%	933,095	773,943	33,528	
POMONA	156,500	1.5682%	2,215,924	1,837,969	79,622	
RANCHO PALOS VERDES	42,800	0.4289%	606,016	502,652	21,775	
REDONDO BEACH	66,500	0.6664%	941,591	780,990	33,833	
ROLLING HILLS	1,940	0.0194%	27,469	22,784	5,000	4,013
ROLLING HILLS ESTATES	8,050	0.0807%	113,982	94,541	5,000	904
ROSEMEAD	56,100	0.5622%	794,335	658,850	28,542	
SAN DIMAS	36,450	0.3653%	516,105	428,076	18,545	
SAN FERNANDO	24,500	0.2455%	346,902	287,733	12,465	
SAN GABRIEL	41,550	0.4164%	588,317	487,972	21,139	
SAN MARINO	13,450	0.1348%	190,442	157,960	6,843	
SANTA CLARITA	162,900	1.6324%	2,306,544	1,913,131	82,878	
SANTA FE SPRINGS	17,100	0.1714%	242,123	200,826	8,700	
SANTA MONICA	89,300	0.8948%	1,264,422	1,048,758	45,433	
SIERRA MADRE	10,950	0.1097%	155,044	128,599	5,571	
SIGNAL HILL	10,300	0.1032%	145,840	120,965	5,240	
SOUTH EL MONTE	21,950	0.2200%	310,796	257,785	11,167	
SOUTH GATE	100,300	1.0051%	1,420,174	1,177,944	51,029	
SOUTH PASADENA	25,250	0.2530%	357,521	296,541	12,846	
TEMPLE CITY	34,700	0.3477%	491,326	407,524	17,654	
TORRANCE	144,400	1.4470%	2,044,597	1,695,864	73,466	
VERNON	95	0.0010%	1,345	1,116	5,000	4,952
WALNUT	31,400	0.3146%	444,601	368,768	15,975	
WEST COVINA	110,500	1.1073%	1,564,598	1,297,735	56,219	
WEST HOLLYWOOD	37,300	0.3738%	528,140	438,059	18,977	
WESTLAKE VILLAGE	8,775	0.0879%	124,248	103,055	5,000	536
WHITTIER	86,400	0.8658%	1,223,360	1,014,700	43,958	
UNINCORP LA COUNTY	1,048,600	10.5076%	14,847,401	12,314,976	1,160,681	
TOTAL	9,979,465		141,301,852	117,200,912	5,973,212	27,974
					6,001,186	Sub-total
					27,974	Carryover
					5,973,212	TOTAL

Population estimates are based on State of California Department of Finance's January 1,2003 population estimate

*A portion of the TDA Article 3 carryover (\$27,974 of \$44,203) is used to create a minimum balance allocation (MBA) for those cities that fall under an allocation of \$5,000.

**City of Industry has opted out of the TDA Article 3 program indefinitely

TDA Article 3 estimates include 85% Local Allocation and 15% Supplemental Allocation to the City of Los Angeles and Los Angeles County

INCENTIVE PROGRAM FY 2005	PROPOSED FY 2005
REVENUES	
Proposition A Disc. Incentive	\$ 11,304,145
TOTAL	\$ 11,304,145
EXPENSES - IN ORDER OF PRIORITY	
SUBREGIONAL PARATRANSIT PROJECTS:	
Antelope Valley, Elderly & Disabled	\$ 294,481
Beverly Hills Taxi & Lift Van	\$ 33,285
Culver City Community Transit and LA County	\$ 85,712
Gardena, Hawthorne and LA County	\$ 134,024
Glendale Paratransit and La Canada Flintridge	\$ 160,982
Huntington Park, South Gate and LA County	\$ 183,126
Inglewood Transit and LA County	\$ 214,806
Los Angeles Taxi & Lift Van, City Ride	\$ 1,625,565
Los Angeles Dial-a-Ride, City Ride	\$ 1,124,257
Monrovia D.A.R. and LA County	\$ 103,730
Palos Verdes PTA D.A.R.	\$ 29,893
Palos Verdes PTA - PV Transit	\$ 270,071
Pasadena Community Transit, San Marino and LA County	\$ 239,214
Pomona Valley TA - E&D (Get About)	\$ 398,574
Pomona Valley TA General Public (VC)	\$ 46,021
Redondo Beach Community Transit and Hermosa Beach	\$ 170,365
Santa Clarita D.A.R.	\$ 549,268
West Covina and L.A. County	\$ 131,911
West Hollywood, City of Los Angeles	\$ 100,152
SUBTOTAL	\$ 5,895,435
TRANSITION FUNDING & SERVICE REPLACEMENT PROJECTS:	
City of L.A. - Bus Service Continuation Project/DASH/Central City Shuttle	\$ -
Santa Clarita - Local Fixed Route	\$ -
Antelope Valley - Local Fixed Route	\$ -
Foothill - Bus Service Continuation Project	\$ -
SUBTOTAL	\$ -
EXPANDED AND/OR NEW SYSTEMS:	
Set aside for new applications for funding (seven new projects)	\$ 700,000
SUBTOTAL	\$ 700,000
VOLUNTARY NTD DATA REPORTING:	
Set aside for local return voluntary NTD reporting:	\$ 3,386,710
SUBTOTAL	\$ 3,386,710
SUBREGIONAL GRANT PROJECTS:	
Avalon Ferry Subsidy	\$ 250,000
Avalon Fixed Route Service (Jitney) [1]	\$ 250,000
Hollywood Bowl Shuttle Service	\$ 522,000
Redondo Beach [2]	\$ 300,000
SUBTOTAL	\$ 1,322,000
TOTAL EXPENDITURES	\$ 11,304,145
FY '05 - TOTAL INCENTIVE PROGRAM REVENUES	\$ 11,304,145
FY '05 - TOTAL INCENTIVE PROGRAM EXPENSES	\$ 11,304,145
SHORT FALL/BALANCE	\$ 0

1. Avalon's subsidy increased by \$250,000 to make up for a shortfall in funding

2. Redondo Beach will receive a two year subsidy of \$300,000 under the 6th priority special demonstration category

Note: The FY 2005 incentive funding allocations prepared in accordance with the revised incentive, guidelines.

FY2005 Transit Security Funding Allocations

				Operator Allocation Decisions		
Operator	FY 2003 Unlinked Passengers	Percent of Total Unlinked Passengers	Total Funding Allocation	Direct Allocation to Muni	Allocation to MTA/Municipal Operator Partnership	Total
Antelope Valley	2,691,000	0.50179811%	\$132,325	132,325	\$0	\$132,325
Arcadia	163,900	0.03056288%	\$8,059	8,059	0	8,059
Claremont	49,000	0.00913716%	\$2,409	2,409	0	2,409
Commerce	811,907	0.15139851%	\$39,924	39,924	0	39,924
Culver City	5,288,494	0.98615990%	\$260,052	260,052	0	260,052
Foothill Transit	17,101,000	3.18887011%	\$840,911	840,911	0	840,911
Gardena	4,826,700	0.90004791%	\$237,344	237,344	0	237,344
LA DOT	9,485,058	1.76870464%	\$466,411	0	\$466,411	466,411
La Mirada	72,806	0.01357633%	\$3,580	3,580	0	3,580
Long Beach	26,424,745	4.92749428%	\$1,299,389	1,299,389	0	1,299,389
Montebello	10,252,000	1.91171840%	\$504,124	504,124	\$ -	504,124
MTA Operations*	429,804,200	80.14676150%	\$21,134,848	0	21,134,848	21,134,848
Norwalk	1,831,768	0.34157478%	\$90,074	90,074	0	90,074
Redondo Beach	30,000	0.00559418%	\$1,475	1,475	0	1,475
Santa Clarita	2,923,672	0.54518509%	\$143,766	0	\$143,766	143,766
Santa Monica	20,043,400	3.73754747%	\$985,598	985,598	0	985,598
Torrance	4,471,800	0.83386874%	\$219,893	219,893	0	219,893
MTA Subtotal:						
Other Operators Subtotal:	106,467,250	19.85323850%	5,235,335	4,625,158	610,177	5,235,335
Totals:	536,271,450	100%	\$26,370,184	\$4,625,158	\$610,177	\$5,235,335

Note: Total funding (\$26,370,184) is 90% of Prop C 5% (\$29,300,228) Transit Security for FY 2005

*MTA operations data includes unlinked passengers for bus and rail .

FY 05 CAPITAL ALLOCATION PROCEDURE

LACMTA

OPERATOR	FORMULA SHARE	85% FORMULA ALLOCATION	1% ENHANCEMENT ALLOCATION	15% DISCRETIONARY ALLOCATION	SUBTOTAL (1)	FY 2004 LEASE PAYMENT (COP)	TOTAL
ANTELOPE VALLEY	1.2232%	\$379,297	\$280,822	\$2,334,107	\$2,974,226		\$2,974,226
ARCADIA	0.1538%	\$256,440			\$256,440		\$256,440
CLAREMONT	0.0482%	\$80,283			\$80,283		\$80,283
COMMERCE	0.2273%	\$378,891			\$378,891		\$378,891
CULVER CITY	1.0804%	\$1,801,006			\$1,801,006		\$1,801,006
FOOTHILL	7.2847%	\$12,143,120		\$2,903,078	\$15,046,198		\$15,046,198
GARDENA	1.2728%	\$2,121,664	\$30,240	\$2,520,000	\$4,671,904		\$4,671,904
LADOT	3.1050%	\$5,175,879			\$5,175,879		\$5,175,879
LA MIRADA	0.0705%	\$117,484	\$25,300	\$152,000	\$294,784		\$294,784
LONG BEACH	5.6391%	\$9,399,994	\$184,749	\$1,400,000	\$10,984,743		\$10,984,743
MONTEBELLO	2.1033%	\$3,506,106			\$3,506,106		\$3,506,106
MTA OPERATIONS	69.7379%	\$116,248,911	\$516,210	\$14,414,153	\$131,179,274		\$131,179,274
NORWALK	0.5528%	\$921,428	\$173,881	\$2,568,000	\$3,663,309		\$3,663,309
REDONDO BEACH	0.0191%	\$31,819	\$336,895	\$1,069,799	\$1,438,513		\$1,438,513
SANTA CLARITA	1.4816%	\$795,823	\$416,163	\$1,467,170	\$2,679,156		\$2,679,156
SANTA MONICA *	4.4733%	\$7,456,750			\$7,456,750		\$7,456,750
TORRANCE	1.5271%	\$2,545,513			\$2,545,513	\$293,000	\$2,838,513
TOTAL		\$163,360,408	\$1,944,260	\$28,828,307	\$194,132,975	\$293,000	\$194,425,975
FY2005 allocation					FY2004 adjustment	FY2005 est	
\$ 163,360,408					\$ 5,407,458	\$ 157,952,950	
\$ 192,198,715					\$ 6,361,715	\$ 198,560,430	
\$ 28,828,307					\$ 984,257	\$ 27,844,050	
\$ 1,944,260					\$ 64,260	\$ 1,880,000	
\$ 30,772,567					\$ 1,018,517	\$ 29,754,050	
\$ 194,425,975					\$ 6,425,975	\$ 188,000,000	

After off-the-top, 85% of dollars.
 After off-the-top, 100% of dollars.
 Discretionary capital allocation
 Discretionary transit enhancement
 Total Discretionary Funds Available
Total federal 5307 funds available

* Santa Monica's Section 5307 funds will be exchanged with an equal amount of MTA's STA funds.

FY 2005 Section 5307
15 % Capital Discretionary Fund

Agency	Project Description	Award \$	Total Award
AVTA	6 Diesel/Hybrid Bus Expansion	\$ 2,334,107	\$ 2,334,107
Norwalk	HQ's Phase 2 Construction	\$ 1,200,000	\$ 2,568,000
	3 Alt Bus replacement	\$ 1,368,000	
Gardena	7 Alt fuel Bus replacement	\$ 2,520,000	\$ 2,520,000
MTA	West LA Facility Construction	\$ 5,840,000	\$ 14,414,153
	South Park Division Facility Construction	\$ 1,189,538	
	Division 1 Expansion	\$ 2,800,000	
	El Monte HQ's Upgrade	\$ 4,584,615	
Long Beach	20 Hybrid/ Electrical Bus replacement	\$ 1,400,000	\$ 1,400,000
La Mirada	Gas Tank Replacement	\$ 152,000	\$ 152,000
Redondo Beach	7 CNG Bus expansion	\$ 1,069,799	\$ 1,069,799
Santa Clarita	4 40 ft fixed rt Bus Expansion	\$ 1,467,170	\$ 1,467,170
	2 Alt fuel Bus Expansion		
Foothill Transit	Admin HQ's Facility Construction	\$ 2,000,000	\$ 2,903,078
	El Monte Phase 2 upgrade	\$ 903,078	
TOTAL		\$ 28,828,307	\$ 28,828,307
TOTAL AVAILABLE			\$ 28,828,307

**FY 2005 Section 5307
1% Transit Enhancement Fund**

Agency	Project Description	Award \$	Total Award
AVTA	Purchase/Installation of Solar Powered Bus Stop Lights	\$ 260,822	\$ 260,822
Norwalk	Pedestrian & Bicycle Improvements	\$ 173,881	\$ 173,881
Gardena	Purchase 84 Trash Receptacles at Bus Stops***	\$ 30,240	\$ 30,240
MTA	Wayfinding and Customer Information Improvements at Major Transfer Centers	\$ 266,210	\$ 516,210
	Union Station Bus Depot Improvements	\$ 250,000	
Long Beach	Enhance Current Bus Stop Shared by Multiple Operators Including Shelters, Benches, Solar Lighting, Signage, Schedule Cassettes, Concrete Work & Landscaping and Installation of Ten Bus Stops	\$ 184,749	\$ 184,749
La Mirada	23 Bus Bench Replacements	\$ 25,300	\$ 25,300
Redondo Beach	Bus Bench & Shelter Replacement	\$ 336,895	\$ 336,895
Santa Clarita	Phase 2 "Bus Stop Amenities Project"	\$ 347,763	\$ 416,163
	Bike Racks on Buses***	\$ 68,400	
Total		\$ 1,944,260	\$ 1,944,260
Total Available			\$ 1,944,260

**Summary of Methodologies and Assumptions Used for
the FY 2005 Transit Fund Allocations**

Attachment A

Allocations of transit subsidy funds (STA, TDA Article 4, and Proposition A 40% Discretionary) were based on the Formula Allocation Procedure (FAP) that was adopted by the MTA Board and legislated through SB 1755 (Calderon – 1996). The FAP as applied involves allocating funding to transit operators based on 50% of operators' vehicle service miles and 50% of operators' fare units. Fare units are defined as operators' passenger revenues divided by operators' base cash fare.

For FY 2005, FAP calculations were made using latest available validated data on vehicle service miles and fares reported from FY 2003. All Los Angeles County transit operators and Metro Operations submitted their Transit Performance Measures data for the FAP calculations. Operators' data and the methodologies used to calculate the allocations are shown on Attachment A-3. The revenue estimates used are consistent with the Board-adopted FY 2005 MTA Budget and are shown on Attachment A-1. Attachment A-2 shows the subsidy amounts allocated to each operator.

Two types of FAP shares were generated – TDA/STA FAP shares and 95% of Proposition A 40% Discretionary (Prop A) shares. Prop A funds were capped at the Consumer Price Index (CPI). All STA and TDA Article 4 funds were allocated to the Included Operators. Growth of Prop A revenues over CPI were allocated to the Eligible Operators. All Prop A funding allocated but not spent are to be added to the Proposition C 40% Discretionary revenues.

Attachment B

As done historically, for FY 2005, the Base Service Restructuring Program, Transit Service Expansion (TSE) Program, Bus Service Improvement Program (BSIP), Metro Bus Consent Decree services and the Municipal Operators Service Improvement Program (MOSIP) funded through regional Proposition C 40 % Discretionary funds were excluded from the FAP. Also for FY 2005, the funding levels for specific Proposition C 40% programs, such as Base Service Restructuring, TSE and BSIP have been increased according to the CPI for FY 2004-2005.

The Base Service Restructuring Program continues for four municipal operators who added service sometime before 1990. These four municipal operators were given additional funding from both Proposition A 40% Discretionary and Proposition C 40% Discretionary.

The TSE Program continues for five municipal operators for expansion or introduction of fixed route bus service in congested corridors. Metro Operations does not participate in this program.

**P&P Committee Item # 10: FY 2005 Transit Fund Allocations Board Report
ATTACHMENT J**

The BSIP also continues to address service improvements on overcrowded non-Metro bus lines used primarily by the transit dependent. Metro Operations and all other Los Angeles County transit operators, except Claremont, La Mirada and Commerce, participate in this program.

The Metro Bus Consent Decree services continue to provide additional Metro bus service and other bus improvements to address the requirements of the Consent Decree, which the MTA executed in 1996.

MOSIP is continued as well and the calculations used are shown in Attachment D.

Attachment C

The FY 2005 MTA Budget identifies \$12.6 million in Proposition A and Proposition C Interest to be allocated to the Los Angeles County transit operators and Metro Operations. Proposition A and Proposition C Interest are allocated according to MTA approved policy and according to FAP calculation methodology.

Attachment D

The FY 2005 MTA Budget identifies \$16.4 million in Proposition C 40% Discretionary funds for the Municipal Operators Service Improvement Program or MOSIP, which was adopted by the MTA Board in April 2001. The program as continued is intended to provide bus service improvements to the transit dependent in Los Angeles County by reducing overcrowding and expanding services. All of the municipal operators participate in this program, and they are allocated funding according to FAP calculation methodology.

Attachment E

For FY 2005, State TDA Article 8 funds are again allocated to areas outside the Metro service area. The amount allocated to each area is based on the proportion of population of these individual areas to the total population of Los Angeles County.

Attachment F

For FY 2005, State TDA Article 3 funds and Proposition A 25% Local Return and Proposition C 20% Local Return funds are allocated again to all Los Angeles County cities and the County of Los Angeles based on population according to state statutes and Proposition A and Proposition C ordinances. Lapsed TDA Article 3 funds (in the amount of \$27,974) have been reallocated to cities receiving less than \$ 5,000. The Street and Freeway Subcommittee and the Technical Advisory Committee have approved this redistribution methodology in prior years.

**P&P Committee Item # 10: FY 2005 Transit Fund Allocations Board Report
ATTACHMENT J**

Attachment G

For FY 2005, five percent (5%) of Proposition A 40% Discretionary funds have been allocated through Board-adopted Incentive Program guidelines. The Incentive Program was originally created in 1985 as a replacement for TDA Article 4.5. TDA Article 4.5 provides state transportation funds to cities for intra-community public transportation services. The Prop A funds provide for more flexible uses than the TDA Article 4.5 funds.

Attachment H

For FY 2005, Proposition C 5% Security funds again have been allocated to Los Angeles County transit operators and Metro Operations for security services. State law requires that each operator's share of funds be based on its share of unlinked boardings to total Los Angeles County unlinked boardings. The unlinked boardings used for allocating these funds are derived from the operator's and Metro's National Transit Database (NTD) reports.

Attachment I

Based on federal revenue estimates for FY 2005, \$194.4 million in Federal Transit Act Section 5307 Urban Formula funds are allocated to Los Angeles County transit operators and Metro Operations. Eighty-five percent (85%) of these funds have been allocated based on a capital allocation formula consisting of total vehicle miles number of vehicles, unlinked boardings, passenger revenue and base fare. The remaining 15% of these capital funds, as well as the 1% reserve for transit enhancements, have been allocated on a discretionary basis with BOS review and concurrence.