



JUNE 14, 2018

AGENDA ITEM # 8

**SENATE BILL 1 – LOCAL PARTNERSHIP PROGRAM
FORMULA SHARES DISTRIBUTION, CYCLE 2**

Action Requested: Direct Staff

Key Staff: Norman Hom, Executive Director

Recommendation

Provide staff direction for the relative distribution of Local Partnership Program Formula Shares between roadway and transit needs.

Background Information

On December 6, 2017, the Board programmed the first cycle of Senate Bill 1 (SB1) Local Partnership Program (LPP) Formula Shares totaling \$6.983 million for Fiscal Years 2017/18 and 2018/19. Of that amount, \$1.3 million was allocated to Sacramento Regional Transit (SacRT) and the remainder was divided among the County of Sacramento and the cities according to the standard Measure A distribution formula of 75 percent by population and 25 percent by road lane miles. This was a compromise distribution brokered by STA staff and approved by the Board **on the condition that the distribution methodology be revisited for future allocations.**

On June 5th, the California Transportation Commission (CTC) released their draft revised schedule for the second cycle of the LPP Formula Shares program in which everything is moved forward significantly. Originally, CTC planned to issue the next call for projects in September 2018 with applications not due until December 2018. Under the new schedule, CTC will publish the Cycle 2 formula shares June 15, issue the call for projects June 29, and requires all applications to be turned in by August 29.

Discussion

The Formula Shares are yet to be published but staff estimates Sacramento County will receive approximately \$3.5 million to distribute for Fiscal Year 2019/20.

The purpose of the Local Partnership Program is to reward self-help counties, such as Sacramento, for taxing themselves to improve their transportation systems. The CTC has allowed the LPP to be significantly more flexible than other SB1 programs—especially its Formula Shares component—and the Board may mostly program this funding at its discretion.

Table 1 on the next page illustrates what the distribution would look like under six different distribution scenarios ranging from 25 percent transit & 75 percent roads to 50/50 roads and transit, all assuming the Sacramento County Formula Share is \$3.5 million.

The second column (shown in yellow) reflects the 30 percent transit & 70 percent roads split that was settled on by a subcommittee of the Board for Measure B after the full Board considered options for one-quarter/three-quarters and one-third/two-thirds at the April 14, 2016 regular meeting. The subcommittee was comprised of members Campion, Hansen, Howell, Hume, Peters, Schenirer and Serna.

The third column (shown in blue) follows the current Measure A formula wherein SacRT receives 34.5 percent of Measure A net revenue.

Next Steps

Using the distribution percentages directed by the Board, staff will solicit project nominations from each of the local agencies. More than likely, the County and the cities will use their distributions for roadway rehabilitation or maintenance projects since the amounts are not significant and time is of the essence in the expenditure of these funds.

A staff recommendation for the final Formula Share distribution will be returned to the Board at the August 9, 2018 for approval.

Table 1. Distribution Alternatives for Local Partnership Program Formula Shares

	Measure B Formula		Measure A Formula			
	25% Transit 75% Roads	30% Transit 70% Roads	34.5% Transit 65.5% Roads	33% Transit 67% Roads	40% Transit 60% Roads	50% Transit 50% Roads
Regional Transit	\$ 875,000	\$ 1,050,000	\$ 1,207,500	\$ 1,155,000	\$ 1,400,000	\$ 1,750,000
Citrus Heights	\$ 139,178	\$ 129,900	\$ 121,549	\$ 124,333	\$ 111,343	\$ 92,785
Elk Grove	\$ 288,024	\$ 268,823	\$ 251,541	\$ 257,302	\$ 230,420	\$ 192,016
Folsom	\$ 139,788	\$ 130,469	\$ 122,082	\$ 124,878	\$ 111,831	\$ 93,192
Isleton	\$ 34,225	\$ 31,944	\$ 29,890	\$ 30,575	\$ 27,380	\$ 22,817
Galt	\$ 6,000	\$ 5,600	\$ 5,240	\$ 5,360	\$ 4,800	\$ 4,000
Rancho Cordova	\$ 134,108	\$ 125,168	\$ 117,121	\$ 119,803	\$ 107,287	\$ 89,406
Sacramento	\$ 819,300	\$ 764,680	\$ 715,522	\$ 731,908	\$ 655,440	\$ 546,200
Sacramento County	\$ 1,064,376	\$ 993,417	\$ 929,555	\$ 950,842	\$ 851,500	\$ 709,584
TOTAL*	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000

*\$3.5 million is the estimated Formula Share for Sacramento County for FY2019/20; the actual amounts will not be known until June 28