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**File #:** 2024-0333, **File Type:** Resolution

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**FINANCE, BUDGET AND AUDIT COMMITTEE  
JUNE 20, 2024**

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

**ACTION: APPROVE RECOMMENDATION**

**RECOMMENDATION**

**ADOPT:**

- A. Findings and Recommendations (Attachment A) for allocating fiscal year 2025 (FY25), Transportation Development Act (TDA) Article 8 funds estimated (Attachment B) at \$42,918,656 as follows:
1. In the City of Avalon, there are no unmet transit needs that are reasonable to meet. Therefore TDA Article 8 funds in the amount of \$202,757 may be used for street and road projects or transit projects;
  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 \$10,490,346 and \$10,039,029 (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 \$13,956,331 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 \$8,230,193 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 (Metro) 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 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 process (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 presents the FY25 Resolution. The proposed findings and recommendations are based on the results of the public hearing process and the recommendations of the Social Service Transportation Advisory Council (SSTAC) and the Hearing Board.

### **Bus Stop Improvements**

Starting in FY20 and continuing to current fiscal year, 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. The second round of bus stop improvements focuses on refurbishing and replacing real-time electronic signage at the bus stops (700 bus stops).

AVTA continues to work with the cities of Lancaster and Palmdale, on new bus shelters, amenities, and improvements throughout AVTA service area. Currently, both Lancaster and Palmdale purchase shelters, conduct the planning and engineering of the shelter locations, and AVTA staff handles the installation/maintenance of shelters and trash cans. In FY24, AVTA continued safety improvements on shelters by adding solar lighting on shelters in the cities and the rural areas that need additional lighting. This year, AVTA also added 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 riders representing seniors, people with disabilities as well as social service providers and other interested parties in the North County areas.

- Attachment F summarizes the recommendations made and actions taken by area transit agencies during FY2024 (for the FY25 allocation estimates)
- Attachment A is the proposed recommendations of the FY25 SSTAC.

On May 13, 2024, 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

A delay in adopting the findings, recommendations, and the resolution contained in Attachments A and C would delay the allocation of \$42,918,656 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 FY25 are estimated at \$42,918,656 (Attachment B). The funding for this action is included in the FY25 Adopted 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 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**

This process is set by the State and is approved by Caltrans prior to release of the funds, including allocation of funds based on jurisdiction population and local control of eligible expenditure decisions. On March 5, 2024, in-person and virtual public hearings were conducted in Palmdale/Lancaster and Santa Clarita, and on March 19, 2024, in the 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, notifications were sent to all the businesses in the area. Santa Clarita Transit published the notice on their system and posted notices in the public areas of the cities. Avalon included the posting in their social media outlets. All hearings offered a Spanish interpreter, and all the public hearing spaces were American with Disabilities Act (ADA) accessible. In addition, members of the public had a chance to participate virtually.

After the comment period, staff convened the SSTAC consisting of representatives from the senior (65 and older) and disability communities. Per law, staff included representatives from community-based organizations that assist seniors, people with low incomes, and people with disabilities. This meeting was hybrid, allowing attendees to participate in-person or online. A Spanish language interpreter was also present for this meeting. Based on the 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 II 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 A), 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 - FY25 Proposed Findings and Recommended Actions  
Attachment B - TDA Article 8 Apportionments: Estimates for FY25

Attachment C - FY25 TDA Article 8 Resolution

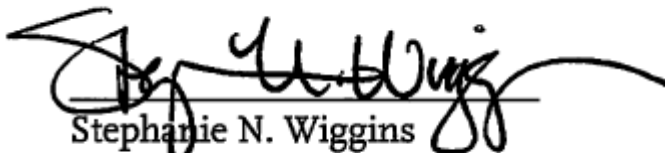
Attachment D - History of TDA Article 8 and Definitions of Unmet Transit Needs

Attachment E - TDA Article 8 Public Hearing Process

Attachment F - Summary of Recommendations and Actions Taken

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