



Date: May 8, 2007
 Committee Meeting Date: May 17, 2007
 Board Meeting Date: June 7, 2007
 ACTION X DISCUSSION INFO

BOARD MEMORANDUM

TO: Administration and Finance Committee
 Santa Clara Valley Transportation Authority
 Board of Directors

THROUGH: Michael T. Burns *Michael T. Burns*
 General Manager

FROM: Carolyn M. Gonot *Carolyn M. Gonot*
 Chief Development Officer

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

RECOMMENDATION:

Policy-Related Action: No

Government Code Section 84308 Applies: No

Adopt a resolution authorizing the filing of an annual claim to the Metropolitan Transportation Commission (MTC) for allocation of FY 2008 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 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., \$5,289,890). The FY 2008 VTA Budget includes approximately \$31.7 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 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 \$108,615 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 (General Operations)	\$79,050,006
TDA Article 4.5 (Paratransit)	<u>\$ 4,496,396</u>
Total TDA	\$83,546,402
STA Operations Revenue Estimate	\$ 3,315,580
STA Operations Prop 42 Increment	\$ 3,011,359
STA Paratransit	\$ 793,494
STA (ACE) Revenue Estimate	\$ 56,919
STA (ACE) Prop 42 Increment	<u>\$ 51,696</u>
Total STA	\$ 7,229,048
TOTAL TDA/STA for FY 2008	<u>\$90,775,450</u>

MTC is expected to approve the allocation of TDA and STA operating funds at its meeting on June 27, 2007.

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 \$90,775,450 in VTA's Bi-Annual FY 08/09 Operating Budget. Of this figure, \$83,546,402 is TDA and \$7,229,048 is STA. All of these funds will be used to support VTA's operations, including those associated with paratransit service and VTA's contribution to ACE operations. These revenues will be included in the FY 2008 Budget.

Prepared by: Jeffery Ballou, Senior Transportation Planner

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**

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 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 towards 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 June 7, 2007.

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; 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:

Dean J. Chu, Chairperson
Board of Directors

ATTEST:

Maria Marinos, Secretary
Board of Directors

APPROVED as to Form

General Counsel