



Board of Directors Information Summary

Agenda Item #8

Date

March 16, 2010

Subject

Local Transportation Assistance Fund (LTAF) Impacts on Transit Life Cycle Program

Summary

The State Legislature has eliminated the Local Transportation Assistance Fund (LTAF) as part of the budget balancing program this year. Both streams of funds from LTAF, known as LTAF I and LTAF II, have been eliminated permanently.

LTAF I was a pool of \$23 million statewide that was distributed to incorporated cities and towns for transportation. Members of RPTA must use a minimum amount, depending on population, on public transportation. LTAF I distributions have ceased beginning February 1, 2010 and therefore 5/12^{ths} of this year's budgeted amount are impacted.

LTAF II was originally based on multi-state lottery game sales and in Maricopa County was specifically for public transportation. The LTAF II distribution for the current fiscal year has been made, so this will impact the next fiscal year and beyond.

Fiscal Impact

The policy issues have no direct fiscal impact as RPTA is not a recipient of either funds. However, some of the service RPTA operates is funded by the cities using LTAF revenues and therefore RPTA's current and future budgets may be impacted.

Considerations

RPTA funds many routes in the cities that are impacted. Some of the cities have asked that they be allowed to modify Public Transportation Fund (PTF) funded routes and shift those savings to locally funded routes to replace lost LTAF revenues. This will allow the cities to make decisions to cut services that make the most sense for that city and its neighbors.

Staff supports this strategy and will work with affected cities. RPTA will offer sub-regional meetings to coordinate changes on multi-jurisdictional routes. RPTA will also hold public hearings on the service changes on behalf of interested jurisdictions and bring the results of the public hearings to the RPTA Board for RPTA operated services.

Due to the immediate impact of the LTAF repeal, Board consideration of the recommendation below is needed to assist city/town budgets.

Committee Action Process

None.

Recommendation

It is recommended that the Board authorize the Executive Director to make changes to TLCP operating projects, as long as the changes:

- Do not result in increased PTF expenditures in a city;
- Are coordinated with city funded service changes; and
- Are coordinated with neighboring cities for routes that cross jurisdictions.

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Attachments

None