



Board Report

File #: 2023-0092, File Type: Program

Agenda Number: 6.

PLANNING AND PROGRAMMING COMMITTEE MARCH 15, 2023

SUBJECT: FUNDING PROGRAMMING FOR FEDERALLY MANDATED PARATRANSIT SERVICES

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATIONS

CONSIDER:

- A. APPROVING the programming of \$246.7 million in federal Surface Transportation Block Grant Program (STBGP) funds for Access Services for Fiscal Years (FY) 2024 through FY 2026, as shown in Attachment A; and

- B. AUTHORIZING the Chief Executive Officer or their designee to negotiate and execute funding agreements between Metro and Access Services.

ISSUE

Access Services provides complementary paratransit service required by the Americans with Disabilities Act (ADA) on behalf of Metro and 44 other fixed route operators in Los Angeles County. Metro supplements the local funds it provides to Access Services with federal funds. However, Metro does not include federal funds for paratransit services in its annual budget. The Board of Directors must approve the programming of STBGP funds in the Federal Transportation Improvement Program (FTIP) so that Access Services can apply for and receive the funds directly from the Federal Transit Administration (FTA). Attachment A identifies the annual amounts of federal STBGP funds recommended for programming for Access Services from FY 2024 to FY 2026.

BACKGROUND

ADA paratransit service is a federally mandated civil right for persons with disabilities who cannot ride public fixed route buses and trains within $\frac{3}{4}$ of a mile of the fixed-route service. Metro's programming of federal funds for ADA paratransit service started in FY 1998 with the transfer of Surface Transportation Program (STP) funds from the Federal Highway Administration (FHWA) to FTA's

Section 5310 Program. Metro has continued this process through four federal reauthorization acts, including the Fixing America's Surface Transportation (FAST) Act signed into law in December 2015. The FAST Act changed the program's name from STP to STBGP.

The Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL), which was signed into law in November 2021, continued to allow the transfer of funds to FTA's Section 5310 Program to support ADA paratransit services. The Metro Board of Directors approved the programming of \$281.5 million of STBGP funds for Access Services for FY 2020 through FY 2023 in September 2018. The recommended programming period of 3 years (FY 2024 through 26) compared to 4 years as last approved by the Board of Directors coincides with the last 3 years for which the IIJA/BIL authorized funding, including for the STBGP. The annual average amount of STBGP funding recommended for programming is about \$10 million more compared to the prior programming action that the Board of Directors approved in 2018.

All federally funded projects, and regionally significant projects regardless of their funding source, in Los Angeles County, must be programmed in the Southern California Association of Governments (SCAG) FTIP. Federal funds, including from the STBGP, are approved by federal transportation agencies for use by project sponsors in Los Angeles County only after their programming in the FTIP and approval by SCAG.

DISCUSSION

The Metro Board of Directors annually adopts a budget for Access Services, including local and federal STBGP funds to meet the projected paratransit needs of Metro and 44 other fixed-route operators in Los Angeles County over the following fiscal year. While local funds are included directly in Metro's annual budget, the Board of Directors separately approves the programming of STBGP funds in the FTIP so that Access Services can apply for and receive the funds directly from the FTA. This programming of federal funds is done on a multi-year basis to better manage the FTIP and federal grant approval processes.

The annual budgeting for Access Services is established based on the recent history of expenditures and paratransit ridership projections provided by Access Services to Metro's Office of Management and Budget for review and approval. Access Services' paratransit demand analysis uses economic factors, historical data, and other variables to forecast ridership. The programming of STBGP funds for FY 2024 to FY 2026 supports addressing the needs identified in recent financial assessments and budget forecasts for Access Services. The recommended actions also help implement Metro's statutory transportation programming responsibilities for Los Angeles County and allow for continued operations of Access Services to provide ADA paratransit services. The recommended actions also support achieving goals set in Metro's planning documents, including the Long Range Transportation Plan (LRTP) and Vision 2028 Strategic Plan.

DETERMINATION OF SAFETY IMPACT

Approval of the recommendation will have a positive impact on the safety of Metro's customers, employees, and the general public. The recommendation supports the provision of paratransit

service required by the ADA to safely transport customers requiring specialized mobility services within the service areas of Metro and 44 other fixed-route operators in Los Angeles County.

FINANCIAL IMPACT

The recommended actions are consistent with Metro's planned use of federal STBGP funds for Access Services over the next three fiscal years. Approving the recommendation will also support Metro's ability to meet ADA requirements and maintain eligibility for federal funding on other project commitments identified in the LRTP and Measure M Expenditure Plan.

As Metro is responsible for including in its annual budget any funds required to provide paratransit services mandated by the ADA that are not met with the programming of STBGP funds, the amount of STBGP funding programmed for Access Services would have an impact on the demand for local funds in future Metro budgets. These other local funds are primarily Proposition C 40%, which can be used for Metro capital and operations.

Impact to Budget

The recommended actions do not have any impact on Metro's FY 2023 Budget.

EQUITY PLATFORM

The programming of federal STBGP funds will allow Access Services to continue provide complementary paratransit service on behalf of Metro and 44 other fixed route operators in Los Angeles County. This service provides persons with disabilities with a more equitable access to opportunity. Beyond supporting compliance with a federal mandate, the recommendation addresses the first three pillars of Metro's Equity Platform by: i) meeting the projected paratransit needs in the region; ii) improving the customer experience; and iii) focusing on delivering service for those who most need it among transit-priority populations in Los Angeles County.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support achieving Goal 3 of Metro's Vision 2028 Strategic Plan to enhance communities and lives through mobility and access to opportunity. It also supports Metro's commitment to making Los Angeles County's transportation system more accessible, inclusive, and responsive to the needs of the diverse communities it serves.

ALTERNATIVES CONSIDERED

Not fully programming STBGP funds for Access Services to provide mandated paratransit service during FY 2024 - FY 2026 would place Metro and the other 44 Los Angeles County fixed-route operators in violation of the ADA. This would impact the ability of Metro and other fixed-route transit operators to receive federal grants.

The Board of Directors may elect to defer all or a part of the recommended programming of federal STBGP funding to Access Services. We do not recommend deferral of the federal funding for Access

Services, as the ADA requires the paratransit service that it provides. If STBGP funds are not programmed, Metro would have to identify other eligible funding to ensure continued paratransit service. There are no additional federal funding sources available to Metro other than the small set-aside for Access Services from the FTA's 5310 Program that is already assumed in its annual budget.

NEXT STEPS

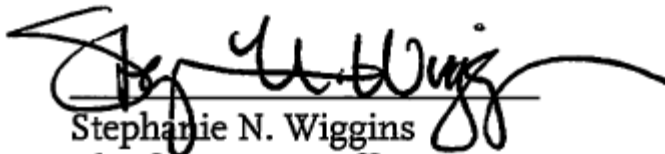
Upon Board approval, Access Services will program the STBGP funds in the FTIP. Metro staff will review the programming of the funds and request the approval of the Southern California Association of Governments, FHWA and FTA.

ATTACHMENTS

Attachment A - Funding Programming for Access Services (FY 2024 - FY 2026)

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Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

Funding Programming for Access Services (FY 2024 - FY 2026)

(\$ in Millions)

Fund Type	FY 2024	FY 2025	FY 2026	Total
STBGP*	\$80.0	\$82.3	\$84.4	\$246.7

* Programmed amounts of Surface Transportation Block Grant Program (STBGP) funds are estimates and may be revised depending upon updated annual need and funding availability, without exceeding the total programmed amounts authorized by the Metro Board of Directors.