

Pomona Valley
Transportation
Authority

A partnership of the cities of Claremont, La Verne, Pomona and San Dimas

2120 Foothill Boulevard ■ Suite 116 ■ La Verne California 91750
phone 909-596-7664 fax 909-596-7399

**AGENDA
ITEM #5**

January 12, 2022

To: Pomona Valley Transportation Authority

From: George L. Sparks, PVRTA Administrator

Subject: *Alliance of Local Transit Operators*

Recommendation: *Receive and File*

Overview of the Alliance of Local Transit Operators

The purpose of this report is to provide the PVRTA board and member cities with background information on the establishment of organization to speak for the interests of local transportation providers like PVRTA. At the beginning of the pandemic PVRTA along with several other local transit providers worked together on formation of a voluntary association of local operators in Los Angeles County, the Alliance of Local Transit Operators (ALTO). The purpose of ALTO is to advocate on behalf of the interests of the 43 local transit operators in the County, as well as sharing information and technical assistance among its members.

Los Angeles County Transit Landscape-Included Operators

Los Angeles County has fifty-nine transit operators. These providers are divided for funding purposes into two categories. The first category is the 17 included operators. These include Metro and 16 other operators, such as, Foothill Transit, Long Beach and Santa Monica. Most of these included operators were operating prior to the advent of the local transit sales taxes, Propositions A and C and Measures R and M. Foothill Transit and the City of Los Angeles Department of Transportation were added to the included operators later by Metro board action because they had taken over lines previously operated by Metro's predecessor.

The included operators are the only transit agencies in the County that qualify for an array of regional funding sources. This funding package is often referred to as the formula allocation program or FAP. Among the funds sources allocated via the FAP and related programs are:

- **Transportation Development Act (TDA) Article 4**
- **State Transit Assistance Fund (STAF)**
- **Proposition A, C and Measure M, R Discretionary formula funds**
- **State SB 1 Funds**
- **Federal FTA 5307 funds, capital, and stimulus funding**

The bulk of these funds are allocated among the include operators by a formula based 50% on fare units, which is a measure of ridership and fare revenue, and vehicle revenue miles. Claremont Dial-a-Ride, which began service in the 1970s, is an included operator. The FAP formula funding is the source of the federal funds Claremont uses to provide vehicles and other capital to PVRTA.

Local Transit Operators

The second category of transit providers are the local operators. There are 43 transit providers in Los Angeles County including PVRTA that are not included operators and, as such, are not eligible to receive the regional formula funds listed above. These providers are referred to as Local Transit Operators. These operators depend almost entirely on city local return revenues to fund their programs. PVRTA, for example, only receives Proposition A Discretionary funding via the Subregional Incentive program from Metro. The only federal funding PVRTA can access is the FTA 5310 program that provides capital and operating funding for services for seniors and disabled individuals.

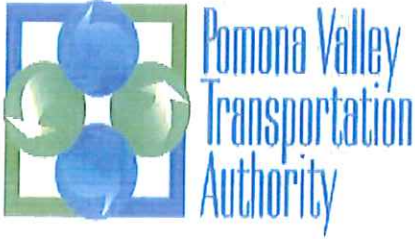
These local operators make up a significant portion of the transit services in the County. Pasadena and Glendale, which have very large programs, are among the local operators. These services provide an estimated eighteen million trips annually at a cost of \$110 million. Additionally, local operators report National Transit Database figures annually to the FTA. This data serves as the basis of the allocation of federal funding to our region. As local programs have grown and become a vital part of the transportation network in their areas, these programs have struggled to secure adequate funding for their services, particularly capital funding for vehicles and service infrastructure. The requirements of the California Air Resources Board for transit fleets to transition to zero emissions will only increase this need.

Formation of the Alliance of Local Transit Operators

The Alliance was formed to advocate more effectively on issues impacting local transit operators. When the COVID pandemic hit, local operators, like all transit services, faced the reduced revenues and increased costs due to required safety measures, such as, PPE and social distancing. When federal relief funding for transit became available, it was only available to FTA 5307 recipients, excluding local operators from eligibility.

In response, a group of local providers came together to lobby for inclusion in Metro's funding allocations. We believe that these advocacy efforts contributed to Metro's decision to include local providers in the allocation of CARES Act, CRRSAA and ARPA funds in Los Angeles County. Metro receives the federal funds and provides the local operators additional Proposition A Incentive or similar funds in lieu of the federal dollars. Copies of the letters requesting relief for local operators are attached to this report. Initially, our lobbying was an informal effort. The first requests were sent on PVRTA letterhead with the logos of supporting cities included. Since then, local agencies have come to recognize the value of working together, not only funding matters but on a spectrum of issues. They decided to create a more formal identity that became the Alliance of Local Transit Operators (ALTO).

PVRTA staff sees a continuing benefit to pursue the mutual interests of local operators via the Alliance in the future. Among the issues the Alliance can speak to is the implementation of the Fareless System Initiative. Another major focus for Alliance members will be to seek funding for the mandated conversion to zero emission fleets. It may be possible for the local operators to work together to secure funding through various sources for ZEB vehicles and infrastructure. The Alliance is also a potential mechanism for the formation of a joint zero emission group to pool resources in order comply with the vehicle purchase timeline of Innovative Clean Transit rule. The Alliance could potentially assist locals in the development of shared fueling infrastructure. The Alliance will also serve as a useful mechanism for the sharing information and technical assistance.



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phone 909-596-7664 fax 909-596-7399

April 6, 2020

Mr. Phillip A. Washington, Chief Executive Officer
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Mail Stop 99-25-1
Los Angeles, CA 90012-2952

Dear Mr. Washington,

On behalf of the local transit operators of Los Angeles County, we urge Metro to include the local transit systems in any financial relief that is provided to transit operators in Los Angeles County that have been impacted by the COVID-19 crisis.

These 43 local public transit systems represent 47 cities, deliver 18 million passenger trips annually, and operate 700 vehicles. These local transit services are provided at a cost of over \$110 million annually, using primarily local return funds generated by their cities. Local transit operators file National Transit Database (NTD) statistics which are used to allocate federal funding.

During the COVID-19 crisis, many local transit systems are providing additional community transit services to provide lifeline assistance to those most at risk from the virus and transportation for essential workers, as well as increasing service frequencies to ensure social distancing on vehicles. Like all transit operators, these local systems are experiencing the financial impact of the outbreak in terms of the loss in fare revenue, additional costs for increased daily vehicle cleaning, personal protective equipment for drivers and other employees, cost to maintain wages for employees that would otherwise be laid off, among other cost impacts. These local systems are funded by regional sales tax measures and regional incentive funds, both of which are anticipated to be severely impacted as a result of COVID-19.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides for \$25 billion for public transit to prevent and respond to the novel coronavirus (COVID-19). Metro will receive \$1.2 billion of CARES Act funding to provide relief to Los Angeles transit agencies. The CARES Act funding is provided to avoid layoffs of transit workers (contract staff and city staff) and to ensure that services can resume as soon as possible to help with the recovery. It is anticipated that

the funding should last several months, with the possibility of an additional allocation in future bills.

Metro must include local transit operators in these COVID-19 financial recovery efforts for Los Angeles County transit systems. To continue the current level of local transit services, the local operators need to be provided with six months of operating costs to help cover the impacts as outlined in the CARES Act and to keep these operations whole. These impacts should be revisited once there is a better projection of the financial impacts to the region. Also, these local systems must be held harmless from any potential reductions in Incentive or other performance-based program funding due to COVID-19 regional economic impacts (the Los Angeles County local transit systems include subregional programs and voluntary NTD reporters that generate additional federal funding for the region).

The local transit systems appreciate the opportunity to work with Metro to equitably ensure continuity of both local and regional transit services in the region in the wake of this COVID-19 crisis.

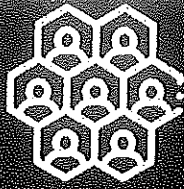
Sincerely,



George Sparks
PVT Administrator in coordination with
Local Transit Systems

CC: Los Angeles County Metropolitan Transportation Authority Board of Directors





ALLIANCE OF LOCAL TRANSIT OPERATORS

City of Agoura Hills
City of Alhambra
City of Artesia
City of Avalon
City of Azusa
City of Baldwin Park
City of Bell Gardens
City of Beverly Hills
City of Burbank
City of Calabasas
City of Carson
City of Cerritos
City of Covina
City of Culver City
City of Downey
City of Duarte
City of El Monte
City of El Segundo
City of Gardena
City of Glendale
City of Glendora
City of Inglewood
City of La Canada Flintridge
City of Lakewood
City of Lawndale
City of Los Angeles
City of Lynwood
City of Manhattan Beach
City of Monrovia
City of Monterey Park
City of Norwalk
City of Paramount
City of Pasadena
City of Pico Rivera
City of Redondo Beach
City of Rosemead
City of San Fernando
City of Santa Clarita
City of Santa Fe Springs
City of Santa Monica
City of South Gate
City of South Pasadena
City of West Covina
City of West Hollywood
City of Whittier
Los Angeles County DPW
Palos Verdes Peninsula
Transit Authority
Pomona Valley
Transportation Authority

May 18, 2021

Mayor Tim Sandoval
City Hall
505 South Garey Ave.
Pomona, CA 91766

Dear Mayor Sandoval,

We are writing to introduce a newly formed association, the Alliance of Local Transit Operators. The Alliance was formed to advocate on behalf of the vital community transportation services provided by these locally funded programs. The alliance is made up of the 43 local public transit systems representing 47 cities. These local services do not receive the regional and federal funding allocated by Metro to Metro's services and the municipal operators. Instead, these programs are funded primarily by cities using their local return funds. These operators deliver 18 million passenger trips annually and operate 700 vehicles. Local transit operators file National Transit Database (NTD) statistics which are used to allocate federal funding.

Like all the transit operators in Los Angeles County, Alliance members experienced the impacts of the COVID-19 crisis. Local transit systems are providing additional community transit services to those most at risk from the virus and transportation for essential workers. These local systems are experiencing the financial impact of the outbreak in terms of the loss in fare revenue, additional costs for increased daily vehicle cleaning, personal protective equipment for drivers and other employees,

Recognizing the impact of the pandemic on local transit systems, Metro allocated funding made available by the CARES Act and CRRSAA to local operators. As the impact of COVID on transit continues the members of the Alliance are hopeful that Metro will continue to support local transit operators in the allocation of funds provided via the American Rescue Plan.

The 43 transit systems represented by the Alliance look forward to partnering with Metro and the municipal operators in improving transportation in Los Angeles County.

Sincerely,

George L. Sparks
PVTA Administrator
For the Alliance of Local Transit Operators