

RIVERSIDE TRANSIT AGENCY  
1825 Third Street  
Riverside, CA 92507

May 24, 2007

TO: BOARD OF DIRECTORS

THRU: <sup>J</sup> Larry Rubio, Chief Executive Officer

FROM: <sup>SR</sup> Scott Richardson, Director of Marketing

SUBJECT: Resolution Advocating Enhanced State of California Transit Funding

Summary: The California Transit Association (CTA) has created a program called Keep California Moving whose purpose is to oppose the Governor's proposed transit budget cuts and advocate increased transit funding.

The Governor's budget proposes to divert more than \$1.1 billion from the Public Transit Account (PTA) to pay for other General Fund obligations. The PTA, which comes primarily from various gasoline taxes, is the main source of funding for the State Transit Assistance (STA) program and the State Transportation Improvement Program (STIP). This fiscal year, RTA was budgeted to utilize \$1.15 million from STA funds as a local match for federally funded capital projects. Much of CTA's concern regarding the cut in STA funding is because some transit systems utilize STA funds for operations. Under the Riverside County Transportation Commission's (RCTC) direction, RTA uses STA funds only for the local match of capital projects because it doesn't normally qualify for operating use and does not receive STIP funding.

According to CTA, the Governor's proposed budget would potentially cut available STA funds by 70 percent. This loss of funding would have an impact on our capital budget and force the Agency and RCTC to seek other sources for the required local match. The most likely source would be the Local Transportation Fund (LTF) revenues, which are beginning to level off and thus may limit RTA's ability to move forward on several projects such as vehicle purchases. However, the full effect cannot be predicted at this time.

Fiscal Impact:

The draft FY 2007-08 RTA budget assumes \$1.63 million in STA funds as a local match for capital projects pending RCTC approval. If STA funding is reduced, RTA and RCTC will be required to seek alternative

local matching funds with the amount dependent on the STA fund reduction.

Committee Recommendation:

This item was reviewed by the Board Executive Committee at their April 26, 2007, meeting. The Committee members unanimously recommended that the Board consider passing a resolution opposing the budget cuts and supporting increased transit funding (draft resolution is attached), and sending letters to state legislators opposing the cuts.

Recommendation:

Approve the resolution opposing transit funding cuts and supporting increased transit funding, and direct staff to send letters to state legislators opposing the cuts.

**A RESOLUTION SUPPORTING THE MAINTENANCE OF  
PUBLIC TRANSIT FUNDING IN THE 2007-08 STATE BUDGET  
2007-03**

**WHEREAS**, the Riverside Transit Agency is responsible for providing public transit services in Western Riverside County; and

**WHEREAS**, Western Riverside County has grown by over 300,000 people over the past decade, and is projected to grow by an additional 300,000 people over the next 10 years, creating new pressures on the Riverside Transit Agency to provide public transportation services; and

**WHEREAS**, high gas prices continue in California, making vehicle travel more expensive for local residents and creating more demand for transit services; and

**WHEREAS**, ridership on the Riverside Transit Agency's services is projected to grow over the next decade as result of new residents and new jobs in our service area; and

**WHEREAS**, there is a growing need to increase investment in public transit operations to meet the needs of Western Riverside County and

**WHEREAS**, the Governor in January 2007 proposed using \$1.111 billion in revenues in the Public Transportation Account (PTA) to pay for existing State obligations that have been paid for by the State General Fund, which would reduce PTA funds available to transit agencies for capital projects; and

**WHEREAS**, the Riverside Transit Agency could lose up to \$1.63 million for critical capital projects such as transit center development and bus stop improvements including ADA upgrades if PTA funds were reduced; and

**WHEREAS**, the Governor in January 2007 proposed eliminating altogether state "spillover" revenues for transit agencies; and

**WHEREAS**, the California Transit Association is in strong opposition to the Governor's 2007-08 budget proposals for transit funding, and views these proposals as reducing critically needed resources for California transit agencies and services; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIVERSIDE TRANSIT AGENCY** that the Riverside Transit Agency hereby expresses its opposition to the Governor's budget proposals for transit funding, and supports maintaining public transit funding in the 2007-08 State Budget

**RESOLVED FURTHER**, that Riverside Transit Agency CEO Larry Rubio is hereby directed to send to state legislators representing the Riverside Transit Agency's service area a copy of this resolution and a letter urging them to oppose the funding cuts; and

**RESOLVED FURTHER**, that Riverside Transit Agency chief executive officer, Larry Rubio is hereby directed to send a copy of this resolution to the Executive Director of the California Transit Association.

**ADOPTED** this 24<sup>th</sup> day of May 2007.

RIVERSIDE TRANSIT AGENCY

APPROVED AS TO FORM:

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Frank Hall  
Chairman, RTA Board of Directors

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Kennard R. Smart, Jr.  
RTA General Counsel

CERTIFICATION

The undersigned duly qualified Clerk of the Board of Directors of the Riverside Transit Agency certifies that the foregoing is a true and correct copy of a resolution, adopted at a legally convened meeting of said Board of Directors held on May 24, 2007.

ATTEST:

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Maricela Hernandez  
Clerk of the Board