



Legislation Text

File #: 15-325, **Version:** 1

Staff Report for a Resolution Authorizing the City Manager to Enter the City into a Master Programs Funding Agreement with the Alameda County Transportation Commission for the Distribution and Receipt of Measure BB Transportation Sales Tax Revenue

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council approve and authorize the City Manager to enter the City into a 1-year Master Programs Funding Agreement (MPFA) with the Alameda County Transportation Commission (Alameda CTC). The new agreement will serve as the contract for distribution and receipt of Measure BB transportation sales tax revenues.

BACKGROUND

On November 4, 2014, the voters of Alameda County, pursuant to the provisions of the Local Transportation Authority and Improvement Act, California Public Utilities Code Section 180000 et seq., approved Measure BB, thereby authorizing Alameda CTC to administer the proceeds from the extension of an existing one-half of one percent transaction and use tax scheduled to terminate on March 31, 2022, and the augmentation of the tax by one-half of one percent.

The duration of the tax will be 30 years from the initial year of collection, which begins April 1, 2015, with said tax to terminate/expire on March 31, 2045. The tax proceeds will be used to pay for the investments outlined in the 2014 Alameda County Transportation Expenditure Plan ("2014 TEP"), as it may be amended.

Measure BB requires that the City enter into a Master Programs Funding Agreement (MPFA) with the Alameda CTC in order to distribute Measure BB funds. This Agreement delineates the requirements of the Direct Local Distribution (DLD) funds; funds which are allocated directly to local jurisdictions and transit operators, as authorized by Measure BB and detailed in the 2014 TEP.

Discretionary funds identified in the 2014 TEP are not the subject of this Agreement and the City will have to enter into a separate agreement for those funds. The DLD funds will be available for distribution once an agreement is executed with the State Board of Equalization (BOE) and the first revenue payment is received from the BOE.

Measure BB Funds: The Measure BB Sales Tax generates approximately \$120 million per year for Alameda County. The City will receive approximately \$1.9 million per year of Measure BB "pass-through funds" for three types of programs:

- Bicycle and Pedestrian Safety
- Local Streets and Roads
- Paratransit

Analysis

Master Programs Funding Agreement

The MPFA specifies the types of Measure BB funds that the City can receive from the Alameda CTC, including DLD and grant funds. The Alameda CTC expects to allocate Measure BB funds pursuant to the MPFA from April 1, 2015 through June 30, 2016. The MPFA oversees the following types of distributions:

- Bicycle and Pedestrian Safety: Measure BB DLD
- Local Streets and Roads: Measure BB DLD
- Paratransit: Measure BB DLD

The MPFA includes the following policies that govern the use of funds.

- Timely Use of Funds/Reserve Fund Policy: Increase the accountability of each jurisdiction in planning for and expending funds
- Reserve Fund Policy: Directs recipients on creation and usage of reserve accounts for capital, operations and undesignated funding account
- Rescission of Fund Policy: Fund a redistribution mechanism for enforcement of the Timely Use of Funds Policy
- Transportation Purposes Only Policy: Improved definition of authorized fund use
- Non-Substitution of Funds Policy: Requires the City to supplement existing revenues used for transportation rather than replace such funds
- Fund Exchange Policy: Specifies that fund exchanges must be made for transportation purposes
- Staff Cost Limitations Policy: Eliminates the ability to charge indirect costs
- Bicycle/Pedestrian Plan and Complete Streets policy: Requires the City to keep its Bicycle and Pedestrian Plan up to date and adopt a Complete Streets Policy
- Pavement Condition Index (PCI) Reporting: Requires the City to report its PCI and plans for PCI improvement

It should be noted that the 2014 TEP identifies criteria that will require the development of specific policies and procedures to implement. Examples of these criteria include local contracting, performance based measurements, distribution formulas, and geographical equity formulas. This Measure BB MPFA will serve as the initial master agreement to disburse Measure BB DLD for the initial period from the first disbursement until June 30, 2016. During this period ACTC staff will develop the necessary policies and procedures for long term implementation of Measure BB DLD funds. In conclusion, staff believes that the agreement is reasonable, fair and is comparable to prior agreements executed for Measure B grant funding.

Applicable General Plan Policies

14.02 Funding - Aggressively pursue state and federal funding for bicycle and pedestrian improvements, while also including funding for bicycle and pedestrian improvements in the City's Capital Improvement Program.

15.07 Allocation Of Regional Funds - Ensure that the City receives its fair share of the public funds allocated for transit services within the region.

20.01 Coordination With Regional Agencies - Work closely with the Metropolitan Transportation

Commission, the Alameda County Congestion Management Agency and other agencies to address regional transportation issues affecting San Leandro.

Legal Analysis

The City Attorney's Office reviewed the MPFA, and it is approved as to form.

Fiscal Impacts

Execution of the MPFA will permit transfer of new Measure BB transportation funds to provide the City additional funding for paratransit, street maintenance and bicycle and pedestrian improvements.

ATTACHMENT

- Alameda CTC Master Programs Funding Agreement (Draft)

PREPARED BY: Keith R. Cooke, Director, Engineering and Transportation Department