

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 22-23, 2011

Reference No.: 4.4
Action



From: BIMLA G. RHINEHART
Executive Director

Subject: **PROPOSITION 1B STATE-LOCAL PARTNERSHIP PROGRAM**
GUIDELINES AND FISCAL YEAR 2011-12 FUNDING SHARE DISTRIBUTION
RESOLUTION SLP1B-G-1011-01

ISSUE:

Pursuant to the Commission's approved 2010-11 SLPP Guidelines, adopted on April 8, 2010, the Commission will adopt the annual funding share for each eligible applicant for the Voter-Approved Taxes and Fees sub-account, which will be determined using the most current data available through June 30th of each year. SLPP funding shares for 2011-12 have been calculated, and are attached.

The 2010-11 Guidelines are not being changed for Fiscal Year 2011-12, but will instead remain in effect through the end of the State-Local Partnership program unless new legislation is passed that requires additional changes.

RECOMMENDATION:

Commission staff recommends that the California Transportation Commission (Commission) adopt the Proposition 1B State-Local Partnership Program (SLPP) funding distribution for 2011-12 in accordance with attached Resolution SLP1B-G-1011-01 and share table. For purposes of Government Code Section 8879.72, subdivision (f), projected targets for distribution of formula funds not yet appropriated (future funds) are assumed to be equal to the 2011-12 share amounts. Staff also recommends that the Commission approve maintaining the 2010-11 Guidelines through the end of the State-Local Partnership Program in 2012-13 unless new legislation necessitates a change, in accordance with previously approved Resolution SLP1B-G-0910-02 and attached resolution SLP1B-G-1011-01.

BACKGROUND:

On November 7, 2006, the voters approved Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Proposition 1B authorized \$1 billion for the State-Local Partnership Program, to be available, upon appropriation by the Legislature, for allocation by the Commission over a five-year period to eligible transportation projects nominated by eligible transportation agencies. The program is divided into two sub-programs – a formula program to match local sales tax, property tax and/or bridge tolls (95%) and a competitive program to match

local uniform developer fees (5%). The Legislature enacted implementing legislation (AB 268) in 2008 to add Article 11 (commencing with Section 8879.66) to Chapter 12.491 of Division 1 of Title 2 of the Government Code, and appropriated funds for the first year of this program. The proposed 2011-12 Budget includes an appropriation for the program's fourth year. The Commission is required by statute to adopt a program by October 2011, and allocations will be made when bond funds are available.

The Commission will, per Section 8879.72 of the Government Code, include in the annual formula program of projects each project nominated by an eligible applicant provided that the Commission determines that the nomination meets the requirements of statute and that the project has a commitment of the required match and any supplementary funding needed for full funding.

The Commission will, per Section 8879.73 of the Government Code, select competitive grant projects from among eligible project nominations. No single competitive grant may exceed \$1 million. The Commission considers approval of a competitive grant only when the request meets the requirement of the statute and the project has a commitment of the required match and any supplementary funding needed for full funding.

Any SLPP funds that are not programmed will remain available for future programming.

Attached to this book item and resolution are the previously adopted 2010-11 SLPP guidelines and the revised funding share distribution for 2011-12 calculated using the most recent data available for population and tax and toll revenues.

Attachments

CALIFORNIA TRANSPORTATION COMMISSION
State-Local Partnership Program (SLPP) Guidelines and Funding Shares
June 22-23, 2011

RESOLUTION SLP1B-G-1011-01

- 1.1 WHEREAS the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, authorized \$1 billion to be deposited in the State-Local Partnership Program (SLPP) Account, and
- 1.2 WHEREAS the Bond Act provides that funds in the SLPP Account shall be available to the California Transportation Commission, upon appropriation by the Legislature, for allocation over a five-year period to eligible transportation projects nominated by an applicant transportation agency, and
- 1.3 WHEREAS implementation legislation for the Bond Act enacted in 2007 (SB 88 and AB 193) designated the Commission as the administrative agency for the State-Local Partnership Program Account and mandated that program guidelines provide for audits of expenditures and outcomes, require that project nominations identify a project's useful life and delivery milestones, and require recipient agencies to report on progress made toward project implementation, and
- 1.4 WHEREAS implementing legislation specific to the SLPP was enacted as AB 268 (2008), which mandates that the Commission develop and adopt guidelines for the program, adopt the initial program of projects and make initial allocations to projects at the Commission's meeting in April 2009, and by October for each fiscal year thereafter, and
- 1.5 WHEREAS the Commission adopted the 2010-11 Guidelines, Resolution SLP1B-G-0910-02, in April 2010, with those guidelines remaining in effect through the end of the program in 2012-13, and
- 1.6 WHEREAS Government Code Section 8879.71 requires the Commission to distribute the funds from each annual appropriation to the SLPP Account between the Voter-Approved Taxes and Fees Subaccount (95%) and the Uniform Developer Fees Subaccount (5%), and
- 1.7 WHEREAS Government Code Section 8879.72 requires the Commission to establish funding shares for each eligible applicant for funding from the Voter-Approved Taxes and Fees Subaccount prior to the commencement of each annual funding cycle, and
- 1.8 WHEREAS Government Code Section 8879.72, subdivision f, requires the Commission to establish projected targets for SLPP funds that have not yet been appropriated, and
- 1.9 WHEREAS Commission staff, in accordance with Sections 8879.71 and 8879.72, has prepared a calculation of 2011-12 SLPP funding shares,
- 2.1 NOW THEREFORE BE IT RESOLVED that the Commission approves maintaining the 2010-11 Guidelines through the end of the State-Local Partnership Program in 2012-13, and adopts the 2011-12 SLPP funding shares, and

- 2.2 BE IT FURTHER RESOLVED that the purpose of the SLPP guidelines is to identify the Commission's policy and expectations for the SLPP and thus to provide guidance to eligible applicants and implementing agencies in carrying out their responsibilities under the program, and
 - 2.3 BE IT FURTHER RESOLVED that the Commission intends to approve letters of no prejudice as part of its annual program of projects, including projected future targets, and that the Commission intends that approval of a letter of no prejudice would authorize an eligible applicant for formula funding shares to expend its own funds in advance of an allocation and to have those funds qualify for reimbursement, and
 - 2.4 BE IT FURTHER RESOLVED that these guidelines do not preclude any project nomination or any project selection that is consistent with the Bond Act and the implementing legislation in Chapter 12.491 (commencing with Section 8879.50) of Division 1 of Title 2 of the Government Code, and
 - 2.5 BE IT FURTHER RESOLVED that the Commission directs staff to post the 2011-12 funding distribution and formula funding shares, along with the Guidelines, on the Commission's website and requests that the Department assist Commission staff in making copies available to eligible applicants and implementing agencies.
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CALIFORNIA TRANSPORTATION COMMISSION
Adoption of State-Local Partnership Program (SLPP) Guidelines
For Fiscal Year 2010-11
April 7-8, 2010

RESOLUTION SLP1B-G-0910-02

- 1.1 WHEREAS the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, authorized \$1 billion to be deposited in the State-Local Partnership Program (SLPP) Account, and
- 1.2 WHEREAS the Bond Act provides that funds in the SLPP Account shall be available to the California Transportation Commission, upon appropriation by the Legislature, for allocation over a five-year period to eligible transportation projects nominated by an applicant transportation agency, and
- 1.3 WHEREAS implementation legislation for the Bond Act enacted in 2007 (SB 88 and AB 193) designated the Commission as the administrative agency for the State-Local Partnership Program Account and mandated that program guidelines provide for audits of expenditures and outcomes, require that project nominations identify a project's useful life and delivery milestones, and require recipient agencies to report on progress made toward project implementation, and
- 1.4 WHEREAS implementing legislation specific to the SLPP was enacted as AB 268 (2008), which mandates that the Commission develop and adopt guidelines for the program, adopt the initial program of projects and make initial allocations to projects at the Commission's meeting in April 2009, and by October for each fiscal year thereafter, and
- 1.5 WHEREAS a draft of proposed 2010-11 SLPP guidelines prepared by Commission staff was made available to the Department and regional agencies on March 16, 2010, and
- 1.6 WHEREAS the Commission held hearings on the guidelines at the STIP hearings on March 22nd (Sacramento) and 25th (Los Angeles), 2010, and
- 1.8 WHEREAS Government Code Section 8879.71 requires the Commission to distribute the funds from each annual appropriation to the SLPP Account between the Voter-Approved Taxes and Fees Subaccount (95%) and the Uniform Developer Fees Subaccount (5%), and
- 1.10 WHEREAS Government Code Section 8879.72 requires the Commission to establish funding shares for each eligible applicant for funding from the Voter-Approved Taxes and Fees Subaccount prior to the commencement of each annual funding cycle, and
- 1.11 WHEREAS the Commission intends to adopt the 2010-11 SLPP funding distribution at its June 30 – July 1, 2010 meeting in Sacramento.
- 2.1 NOW THEREFORE BE IT RESOLVED that the Commission adopts the SLPP guidelines for 2010-11, as presented by staff on April 7-8, 2010, and

- 2.2 BE IT FURTHER RESOLVED that the purpose of these guidelines is to identify the Commission's policy and expectations for the SLPP and thus to provide guidance to eligible applicants and implementing agencies in carrying out their responsibilities under the program, and
 - 2.3 BE IT FURTHER RESOLVED that the Commission intends to approve letters of no prejudice as part of its annual program of projects, and that the Commission intends that approval of a letter of no prejudice would authorize an eligible applicant for SLPP funding to expend its own funds in advance of an allocation for a programmed project and to have those funds qualify for reimbursement, and
 - 2.4 BE IT FURTHER RESOLVED that these guidelines do not preclude any project nomination or any project selection that is consistent with the Bond Act and the implementing legislation in Chapter 12.491 (commencing with Section 8879.50) of Division 1 of Title 2 of the Government Code, and
 - 2.5 BE IT FURTHER RESOLVED that the Commission directs staff to post these guidelines and the 2010-11 funding distribution and formula funding shares, when completed and approved, on the Commission's website and requests that the Department assist Commission staff in making copies available to eligible applicants and implementing agencies.
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