



# Fiscal Year 2026-2027 State Transit Assistance County Block Grant

C/CAG Congestion Management and Environmental Quality Committee  
April 27, 2026



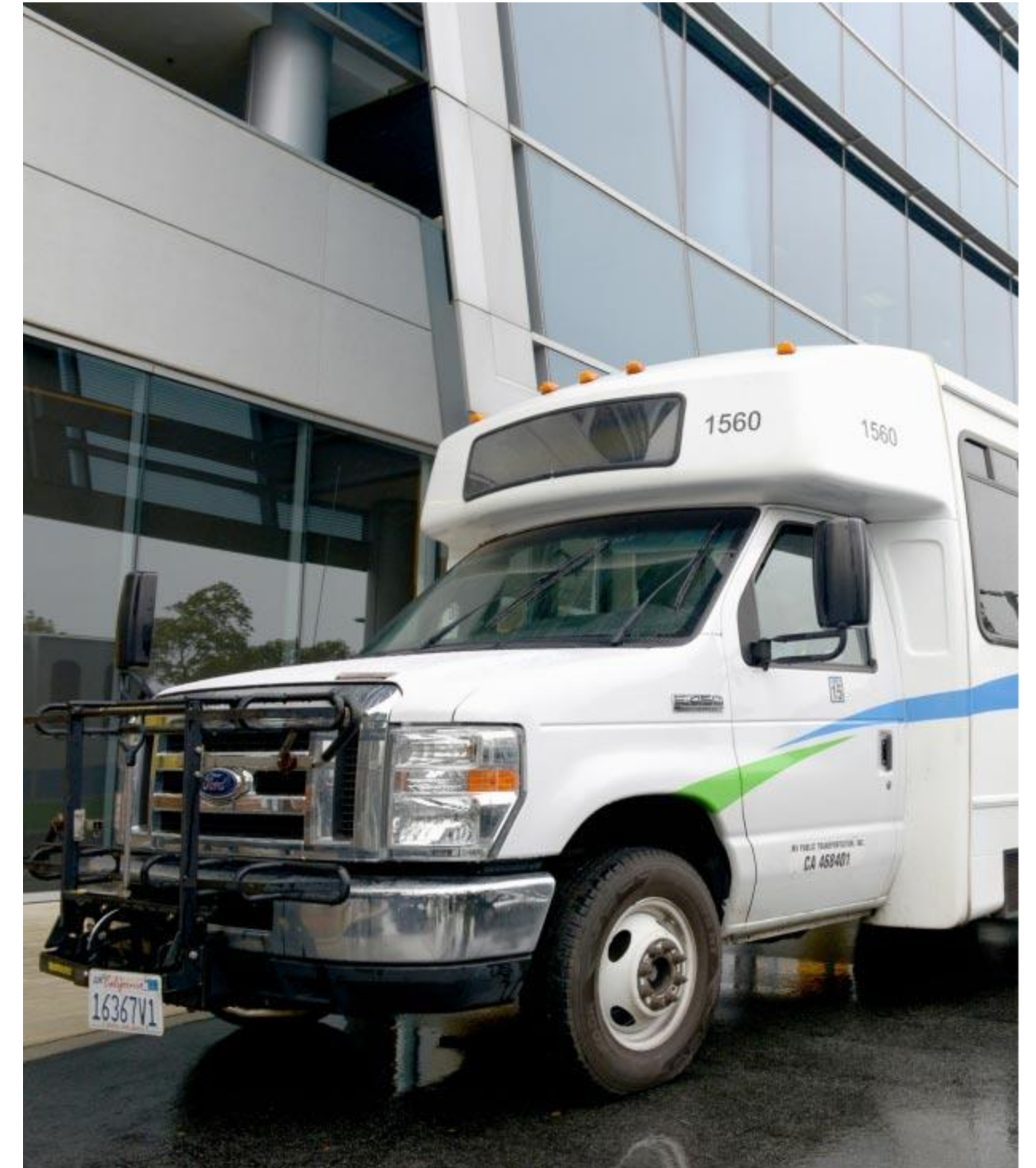
# State Transit Assistance (STA) Program Overview

- STA Program funds are derived from a sales tax on diesel fuel. The funding for the program is split between a Revenue Based Program and Population-Based Program
- Previously, MTC distributed funding via 1) Bay Area Northern County small transit operators, 2) regional Paratransit, 3) the regional Lifeline Transportation Program, and 4) MTC regional coordination programs.
- Block Grant Program allows counties to determine how to invest in paratransit services and lifeline transportation needs.
- Pursuant to C/CAG Board approval



# C/CAG Lifeline Transportation Program

- Program aimed to support transit projects that improve mobility for low-income residents
- Projects that are funded have been identified in community-based transportation planning (CBTP) process and other local planning efforts for disadvantaged communities.
- Project examples include: shuttle service, transit stop improvements, purchase of transit passes, new, continued or expanded fixed-route transit service, etc.

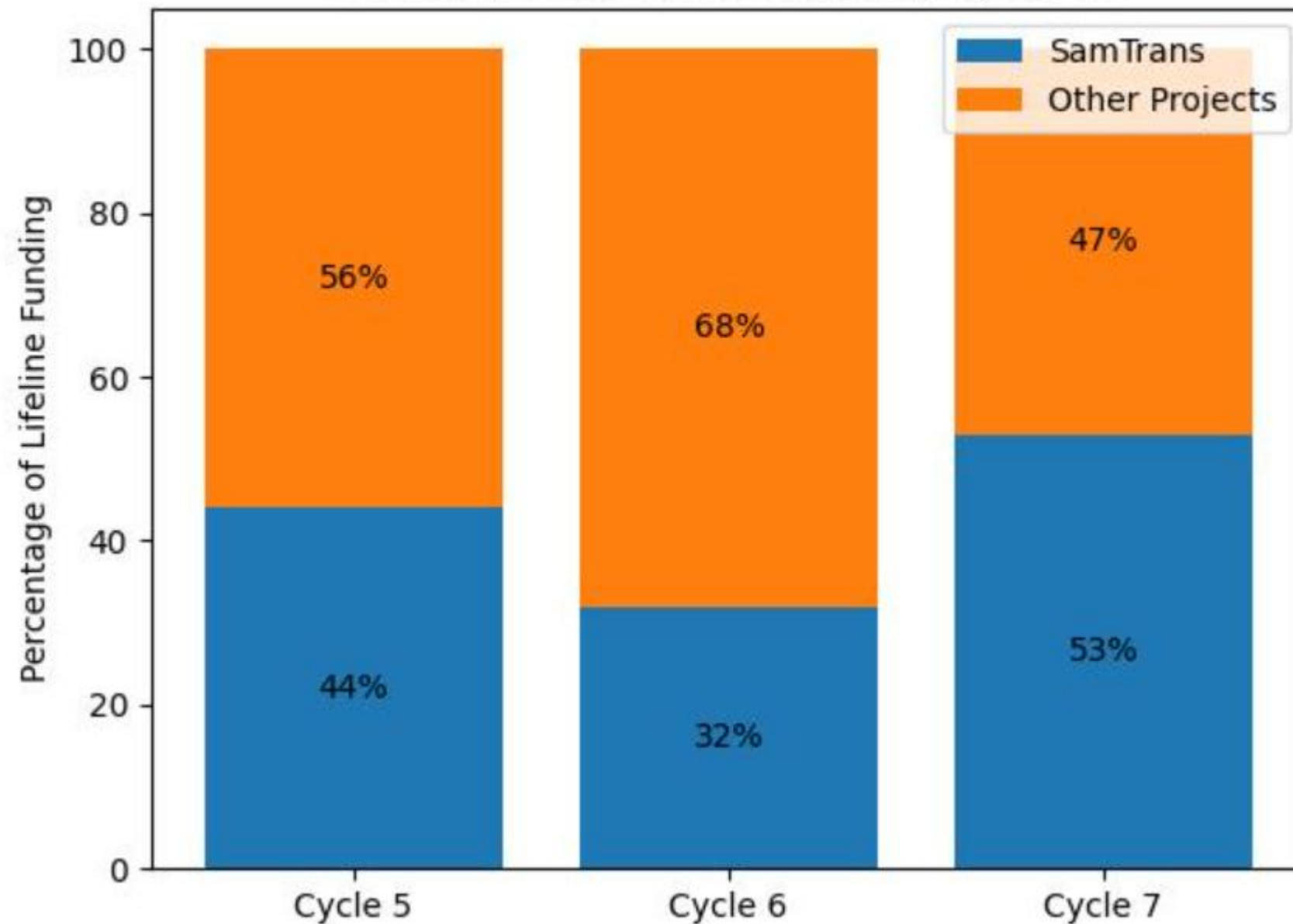


# STA Fund Distribution By Cycle

SamTrans  
(Paratransit)

37% (Formulaic)

Distribution of Lifeline Funding by Cycle



63% (Call  
for Projects)

SamTrans overall share of STA funding consistently exceeds 60%

# Other Lifeline Funded Projects

<b>Lifeline Cycle 5</b>
Daly City
San Mateo County Human Services Agency
Menlo Park
<b>Lifeline Cycle 6</b>
Menlo Park
South San Francisco
San Mateo (City)
Daly City
<b>Lifeline Cycle 7</b>
San Mateo County
East Palo Alto
Daly City
South San Francisco
Menlo Park
San Mateo City Parks & Recreation

# Key Takeaways

- **Key Considerations:**

- Current STA funding framework prioritizes transit
- Maintains balance between mandated services and equity-focused investments
- Supports countywide mobility needs
- Provides stability and predictability across funding cycles

- **Staff Recommendation:** Continue the existing 37% / 63% split between Paratransit and Lifeline

- Current STA fund estimate for FY 2026-27 is \$2,466,306
  - 37% to SamTrans Paratransit Program (FY 26/27 \$912,533)
  - 63% to Lifeline Transportation Program (FY 26/27 \$1,553,772 )

# C/CAG TAC Discussion Summary

Topic	SamTrans Concern	Staff Response
<b>Travel Patterns</b>	Evolving post-pandemic travel patterns affecting transit demand.	SMCTA shuttle evaluation study is currently assessing changing mobility patterns; premature to adjust the split before results are available.
<b>Operating Costs &amp; Capital Needs</b>	Increasing cost of transit operations and capital needs including bus stop upgrades.	<p>SamTrans already receives ~60%+ of total STA funds (paratransit allocation + competitive Lifeline awards)</p> <p>SB 63 Connect Bay Area plan could provide substantial new revenue.</p>
<b>Rider Demographics</b>	SamTrans riders are largely low income and align with Lifeline program objectives.	Lifeline Transportation Program funds a broad range of mobility solutions beyond fixed-route transit: first/last-mile, community shuttles, and Equity Priority Community investments; reducing the share would disproportionately impact smaller jurisdictions.

# Proposed Lifeline Cycle 8 Call For Projects

- Approx. \$4.5M in available funding (may change depending on actual STA revenue generated)
- Anticipate issuing Call for Projects in the fall
- Potential streamlined renewal process for recurring SamTrans services: reduced application burden through proposed bi-annual certification process (SamCoast and Route 117)
- Staff to present guidelines for Lifeline Cycle 8 CFP in late summer.



## Requested Action

Review and recommend approval of the C/CAG distribution policy for the Fiscal Year 2026-2027 State Transit Assistance (STA) Population-Based funds, including maintaining and continuing 37% and 63% split between paratransit services and the Lifeline Transportation Program.



# Questions?

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