

Date: _____ March 26, 2008

Committee Meeting Date: _____ April 17, 2008

Board Meeting Date: _____ May 1, 2008

BOARD MEMORANDUM

ACTION ITEM

TO: Transit Planning and Operations Committee
Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: Michael T. Burns
General Manager

FROM: John Ristow
Chief CMA Officer

SUBJECT: FY 2008-2009 Transportation Development Act and State Transit Assistance
Allocation Claim

Policy-Related Action: No
No

Government Code Section 84308 Applies:

RECOMMENDATION:

Adopt a resolution authorizing the filing of an annual claim to the Metropolitan Transportation Commission (MTC) for allocation of FY 2008-2009 Transportation Development Act (TDA) and State Transit Assistance (STA) funds.

BACKGROUND:

TDA funds originate from a statewide 1/4-cent sales tax that is returned to a Local Transportation Fund (LTF) in the county of origin specifically for transit purposes. Since FY 1992-1993, VTA has claimed all available TDA funds to offset annual operating expenses, including funds apportioned according to TDA Article 4.0 (public transit) and Article 4.5 (paratransit) funds.

STA funds are also derived from the State sales tax. STA funds are distributed statewide to regional transportation planning agencies (e.g., MTC), under Article 6.5 partly on the basis of population (Sect. 99313) and partly on the basis of local revenues (Sect. 99314) used to support regional paratransit and transit operations, respectively. MTC apportions a relatively small amount of STA funds to VTA for paratransit purposes, and a larger amount for general transit operating or capital purposes. VTA's combined TDA/STA Claim to MTC is made with the understanding that budgeted funding for the paratransit program will be at least as large as the combined total of TDA Article 4.5 and STA paratransit funds (i.e., \$4,948,144). The FY 2008-2009 budget includes approximately \$33.3 million for paratransit services.

As a result of the passage of Assembly Bill 1951 (Chapter 632, Statutes of 2000), VTA is eligible to claim STA funds on behalf of Altamont Commuter Express (ACE). AB 1951 amended Sections 99314 and 99314.3 and added Section 99314.1 to provide STA funds for ACE to be allocated to ACE member agencies to help meet their obligations for ACE operating costs. Each member agency now claims a prorated share of the STA funding earned as a result of operating ACE. MTC estimates that \$147,012 will be available to VTA to claim for ACE operations this year.

DISCUSSION:

VTA is required to file a claim with MTC in order to receive its annual allocations of TDA and STA funding. This year's TDA/STA estimates are:

<u>Source</u>	<u>Amount</u>
TDA Article 4.0 (Public Transit)	\$ 76,376,283
TDA Article 4.5 (Paratransit)	<u>4,529,346</u>
Total TDA	80,905,629
STA VTA Base Revenue Estimate*	\$ 9,077,830
STA Paratransit Base Revenue Estimate*	418,798
STA ACE Base Revenue Estimate*	<u>147,012</u>
Total STA	9,643,640
TOTAL TDA/STA for FY 2008-09	<u>\$ 90,549,269</u>

* The Governor's FY 2008-09 budget proposal includes much higher STA funding levels; however, Proposition 42 Increment (approx \$9,902,000) and Spillover (approx \$13,471,000) revenue amounts are not included in the above STA estimate amounts. According to MTC, there is a strong likelihood that Spillover revenue will not be included in the final state budget for 2008-09. Additionally, although Proposition 42 funds are currently included in the proposed budgeted there is still a chance that they could be suspended if State General Fund shortfalls continue. If the adopted FY 2008-09 State Budget does indeed include these omitted Fund Estimate revenues, VTA will file a supplemental claim to capture the funds.

ALTERNATIVES:

There is no alternative to this recommendation if VTA intends to claim the combined TDA and STA revenues.

FISCAL IMPACT:

Once the claim is approved by MTC, the combined TDA/STA funds will provide an estimated \$90,549,269 in VTA's FY 2009 budget. Of this figure, \$80,905,629 is TDA and \$9,643,640 is STA. These funds will be used to support VTA's capital program and operations, including those associated with paratransit service and VTA's contribution to ACE operations. These revenues are included in the FY 2008-09 Budget (TDA: \$84,828,627; STA: \$9,419,294).

Prepared by: Jeffery Ballou, Senior Transportation Planner

ATTACHMENT
Document B

Resolution No. _____

**RESOLUTION AUTHORIZING THE FILING OF A CLAIM WITH THE
METROPOLITAN TRANSPORTATION COMMISSION FOR ALLOCATION OF
TRANSPORTATION DEVELOPMENT ACT AND STATE TRANSIT ASSISTANCE
FUNDS FOR FISCAL YEAR 2008-2009**

WHEREAS, a Local Transportation Fund (LTF) has been established by the Board of Supervisors of the County of Santa Clara pursuant to Article 11, Chapter 2, Division 3 of Title 3 of the Government Code, commencing with Section 29530, for the purpose of collecting local sales tax for transit purposes; and

WHEREAS, the Transportation Development Act (TDA), Chapter 4 of Part 11, Division 10 of the Public Utilities Code commencing with Section 99200 provides for the disbursement of funds from the Local Transportation Fund (LTF) of the County of Santa Clara for use by operators and eligible claimants for the support of public transit systems, and community transit (paratransit) services; and

WHEREAS, pursuant to the provisions of the TDA, and pursuant to the applicable rules and regulations thereunder (21 Cal. Code of Regs. Section 6600 et. seq.), a prospective applicant wishing to receive an allocation from the LTF shall file its claim with the Metropolitan Transportation Commission (MTC); and

WHEREAS, the State Transit Assistance (STA) fund is created pursuant to Public Utilities Code Section 99313.6; and

WHEREAS, STA Fund monies are available for allocation to eligible applicants for public transportation purposes and community transit services; and

WHEREAS, allocations from the Local Transportation Fund of Santa Clara County and the State Transit Assistance Fund will be required by the Santa Clara Valley Transportation Authority (VTA) in Fiscal Year 2008-2009 for the support of public transportation systems; and

WHEREAS, VTA will file a combined claim for TDA Article 4.0 (transit operations) and Article 4.5 (paratransit) funds, and commits to spend an amount at least equal to the total available for paratransit purposes through Public Utilities Code Section 99313, 99313.6 and 99314 to fulfill its commitments toward the implementation of its obligations under the Americans With Disabilities Act (ADA); and

WHEREAS, VTA is an eligible claimant for TDA and STA funds for the purposes set forth in Public Utilities Code Sections 99260(a) and 99275(a) as attested to by the Opinion of Counsel dated April 11, 2008.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Santa Clara Valley Transportation Authority, that the General Manager is authorized to execute and file the appropriate TDA, LTF and STA claim with all necessary supporting documents, with the Metropolitan Transportation Commission for an allocation of TDA, LTF and STA funds in Fiscal Year 2008-2009; and

BE IT FURTHER RESOLVED, that the VTA General Manager is designated to furnish such additional information as the Metropolitan Transportation Commission may require in connection with the claim; and

BE IT FURTHER RESOLVED, that a copy of this Resolution be transmitted to the Metropolitan Transportation Commission in conjunction with the filing of the claim; and the Metropolitan Transportation Commission hereby is requested to grant the allocations of funds as specified herein.

Passed and adopted by the Board of Directors of the Santa Clara Valley Transportation Authority on _____ by the following Vote:

AYES:

NOES:

ABSENT:

LIZ KNISS, Chairperson
Board of Directors

ATTEST:

YOLANDA CRUZ
Assistant Board Secretary
Board of Directors

APPROVED as to Form

KEVIN D. ALLMAND
Acting General Counsel