

M e m o r a n d u m

To: CHAIR AND COMMISSIONERS

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Action

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Subject: **AMENDMENT TO THE 2019 LOCAL PARTNERSHIP FORMULAIC PROGRAM FUNDING SHARE DISTRIBUTION, RESOLUTION G-19-07, AMENDING RESOLUTION G-18-31**

SUMMARY:

Should the California Transportation Commission (Commission) amend the 2019 Local Partnership Formulaic Program Funding Share Distribution to include incentive funding for three jurisdictions, totaling \$15,000,000 in Fiscal Year 2019-20?

BACKGROUND:

Commission staff recommends that the Commission approve the amendment to the 2019 Local Partnership Formulaic Program Funding Share Distribution to include incentive funding for three jurisdictions, totaling \$15,00,000 in Fiscal Year 2019-20.

Enabling Legislation

Senate Bill 1 (Chapter 5, Statutes of 2017), which created the Local Partnership Program, was signed by the Governor on April 28, 2017. Assembly Bill 115 (Chapter 20, Statutes of 2017), signed by the Governor on June 27, 2017, clarified Senate Bill 1 language regarding local and regional transportation agency eligibility and expanded the types of projects eligible for the program. The objective of the Local Partnership Formulaic Program is to reward counties, cities, districts, and regional transportation agencies in which voters have approved fees or taxes solely dedicated to transportation improvements.

Local Partnership Formulaic Program

The 2019 Local Partnership Formulaic Program is funded from \$100 million annually in state funds authorized by Senate Bill 1 that are appropriated from the Road Maintenance and Rehabilitation Account. Only agencies with Commission-adopted shares and committed local matching funds are eligible to receive funding.

On June 27, 2018, the Commission adopted the 2019 Local Partnership Formulaic Program Funding Share Distribution for Fiscal Year 2019-20, which included shares for 40 agencies and incentive funding for one agency. On October 17, 2018, the Commission adopted the 2019 Local Partnership Formulaic Program.

The Local Partnership Formulaic Program recognizes new or renewed voter approved self-help efforts and incentivizes jurisdictions to pursue future sales tax measures, tolls, or fees. One-time incentive funding is provided to jurisdictions that seek and receive voter approval of new or renewed sales tax measures, tolls, or fees, if those tax measures, tolls, and fees have a minimum period of ten-years, are solely dedicated to transportation, and, for sales taxes, the taxes are equal to or greater than one quarter cent.

The incentive funding is equal to the jurisdiction's projected annual revenue of the voter-approved sales tax initiative, not to exceed \$5,000,000 per measure and \$20,000,000 total annually.

Three agencies informed Commission staff of their successful new and renewed voter-approved self-help efforts. Commission staff reviewed the documents submitted by the agencies to verify eligibility and establish the incentive funding amounts.

This amendment will include the following incentive funding amount to the 2019 Local Partnership Formulaic Program Funding Share Distribution:

- The Transportation Authority of Marin County will receive incentive funding of \$5,000,000, for their renewed voter-approved 30-year half-cent sales tax measure (Measure AA) effective April 1, 2019; and
- The San Mateo County Transit District will receive incentive funding of \$5,000,000, for their new voter-approved 30-year half-cent sales tax measure (Measure W) effective April 1, 2019; and
- The Council of San Benito County Governments will receive incentive funding of \$5,000,000, for their new voter-approved 30-year one cent sales tax measure (Measure G) effective April 1, 2019.

Approval of this amendment to the 2019 Local Partnership Formulaic Program Funding Share Distribution will result in a total of \$20,000,000 of incentive funding to eligible jurisdictions. A total of 41 agencies will receive Local Partnership Formulaic Program shares, including incentive funding, for Fiscal Year 2019-20. The incentive funding is available for programming through June 30, 2021.

In addition, incentive funding for the Fiscal Year 2019-20 has reached the maximum amount granted annually, consistent with the Local Partnership Program Guidelines. The subsequent Local Partnership Competitive Program cycle capacity will be reduced by \$20,000,000 to accommodate the incentive funding.

Attachments:

- Attachment A: Resolution G-19-07, Amending G-18-31
- Attachment B: Amended 2019 Local Partnership Formulaic Program Eligible Submittals and Proposed Formulaic Shares

California Transportation Commission

**Adoption of the Amendment to the 2019 Local Partnership Formulaic Program
Funding Share Distribution**

RESOLUTION G-19-07
Amending Resolution G-18-31

- 1.1 WHEREAS**, on April 28, 2017, the Governor signed Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), enacted as the Road Repair and Accountability Act of 2017, creating the Local Partnership Program to provide funding to jurisdictions that have sought and received voter approved taxes and enacted fees for road maintenance and rehabilitation and other transportation improvement projects; and
- 1.2 WHEREAS**, On June 27, 2017, the Governor signed Assembly Bill 115 (Ting, Chapter 20, Statutes of 2017) which clarified language in Senate Bill 1 regarding local and regional transportation agency eligibility and expanded the types of projects eligible for program funding; and
- 1.3 WHEREAS**, the California Transportation Commission (Commission) adopted the 2019 Local Partnership Formulaic Program Funding Share Distribution for Fiscal Year 2019-20 on June 27, 2018, which included shares for 40 agencies; and
- 1.4 WHEREAS**, the Commission adopted the 2019 Local Partnership Formulaic Program on October 17, 2018; and
- 1.5 WHEREAS**, the Local Partnership Formulaic Program recognizes new or renewed voter-approved self-help efforts and incentivizes jurisdictions to pursue future sales tax measures, tolls, or fees; and
- 1.6 WHEREAS**, one-time incentive funding is provided to jurisdictions that seek and receive voter approval of new or renewed sales tax measures, tolls, and fees; and
- 1.7 WHEREAS**, three agencies informed Commission staff of their successful new and renewed voter-approved self-help efforts. Staff reviewed the documents submitted by the agencies to verify eligibility and establish the incentive funding amounts; and
- 1.8 WHEREAS**, the Transportation Authority of Marin County will receive incentive funding of \$5,000,000, for their renewed voter-approved 30-year half-cent sales tax measure (Measure AA) effective April 1, 2019; and
- 1.9 WHEREAS**, the San Mateo County Transit District will receive incentive funding of \$5,000,000, for their new voter-approved 30-year half-cent sales tax measure (Measure W) effective April 1, 2019; and

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- 1.10 WHEREAS**, the Council of San Benito County Governments will receive incentive funding of \$5,000,000, for their new voter-approved 30-year one cent sales tax measure (Measure G) effective April 1, 2019; and
- 1.11 WHEREAS**, the aforementioned incentive funding amounts are consistent with the Local Partnership Program Guidelines.
- 2.1 NOW THEREFORE BE IT RESOLVED**, that the Commission approves the amended 2019 Local Partnership Formulaic Program Eligible Submittals and Proposed Formulaic Shares, as reflected in the Attachment; and
- 2.2 BE IT FURTHER RESOLVED**, that, with this amendment, the 2019 Local Partnership Formulaic Program Funding Share Distribution includes 41 agencies with incentive funding totaling \$20,000,000 for Fiscal Year 2019-20; and
- 2.3 BE IT FURTHER RESOLVED**, that with this amendment, the total incentive funding for Fiscal Year 2019-20 is the maximum amount granted annually; and
- 2.4 BE IT FURTHER RESOLVED**, that the subsequent Local Partnership Competitive Program cycle capacity will be reduced by \$20,000,000 to accommodate the incentive funding; and
- 2.5 BE IT FURTHER RESOLVED**, that the Commission staff is authorized to make minor technical changes as needed to the 2019 Local Partnership Formulaic Program Eligible Submittals and Proposed Formulaic Shares; and
- 2.6 BE IT FURTHER RESOLVED**, that the Commission directs staff to post the amended 2019 Local Partnership Formulaic Program Eligible Submittals and Proposed Formulaic Shares on the Commission's website.

**Resolution G-19-07, Amending Resolution G-18-31
Amended 2019 Local Partnership Formulaic Program
Eligible Submittals and Proposed Formulaic Shares
(Shares in \$1,000s)**

Local Partnership Formulaic Program		2019-20
Formulaic Program Cycle 2		\$100,000
Incentive Program (funded by Competitive Program Cycle 2)		\$20,000

Proposed Annual Share Distribution		2019-20
Tolls + VRF + parcel/property tax	7.0%	\$6,978
North sales tax	27.3%	\$27,288
South sales tax	65.7%	\$65,733

Shares for Voter-Approved Tolls, VRF, Parcel/Property Taxes		
Applicant Agency (Measure)	Revenue	Funding Share
Bay Area Transportation Authority (RM1, RM2)	285,496	\$4,649
Alameda County Transportation Commission (Measure F-VRF)	13,075	\$213
Transportation Authority Marin County (Measure B-VRF)	2,376	\$100
San Francisco County Transportation Authority (Prop AA-VRF)	5,362	\$100
City/County Association of Governments of San Mateo County (Measure M-VRF)	7,471	\$122
Santa Clara County Valley Transportation Authority (Measure B-VRF)	16,545	\$269
Alameda-Contra Costa Transit District (Parcel Tax)	29,509	\$480
Bay Area Rapid Transit District (Parcel Tax)	51,899	\$845
City of Orinda (Measures J & L-Parcel Tax)	1,686	\$100
Yuba County Depletion Surcharge (Measure D-Parcel Tax)	483	\$100
Totals	413,902	\$6,978

Shares Based on Voter-Approved Sales Taxes - North		
County (Agency)	Population	Funding Share
Alameda (Alameda County Transportation Commission)	1,660,202	\$3,589
Contra Costa (Contra Costa Transportation Authority)	1,149,363	\$2,486
Fresno (Fresno County Transportation Authority)	1,007,229	\$2,173
Lake (City of Clearlake)	15,917	\$100
Madera (Madera County Transportation Authority)	158,894	\$341
Marin (Transportation Authority Marin County)	263,886	\$383
Marin (Sonoma Marin Area Rail Transit District)	-	\$192
Mendocino (City of Fort Bragg)	7,512	\$100
Mendocino (City of Point Arena)	448	\$100
Mendocino (City of Willits)	5,128	\$100
Merced (Merced County Transportation Authority)	279,977	\$599
Monterey (Transportation Agency for Monterey County)	443,281	\$724
Monterey (Monterey-Salinas Transit District)	-	\$241
Napa (Napa Valley Transportation Authority)	141,294	\$311
Nevada (Nevada City)	3,226	\$100
Nevada (Town of Truckee)	16,681	\$100
Sacramento (Sacramento Transportation Authority)	1,529,501	\$3,304
San Francisco (San Francisco County Transportation Authority)	883,963	\$1,907
San Joaquin (San Joaquin County Transportation Authority)	758,744	\$1,629
San Mateo (San Mateo County Transportation Authority)	774,155	\$840
San Mateo (San Mateo County Transit District)	-	\$840
Santa Clara (Santa Clara County Valley Transportation Authority)	1,956,598	\$4,228
Santa Cruz (Santa Cruz County Regional Transportation Commission)	276,864	\$302
Santa Cruz (Santa Cruz Metropolitan Transit District)	-	\$302
Sonoma (Sonoma County Transportation Authority)	503,332	\$551
Sonoma (Sonoma Marin Area Rail Transit District)	-	\$551
Stanislaus (Stanislaus County Transportation Authority)	555,624	\$1,196
Totals	12,391,819	\$27,288

Funding Shares Based on Voter-Approved Sales Taxes - South		
County (Agency)	Population	Funding Share
Imperial (Imperial County Local Transportation Authority)	190,624	\$556
Los Angeles (Los Angeles County Metropolitan Transportation Authority)	10,283,729	\$29,973
Orange (Orange County Transportation Authority)	3,221,103	\$9,388
Riverside (Riverside County Transportation Commission)	2,415,955	\$7,042
San Bernardino (San Bernardino County Transportation Authority)	2,174,938	\$6,339
San Diego (San Diego County Regional Transportation Commission)	3,337,456	\$9,727
Santa Barbara (Santa Barbara County Local Transportation Authority)	453,457	\$1,322
Tulare (Tulare County Transportation Authority)	475,834	\$1,387
Totals	22,553,096	\$65,733

Shares for Agencies through Local Partnership Program Incentive Grant		
Applicant Agency (Measure)		Funding Share
San Mateo (San Mateo County Transit District) (Measure W)		\$5,000
Marin (Transportation Authority Marin County) (Measure AA)		\$5,000
Council of San Benito County of Governments (Measure G)		\$5,000
Bay Area Transportation Authority (RM3)		\$5,000