

To: Members of the Common Council

From: Stephen Lucas, Council Administrator/Attorney

Date: April 5, 2024

Re: Resolution 2024-09 - A Resolution Expressing Support for the Bloomington Public Transportation Corporation (BPTC) Application for FY 2024 Section 5339(B) Funds for Design and Construction of a LEED Certified, Climate Resilient, Administrative, Operations

and Maintenance Complex

Synopsis

This resolution expresses the Bloomington Common Council's support for the Bloomington Public Transportation Corporation's application for Section 5339 grant funding through the Federal Transit Administration.

Relevant Materials

- Resolution 2024-09
- Memo from John Connell, General Manager of Bloomington Transit

Summary

Resolution 2024-09 would express the Council's support for and endorsement of a grant application by the Bloomington Public Transportation Corporation (BPTC) for Federal Transit Administration grant dollars. The following overview of the grant program is available on the FTA's website:

The Grants for Buses and Bus Facilities Competitive Program (49 U.S.C. 5339(b)) makes federal resources available to states and direct recipients to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

As the memo from Bloomington Transit General Manager John Connell mentions, BPTC will be applying for grant funds primarily to design and construct a new facility. The grant program includes a local match requirement, and BPTC has identified economic development local income tax funding it receives from the city as a source of funding for its local match.

By way of background - in May 2022, the Council adopted Resolution 22-09 to impose an economic development local income tax rate beginning on October 1, 2022. During the course of its deliberations on this resolution, the Council was presented with a prioritized list of investments that the city intended to fund based on the new annual revenue that

would be generated through an increase to the local income tax. Included in this list of investments were several items related to BPTC services.

In 2023, the city and BPTC entered into an interlocal agreement following adoption of Resolution 23-03. The interlocal agreement states that the city will pay BPTC at least \$3,806,100 each year from 2023 to 2027 so that BPTC can pursue the prioritized transportation services and initiatives identified in the resolution. These payments require an appropriation of funds each year by the Council and should be part of the budget process.

Later in 2023, the Council adopted <u>Ordinance 23-15</u>, which enabled the expansion of BPTC's permissible service area outside of city limits under certain conditions. General Manager John Connell states in his memo that a new facility is needed to scale BPTC's operations with the needs of the community and the new demands placed on it.

Contact

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