



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

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DATE: May 17, 2016

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Authorization for the City Manager to Execute the Alameda CTC Master Programs Funding Agreement for Measure B, Measure BB, and Vehicle Registration Fee Direct Local Distribution Funds

RECOMMENDATION

That Council approves the attached resolution authorizing the City Manager to execute the Master Programs Funding Agreement (MPFA) with the Alameda County Transportation Commission (Alameda CTC) for the pass through funding from Measure B, Measure BB and the Vehicle Registration Fee (VRF).

BACKGROUND

Alameda County voters approved Measure B funds in November 2000, and collection of the sales tax began on April 1, 2002. Agreements were executed with transit agencies, Alameda County, and local jurisdictions to receive Measure B pass through funds for four types of programs: bicycle and pedestrian; local streets and roads; mass transit; and paratransit.

Voters also approved the Measure F Alameda County Vehicle Registration Fee (VRF) program on November 2, 2010. The additional annual \$10 per vehicle fee generates about \$11 million per year countywide.

Voters approved Measure BB funds on November 4, 2014. Measure BB renewed the 0.5% Measure B transportation sales tax approved in 2000 and increased the tax by an additional 0.5%, resulting in a 1% sales tax throughout Alameda County dedicated to transportation expenses. The thirty-year plan proposed \$7.8 billion in spending to improve and maintain transportation infrastructure and systems in the county.

Annually, these distributions provide support to locally identified transportation improvements among the City's local transportation, bicycle and pedestrian, mass transit and paratransit programs.

Alameda CTC is responsible for the distribution of revenues generated through the Measure B, Measure

BB and the Vehicle Registration Fee (VRF) programs. Over half of these revenues are distributed by formula directly to twenty local jurisdictions, including the City of Hayward, to support locally managed transportation, bicycle and pedestrian, transit, and paratransit programs. In order to receive Measure B/BB/VRF Direct Local Distribution (DLD) funds, the City is required to maintain a Master Programs Funding Agreement (MPFA) with the Alameda CTC. The MPFAs identify the roles and responsibilities related to the DLD expenditures.

Alameda CTC currently maintains two active MPFAs with the City to facilitate the distribution of funds. The first, executed in 2012, is applicable to Measure B/VRF funds and expires on June 30, 2022. The second, executed in 2015, is applicable to Measure BB funds and expires on June 30, 2016. The 2015 Measure BB MPFA was an initial one-year agreement to allow for immediate flow of new Measure BB distributions to recipients, and to provide additional time to develop policies and performance measures for all DLD funds.

To address the upcoming expiration of the MPFA for Measure BB, and to provide consistent implementation across all three DLD funds, Alameda CTC is modifying and combining the two current MPFAs into one, ten-year agreement. The combined MPFA will make changes to, and replace, the current agreements. It will enable continued disbursement of Measure B/BB/VRF DLD funds effective July 1, 2016, continuing through June 30, 2026, unless otherwise amended or replaced in the future.

DISCUSSION

While the combined MPFA will enable continued disbursement of Measure BB funds, it is based primarily on the 2012 MPFA covering Measure B and VRF funds. The primary changes in the new MPFA include:

- Removal of timely use of funds and reserve policies. These policies are replaced in the Measure B/BB/VRF MPFA policy provisions with reference to the Commission approved Timely Use of Funds Policies for DLD funds (December 2015). The Timely Use of Funds Policy requires all Measure B, Measure BB, and VRF recipients to spend funds expeditiously or establish a reserve fund.
- Incorporation of Measure BB references and policies specific to the Measure such as 15% of local streets and roads funds must be expended on bicycle and pedestrian related improvements.
- Incorporation of performance measures and reporting requirements.

FISCAL IMPACT

Execution of the MPFA prior to June 1, 2016 will allow an uninterrupted flow of transportation funds to the City from Measure B/BB/VRF. The table below illustrates the estimated funds provided by each program for FY17.

Funding Source	Local Streets & Roads	Bicycle & Pedestrian Projects	Paratransit
Measure B	\$2.2 million	\$457,000	\$845,000
Measure BB	\$2.0 million	\$370,000	\$526,000
VRF	\$750,000	-	-

PUBLIC CONTACT

The Alameda CTC presented the Implementation Guidelines before appropriate Alameda CTC Committees, which provide oversight on funds. On February 25, 2016, the Alameda CTC adopted the final MPFA and Implementation Guidelines.


NEXT STEPS

If Council approves staff recommendations, the MPFA will be fully executed by the City Manager prior to June 1, 2016 to ensure that Measure B/BB/VRF funds continue to flow to the City.

Prepared by: Fred Kelley, Transportation Manager

Recommended by: Morad Fakhrai, Director of Public Works

Approved by:



Fran David, City Manager

Attachments:

Attachment I

Resolution