



DATE: February 28, 2025
TO: STA Board
FROM: Ron Grassi, Director of Programs
RE: Low Carbon Transit Operations Program (LCTOP) Funding for FY 2024-25

Background:

The Low Carbon Transit Operations Program (LCTOP) is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, intermodal transit facilities, equipment acquisition, fueling, maintenance, and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions. For agencies whose service area includes disadvantaged communities, at least 50 percent of the total money received shall be expended on projects that will benefit disadvantaged communities.

Senate Bill 862 continuously appropriates five percent of the annual auction proceeds in the Greenhouse Gas Reduction Fund (Fund) for LCTOP, beginning in Fiscal Year (FY) 2015-16. This Program is administered by the California Department of Transportation (Caltrans) in coordination with the California Air Resource Board (CARB) and the State Controller Office to ensure that the program's statutory requirements are met in terms of project eligibility, greenhouse gas reduction, disadvantaged community benefit, and other requirements of the law.

Discussion:

On January 15, 2025, the Metropolitan Transportation Commission (MTC) released the initial LCTOP funding estimate for FY 2024-25 (Attachment A). The LCTOP population-based funds for Solano County are estimated at \$1,140,196 and the revenue-based funds are estimated at \$143,931. The revenue-based funds are allocated directly to the transit operators. The STA Board is responsible for recommending the allocation of population-based funds to MTC. LCTOP funds aim to reduce greenhouse gas emissions and support clean transit. Infrastructure and equipment may include, but are not limited to, vehicle chargers, electrical equipment, temporary power generation, temporary bus washers, personal protective equipment (PPE), and scaffolding required to maintain battery electric vehicles.

On January 28, 2024, the Solano Express Intercity Transit Consortium met to discuss the LCTOP population-based allocations (Attachment B) and recommend to the STA Board and MTC the allocations of LCTOP based on agency swaps for TDA funds, a common practice found in Attachment C. MTC needed to know the percent breakdown of the total Countywide amount for each operator by Wednesday, February 19, 2025, along with the following project information:

- Project title
- Brief project description
- Estimated amount of LCTOP population-based funds (an estimated amount of revenue-based funds on the same project, if applicable)
- Is the project within/benefitting a DAC, as defined by LCTOP guidelines?

- Submission of a [complete streets \(CS\) checklist](https://mtc.ca.gov/digital-library/5022906-complete-streets-checklist-guidance-resolution-4493), if applicable. The updated CS Guidance document can be found here <https://mtc.ca.gov/digital-library/5022906-complete-streets-checklist-guidance-resolution-4493>.

The City of Suisun City will swap funds with the City of Dixon, the City of Rio Vista, and Solano County for an estimated \$196,560 of LCTOP population-based funding and approximately \$2,898 in LCTOP revenue-based funds to finance an Electric Bus Purchase for the City of Suisun City Microtransit. The electric bus will replace one of their gas cutaways which was completely damaged in the past year and is now inoperable.

The City of Fairfield will swap funds with the City of Vacaville for an estimated \$562,177 of LCTOP population-based funds and \$47,122 in LCTOP revenue-based funds to Electric Infrastructure Upgrades at the Fairfield Corporate Yard. LCTOP funds will be utilized to purchase and install necessary equipment and infrastructure to operate and maintain zero-emission electric vehicles, including but not limited to chargers, temporary maintenance facilities, facility upgrades, and miscellaneous equipment as needed.

SolTrans intends to utilize \$381,459 in LCTOP population-based funds and \$93,921 in LCTOP revenue-based funds for operating costs that increase ridership. The two programs SolTrans intends to fund are the Free Youth Fares and Expanded Local Service. \$400,000 would fund the Youth Ride Free Pilot Program, and \$75,380 will be applied to expanded local service based on the Comprehensive Operational Analysis (COA), which is currently being developed. SolTrans expects to increase ridership and reduce emissions in Vallejo's DACs.

At its February 25, 2025, meeting, the Solano County Intercity Transit Consortium unanimously approved the recommended action. At its February 26, 2025 meeting, the STA TAC voted unanimously to forward the recommendation to the STA Board for approval.

Fiscal Impact:

Allocating LCTOP population-based funds is STA's responsibility. There is no fiscal impact on the STA's FY 2024-25 STA budget.

Recommendation:

Allocate LCTOP Population-Based Funds as shown in Attachment C.

Attachments:

- A. MTC LCTOP Apportionments for Population-Based Program updated
- B. LCTOP Allocation for FY 2024-25 updated
- C. LCTOP Population-Based and Revenue-Based Allocation for FY 2024-25, including swaps. updated