



Board Report

File #: 2023-0344, File Type: Resolution

Agenda Number: 15.

FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 14, 2023

SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA) ARTICLE 8 FUND PROGRAM

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

ADOPT:

- A. Findings and Recommendations (Attachment A) for allocating fiscal year (FY) 2023-24 Transportation Development Act (TDA) Article 8 funds estimated at \$48,985,266 as follows:
1. In the City of Avalon, there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$233,896 may be used for street and road projects, or transit projects, as described in Attachment A;
 2. In the Cities of Lancaster and Palmdale, there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North County transit needs can be met by using other existing funding sources. Therefore, the TDA Article 8 funds in the amount of \$12,071,326 and \$11,536,136 (Lancaster and Palmdale, respectively) may be used for street and road projects, or transit projects, as long as their transit needs continue to be met;
 3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds in the amount of \$15,770,031 for the City of Santa Clarita may be used for street and road projects, or transit projects, as long as their transit needs continue to be met;
 4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$9,373,877 may be used for street and road projects, or transit projects, as long as their transit needs continue to be met; and

- B. A resolution (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

ISSUE

State law requires that the Los Angeles County Metropolitan Transportation Authority (LACMTA) make findings regarding unmet transit needs in areas outside Metro's service area. If there are unmet transit needs that are reasonable to meet, then these needs must be met before TDA Article 8 funds may be allocated for street and road purposes.

BACKGROUND

Under the State of California TDA Article 8 statute, state transportation funds are allocated to the portions of Los Angeles County outside Metro's service area. These funds are for "unmet transit needs that may be reasonable to meet." However, if no such needs exist, the funds can be spent for street and road purposes. See Attachment D for a brief summary of the history of TDA Article 8 and definitions of unmet transit needs.

Before allocating TDA Article 8 funds, the Act requires Metro to conduct a public hearing (Attachment E). If there are determinations that there are unmet transit needs, which are reasonable to meet and Metro adopts such a finding, then these transit needs must be met before TDA Article 8 funds can be used for street and road purposes. By law, Metro must adopt a resolution annually that states our findings regarding unmet transit needs. Attachment C is the FY 2023-24 resolution. The proposed findings and recommendations are based on public testimony (Attachment F) and the recommendations of the Social Service Transportation Advisory Council (SSTAC) and the Hearing Board.

Bus Stop Improvements

TDA Article 8 funds are eligible for preliminary engineering, right-of-way acquisition, improvement, maintenance, reconstruction, and construction of public streets and roads, construction of facilities and buildings, and transportation planning. However, these jurisdictions are utilizing Federal 5307 funds to make bus stop/shade improvements.

The City of Santa Clarita launched bus stop improvement projects in which benches, shelters, and shade structures were installed or replaced throughout the service area, in FY20 and FY21. The next round of bus stop improvements focuses on refurbishing and replacing real-time electronic signage at the bus stops, in FY23 and FY24.

AVTA is working with the cities of Lancaster and Palmdale on new bus shelter, amenities, and improvements throughout AVTA service area. Currently, the cities purchase shelters, conduct the planning and engineering of the shelter locations. AVTA is responsible for the installation/maintenance of shelters and trash cans. In FY23 and FY24, AVTA has begun safety improvements on shelters by adding solar lighting on those shelters in the cities and the rural areas that need additional lighting. In FY24 and FY25, AVTA is looking to add real-time electronic signage at two new transit centers.

DISCUSSION

Findings

Staff has followed state law in conducting public hearings and obtaining input from the SSTAC regarding unmet transit needs. The SSTAC is comprised of social service providers and other interested parties in the North County areas.

- Attachment G summarizes the recommendations made and actions taken during FY 2022-23 (for the FY 2023-24 allocation estimates)
- Attachment H is the proposed recommendations of the FY 2023-24 SSTAC.

On May 24, 2023, the TDA Article 8 Hearing Board was convened on behalf of the Metro Board of Directors to conduct the required public hearing process. The Hearing Board developed findings and made recommendations for using TDA Article 8 funds based on the input from the SSTAC and the public hearing process.

Funds will be released for allocation to the eligible jurisdictions upon:

1. Transmittal of the Metro Board-adopted findings and recommendations,
2. Transmittal of public hearing documentation to Caltrans, and
3. Caltrans approval

Delay in adopting the findings, recommendations, and the resolution contained in Attachments A and C would delay the allocation of \$48,985,266 in TDA Article 8 funds to the recipient local jurisdictions.

DETERMINATION OF SAFETY IMPACT

Approval of this project will have no impact on Safety.

FINANCIAL IMPACT

The TDA Article 8 funds for FY 2023-24 are estimated at \$48,985,266 (Attachment B). The funding for this action is included in the FY24 Proposed Budget in cost center 0443, project number 410059 TDA Subsidies - Article 8. TDA Article 8 funds are state sales tax revenues designated, by law, for use by Los Angeles County local jurisdictions outside of Metro's service area. Metro allocates TDA Article 8 funds based on population and disburses them monthly, once each jurisdiction's claim form is received, reviewed and approved.

EQUITY PLATFORM

The definition of Unmet Transit Needs is any transportation need, identified through the public hearing process, which could be met through the implementation or improvement of transit or paratransit services. This process is set by the State and is approved by Caltrans prior to the release of the funds, including allocation of funds based on jurisdiction population and local control of eligible expenditure decisions. In April 2023, in-person and virtual public hearings were conducted in North County and Santa Clarita and an additional one in City of Avalon in conjunction with their council

meeting. The public hearing notices were posted in the Daily News and La Opinión in each jurisdiction and the local papers in Antelope Valley, Santa Clarita, San Fernando Valley, Catalina Island, and Long Beach. Additionally, staff sent flyers to all the businesses in the area. Santa Clarita Transit ran the notice on their system and had the notice posted in the public areas of the cities. Avalon included the posting in their social media outlets. All hearings offered a Spanish interpreter.

At the conclusion of the comment period, staff convened the Social Service Transportation Advisory Council consisting of representatives from the senior (65 and older) and disability communities. Additionally, per law, staff included representatives from organizations/CBOs that assist seniors, people with low incomes, and people with disabilities. This meeting was a hybrid, with the option for attendees to participate in-person or online. A Spanish language translator was also on hand for this meeting. Based on this public hearing process, no unmet transit needs were identified in the above jurisdictions. There are no equity impacts anticipated as a result of this action.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports Strategic Plan Goals 2 and 4 by improving mobility, ease of travel, and safety. Per state requirement, the TDA funds are allotted to the municipal and Tier 2 operators to support the operation of their services countywide.

ALTERNATIVES CONSIDERED

The Board of Directors could adopt findings or conditions other than those developed in consultation with the Hearing Board, with input from the state-required SSTAC (Attachment H), and through the public hearing process. However, this is not recommended because adopting the proposed findings and recommendations made by the SSTAC and adopted by the Hearing Board have been developed through a public hearing process, as described in Attachment E, and in accordance with the TDA statutory requirements.

NEXT STEPS

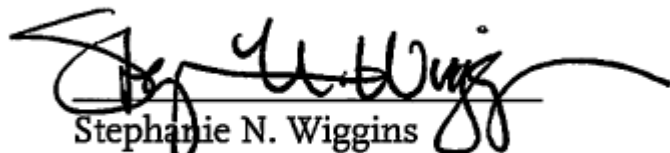
Once Caltrans reviews and approves the Board-adopted resolution and documentation of the hearing process, we will receive TDA Article 8 funds to allocate to the recipient local jurisdictions.

ATTACHMENTS

Attachment A - FY24 Proposed Findings and Recommended Actions
Attachment B - TDA Article 8 Apportionments: Estimates for FY2023-24
Attachment C - FY2023-24 TDA Article 8 Resolution
Attachment D - History of TDA Article 8 and Definitions of Unmet Transit Needs
Attachment E - TDA Article 8 Public Hearing Process
Attachment F - FY24 Comment Summary Sheet
Attachment G - Summary of Recommendations and Actions Taken
Attachment H - Proposed Recommendations of the FY2023-24 SSTAC

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