



**Agenda Item B.5**  
**CONSENT CALENDAR**  
**Meeting Date: April 16, 2019**

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**TO:** Mayor and Councilmembers

**FROM:** Charles W. Ebeling, P.E., T.E., Director of Public Works

**CONTACT:** Marti Milan, Principal Civil Engineer

**SUBJECT:** Annual Claim with the Santa Barbara County Association of Governments for Allocation of FY 2019/2020 Transportation Development Act Funds

**RECOMMENDATION:**

Adopt Resolution No. 19-\_\_ entitled “A Resolution of the City Council of the City of Goleta, California, Authorizing the Filing of a Claim with the Santa Barbara County Association of Governments for Allocation of Transportation Development Act Funds for Fiscal Year 2019/2020.”

**BACKGROUND:**

The California Transportation Development Act (TDA) authorized a funding source for the development and support of public transportation needs that exist in California. (Public Utilities Code Section 99200 et seq.) The California Department of Transportation (Caltrans) is responsible for oversight of the TDA program on a statewide basis. State-designated Regional Transportation Planning Agencies (RTPAs) are responsible for implementing the TDA—administering the distribution of funds to local TDA recipients (claimants) and monitoring the subsequent use of those funds to ensure conformity with all state and local requirements.

Funds are allocated to areas of each county based on population, taxable sales, and transit performance. The TDA provides funding for use by local jurisdictions and agencies for a variety of transportation purposes with public transportation as the first priority. Other eligible purposes are regional transportation planning & programming, bicycle and pedestrian projects, and local street and road projects when certain conditions are met. The main purpose and priority of TDA, however, is to provide funding for public transportation.

As SBCAG is the RTPA for Santa Barbara County, they are responsible for distributing Local Transportation Funds (LTF) to the jurisdictions and local agencies within the County. There are four steps to distributing the funds:

### **Step 1: Apportionment**

Per the TDA, SBCAG divides the estimated amount to be deposited in the fund over the coming fiscal year among each of the County's local jurisdictions based on population percentages (Public Utilities Code section 99231) provided by the Department of Finance. After SBCAG receives the fund estimates from the County Auditor on February 1st, SBCAG informs each jurisdiction of this amount, also called the apportionment (California Code of Regulations section 6644).

The apportionments are based on the amount the County expects to receive from sales tax revenues, which fluctuate due to economic conditions and local spending patterns. The County Auditor develops an estimate of what the coming year should bring based on economic forecast and past experience. Once funds are apportioned to a jurisdiction, they can only be allocated to that jurisdiction.

### **Step 2: Claims**

Preparing and submitting a claim to SBCAG is the step where the jurisdictions decide what they want to do with their apportionments in the coming year. Staff is seeking authorization from Council to begin this step. The jurisdictions file "claims" with SBCAG requesting funding amounts for various purposes. For example, one local jurisdiction might claim all of its LTF apportionment for transit, while another might claim the majority for transit, some for bicycle projects, and some for streets and roads. The total amount claimed by a jurisdiction cannot be more than the amount apportioned to that jurisdiction. The State, through the TDA statute, has certain requirements that each jurisdiction must meet to be able to claim the money for different purposes.

The primary intent of TDA is to fund public transportation. Therefore, a jurisdiction has several requirements to meet before funds can be used for other purposes such as streets and roads: specifically, a jurisdiction must have no unmet transit needs that are reasonable to meet. Secondly, the State wants to make sure that transit operations are efficient and can meet basic performance standards. If the requirements are not met, SBCAG can hold back the incremental increase of the apportionment from the prior fiscal year and not allocate it until requirements are satisfied (California Code of Regulations section 6633.9).

### **Step 3: Allocations**

Typically occurring in June, the SBCAG board approves through resolution the amount of funding to be distributed to each local agency and eligible uses of funds based on the claims submitted.

### **Step 4: Payment**

Based on the amounts claimed by each jurisdiction, SBCAG provides instructions to the County Auditor to remit payment to each jurisdiction. Disbursement instructions from SBCAG to the County Auditor are typically provided monthly as indicated in the

resolution approved by the SBCAG board and based on actual receipts. The approved resolution is also provided to the County Auditor annually. At a minimum, SBCAG must provide written instructions at least annually prior to the start of the fiscal year, although the instructions could be delayed if agreed to by the claimant (CCR 6659).

SBCAG disburses LTF funds each month when revenue comes in from the Board of Equalization (BOE). If LTF revenues are less than what was apportioned to a jurisdiction, then SBCAG disburses revenues based on what was actually received from the BOE up to the apportionment approved by resolution. If more revenues are received in a given fiscal year, SBCAG is required to go back to the board with a new resolution to apportion the year-end balance.

Two funds have been created by the TDA: the LTF and the State Transit Assistance Fund (STAF). The LTF can be used for all the purposes listed above (if the applicable requirements are met) while the STAF can only be used for mass transportation and transportation planning purposes. The City does not receive STAF monies, as the Santa Barbara Metropolitan Transit District (MTD) is the designated transit system operator for the City of Goleta.

Each year the City of Goleta is entitled to certain LTF monies for use on pedestrian and bikeway projects, which may be used to maintain and improve the City's pedestrian and bicycle projects and facilities. The City's annual allocation of LTF monies is based on population. The funds are apportioned on a monthly basis. The City's estimated FY 2019-2020 allocation is \$26,537. An estimate of TDA apportionments for the County of Santa Barbara is attached to this report (Attachment 1).

## **DISCUSSION:**

In order to receive the City's share of the LTF monies, the City is required to submit a claim as explained in Step 2. Before submitting a claim, the City must adopt a resolution (Attachment 2) authorizing the filing of the appropriate claim forms (Attachment 3).

The City has one pedestrian and bike path project, the San Jose Creek Bike Path Middle Extent, supported by funding from the TDA budget that staff intends to include as part of this year's claim, which totals \$26,537.

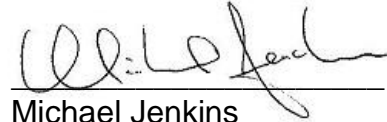
## **FISCAL IMPACTS:**

There is no direct financial cost to the City associated with the submittal of the proposed TDA claim to SBCAG, except the personnel time associated with the regulatory and record keeping requirements relating to the use of TDA funds. There are no limitations on how soon the funds have to be expended. Original revenue estimates were \$26,537. The revenue allocated to the City for FY 2019/20 is \$26,537 and will be updated with the new Two-Year Budget Process for FY 2019/20.

**ALTERNATIVES:**

The Council could elect not to adopt the attached resolution authorizing submittal of a TDA claim for LTF monies. However, doing so would prohibit the City from receiving LTF funds for FY 2019-2020.

**Legal Review By:**



Michael Jenkins  
City Attorney

**Approved By:**



Michelle Greene  
City Manager

**ATTACHMENTS:**

1. SBCAG Estimated Transportation Development Act Local Transportation Fund Apportionments 2019-2020
2. Resolution No.19- \_ entitled "A Resolution of the City Council of the City of Goleta, California, Authorizing the Filing of a Claim with the Santa Barbara County Association of Governments for Allocation of Transportation Development Act Funds for Fiscal Year 2019-2020."
3. Transportation Development Act Claim Forms