



American Public Transportation Association

Grants 101: Making the Decision

February 24, 2019



SFMTA

What goes into the process of making a decision to apply for a transportation-related grant?

Introduction

**What role do the lawyers play
in this important process?**

About the SFMTA

The San Francisco Municipal Transportation Agency is a **department of the City and County of San Francisco**, and **operates the Municipal Railway (Muni)**, the nation's oldest municipally owned transit agency, and **8th largest public transit system**.

1912: Voters establish the Municipal Railway (Muni).

1999: Voters merge Muni and the Department of Parking and Traffic - Proposition E (Sustainable Streets).

2008: Voters authorize the SFMTA to regulate Taxis.



About the SFMTA

Today, the SFMTA manages all ground transportation in San Francisco, including transit, parking and traffic, bicycling and walking. The Agency also regulates taxis.







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BIKE LANE

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PHOTO
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John W. Snow

Secretary of the Treasury

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12 Anna Escobedo Cabral

Treasurer of the United States

ONE DOLLAR

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Treasurer of the United States

WASHINGTON, D.C.

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Grants 101: Making the Decision

“The Color of Money”

- Every dollar is not the same.
- No project is made up of any one source of funds.
- Every transportation agency applying for any grant must put together what is called “a full funding plan.”
- The requirements for each of these sources need to be considered.



Grants 101: Making the Decision

Federal Transit Administration



**Federal Transit
Administration**

Grant funds from the **Federal Transit Administration (FTA)** typically require a minimum **20% local match**.

Street Improvements funded by federal pass-throughs from the State **require a minimum local match of 11.47%**.

In California, FHWA dollars are mostly passed through to local agencies through the California State Department of Transportation (CalTrans).

Over 40 State and local funding sources

San Francisco Transportation Sales Tax

- Proposition K – ½ cent Sales Tax
- Passed by SF Voters in November 2003



PAID FOR
BY YOUR
PROP K
SALES TAX

Caltrans Cap & Trade Programs

- California passed AB32 to reduce greenhouse gases
- Revenue by selling carbon credits



BAAQMD Transportation Fund for Clean Air

- \$4 vehicle surcharge collected by DMV
- 40% by formula, 60% competitive



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT



■ Example: Church and Duboce

■ Funding sources included:

- FTA Section 5309 Fixed Guideway Funds, Prop K Sales Tax EP 22M, State STIP Funds, Federal Transportation Enhancement Funds – ***FOUR SOURCES***

Grants 101: Making the Decision

Central Subway Project



- **History:** 1989 to present (studies, analysis, hearings, opposition, value engineering, new alignment, more review, environmental appeal)
- **Politics:** Community involvement, funding plans, election cycles to recent history
- **Progress/Status:** FFGA 10/11/2012! Now in construction.

Grants 101: Making the Decision Central Subway Project

central  subway



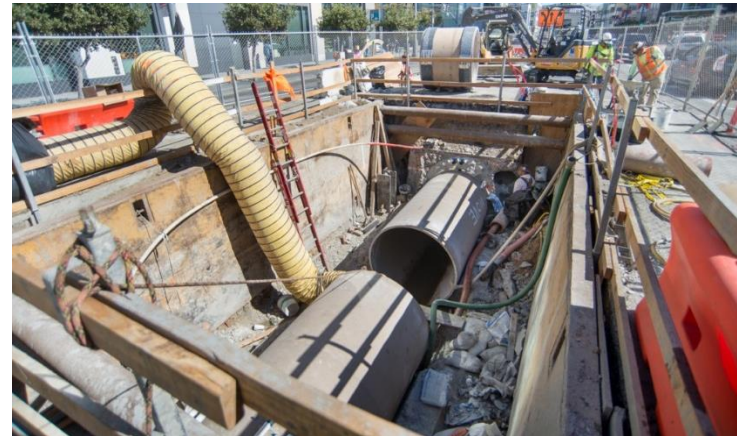
Chinatown Station Construction



Union Square Station Construction



Moscone Station Construction



Surface Work ~ Sewer Replacement @ 4th Street

Grants 101: Making the Decision

Central Subway Project



METROPOLITAN
TRANSPORTATION
COMMISSION

	T Third (Phase 1)	Central Subway (Phase 2)	Total (Phase 1 & 2)	Percentage of Total
Federal	\$123.380	\$983.225	\$1,106.605	49.7%
State	\$160.700	\$471.100	\$631.800	28.4%
Local	\$364.380	\$123.975	\$488.355	21.9%
Total	\$648.460	\$1,578.300	\$2,226.760	100.0%

** Funding listed in millions of dollars*

- Over **65,000 customers per day in overall corridor by 2030**; 43,700 in 2019.
- Serves a transit-dependent population
- Reduces existing surface congestion
- Federal legislation required to use Phase 1 \$\$ as local match for Phase 2



Programming and Grant Development Steps



Grants 101: Making the Decision

Programming and Grant Development Steps

TRANSIT FIXED GUIDEWAY

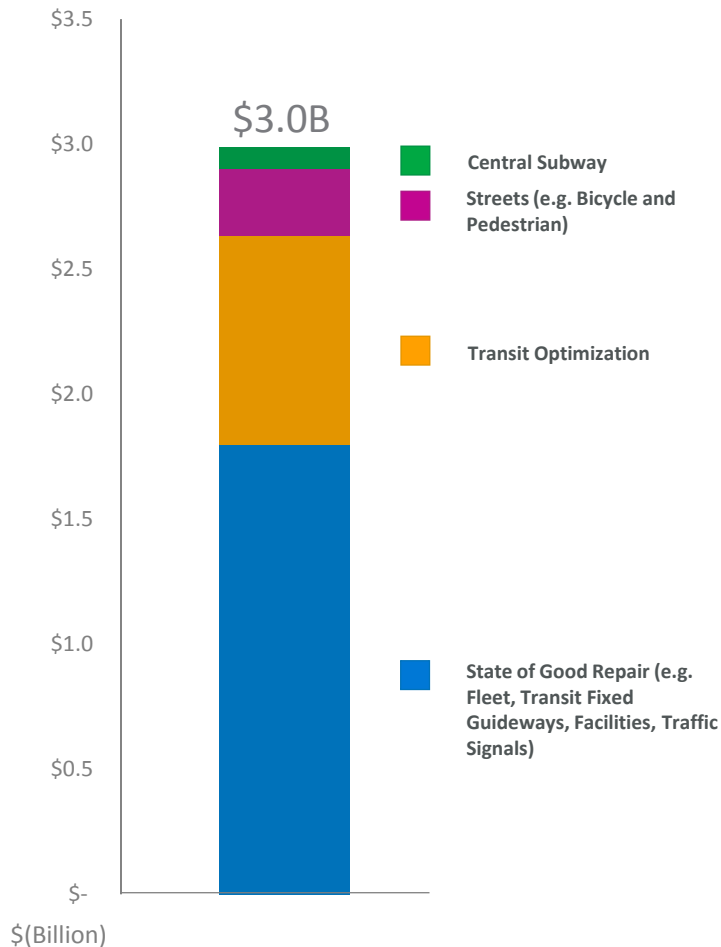
Project	CIP #	Phase	Fund	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	CIP Total
33 Stanyan: Pole Replacement and Overhead Reconstruction Phase II	TF08-CF	CON/PRO	FTA-5337-FG-FY18	\$250,000					\$250,000
33 Stanyan: Pole Replacement and Overhead Reconstruction Phase II	TF08-CF	CON/PRO	MTC-AB664-FY18	\$2,090,000					\$2,090,000
4th & King Interlocking Reconfiguration	TF068	CON/PRO	MTC-AB664-FY18	\$40,000					\$40,000
Advanced Train Control System Final Cut Over	TF01-CF	CON/PRO	FTA-5337-FG-FY18	\$500,000					\$500,000
Advanced Train Control System Final Cut Over	TF01-CF	CON/PRO	MTC-AB664-FY18	\$815,775					\$815,775
Advanced Train Control System Management Center Software Platform Upgrade	TF02-CF	CON/PRO	FTA-5337-FG-FY18	\$500,000					\$500,000
Advanced Train Control System Management Center Software Platform Upgrade	TF02-CF	CON/PRO	MTC-AB664-FY18	\$2,365,721					\$2,365,721
Backup Batteries Replacement for Substation SCADA & Subway Track Switch & Signals	TF113	PE	CalOES-CTSGP(Prop1B)-FY17	\$18,000					\$18,000
Backup Batteries Replacement for Substation SCADA & Subway Track Switch & Signals	TF113	DD	CalOES-CTSGP(Prop1B)-FY17	\$41,000					\$41,000
Backup Batteries Replacement for Substation SCADA & Subway Track Switch & Signals	TF113	CON/PRO	CalOES-CTSGP(Prop1B)-FY17	\$935,000					\$935,000
Backup Batteries Replacement for Substation SCADA & Subway Track Switch & Signals	TF113	CON/PRO	MTC-AB664-FY20		\$994,000				\$994,000

Programming and Grant Development Steps

- Develop a financially constrained **5-Year Program of Projects** for the transportation system
 - Review and project 5-year capital revenue sources
 - Develop a strategic investment/value analysis for project prioritization and funding
- Serve as **an implementation tool** for the SFMTA Strategic Plan and other plans and strategies
- Prevent funding accessibility from being a barrier to project delivery
- **Build credibility** with external funding agencies (e.g., Metropolitan Transportation Commission (MPO) , FTA)
- Work toward a **10% Capital Fund Reserve** allowing for flexibility and revenue uncertainty

Programming and Development Steps

FY2019-2023 CIP



- 266 Projects
- \$3.0 Billion Total Investment

Examples:

- \$85M Central Subway
- \$355M Fixed Guideway Projects
- \$835M Transit Optimization
- Replacement of 151 LRVs plus expansion vehicles
- Full replacement of rubber tire fleet
- Safer streets
- Expanded bicycle network

Grant Development – Discretionary Grants

Process:

Step 1: Survey Partners and Competition

Step 2: Review Project Candidate Lists

Step 3: Finalize Project Selections

Proposed Criteria for Project Selection:

Which projects will help achieve strategic **policy goals**?

Which support **existing commitments** that need a boost?

Which have a clear Project Champion and **Team** in place?



Grant Development – Discretionary Grants

- Making the Case – Can you **tell the important story** about your project and meet the scoring criteria?
- Can you **provide matching** dollars?
- Does your organization have the **experience to implement** using the federal/state/local dollars?



Grant Development – FY18 FTA Bus and Bus Facilities

\$6.7 Million Application

Woods Bus Maintenance Facility Modernization Project

\$3.6 Million

Partial Award

3rd consecutive application

20% Match

107 Awards
\$366 Million Available

Internal Prioritization

Attachments

Pictures, Press Release, SOGR Report, Mayor's Transportation Task Force Report

High: \$11 Million
Median: \$2.5 Million
Low: \$68K

External Outreach

Letters of Support

Minority Leader Pelosi, Rep. Speier, Mayor Breed, MTC, SFCTA

California: \$29.3M
Michigan: \$29.3M
Texas: \$26.0M

Grant Development – FY18 FTA Low or No Emissions

\$12.6 Million Application

Electric Bus Pilot Project

Rejected

2nd consecutive application

30% Match

52 Awards
\$84 Million Available

Internal Prioritization

Attachments

Partner Letters, Fleet Plan,

High: \$2.3M
Median: \$1.5M
Low: \$403K

External Outreach

Letters of Support

Minority Leader Pelosi, SF Supervisors

California received one award for \$2.3M in Arvin, CA

Our lawyers are an important part of **the team**, as they:

- Review the draft **grant agreement** and confirm the requirements.
- Assist with **sub-recipient requirements**.
- Other requirements (e.g. MPO-required resolutions).
- Provide guidance and support throughout the **implementation** process (environmental review, procurement, contract administration).



Thank You.

Timothy Manglicmot

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San Francisco Municipal Transportation Agency

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