


# CITY OF LOS ANGELES

## INTER-DEPARTMENTAL MEMORANDUM

Date: May 24, 2023

To: The Honorable City Council  
c/o City Clerk, Room 395  
Attention: Heather Hutt, Chair, Transportation Committee

From: Connie Llanos, Interim General Manager   
Department of Transportation

Subject: **AUTHORITY TO ACCEPT FUNDS AND EXECUTE ANY NECESSARY AGREEMENTS FOR THE SENATE BILL (SB) 1 STATE TRANSIT ASSISTANCE (STA) TRANSIT FUNDING**

### SUMMARY

The Los Angeles Department of Transportation (LADOT) requests authority to accept the annual allocations of SB1 STA funds for fiscal years 2017-2018, 2018-2019, 2020-2021, 2021-2022, and 2023-2024, and to approve the required California Department of Transportation (Caltrans) resolutions for transit capital and operating expenses.

### RECOMMENDATION

That the City Council, subject to the approval of the Mayor:

1. AUTHORIZE the General Manager of LADOT or Chief of Transit Programs to apply and accept up to \$838,576 in Fiscal Year (FY) 2017-2018 STA SB1 program funds and execute any necessary agreements and contractual documents with the Los Angeles County Metropolitan Transportation Authority (Metro) on behalf of Caltrans, subject to the approval of the City Attorney as to form and legality.
2. AUTHORIZE the General Manager of LADOT or Chief of Transit Programs to apply and accept up to \$1,213,029 in FY 2018-2019 STA SB1 program funds and execute any necessary agreements and contractual documents with Metro on behalf of Caltrans, subject to the approval of the City Attorney as to form and legality.
3. AUTHORIZE the General Manager of LADOT or Chief of Transit Programs to apply and accept up to \$1,371,622 in FY 2020-2021 STA SB1 program funds and execute any necessary agreements and contractual documents with Metro on behalf of Caltrans, subject to the approval of the City Attorney as to form and legality.
4. AUTHORIZE the General Manager of LADOT or Chief of Transit Programs to apply and accept up to \$884,288 in FY 2021-2022 STA SB1 program funds and execute any necessary agreements and contractual documents with Metro on behalf of Caltrans, subject to the approval of the City Attorney as to form and legality.
5. AUTHORIZE the General Manager of LADOT or Chief of Transit Programs to apply and accept up to \$2,283,207 in FY 2023-2024 STA SB1 program funds and execute any necessary agreements and contractual documents with Metro on behalf of Caltrans, subject to the approval of the City

Attorney as to form and legality.

6. AUTHORIZE the funds to be deposited and appropriated in the Transit Operations Appropriation Account within Fund 385.
7. APPROVE the attached required SB1 STA funding resolutions.

## **BACKGROUND**

The Road Repair and Accountability Act of 2017, Senate Bill 1, includes an allocation of State Transit Assistance funds that provide \$52 million annually to transit operators in Los Angeles County. Eligible SB1 STA projects include transit operations, maintenance, rehabilitation, and capital projects. As a transit operator in Los Angeles County, LADOT is eligible to receive an allocation of SB1 STA funds.

LADOT does not receive STA funding directly. Caltrans provides a regional funding allocation to Metro, which the agency distributes and administers through the Measure R funding formula. The new SB1 STA funding requires Metro to allocate the funds to each transit operator. In order to receive its regional allocation, LADOT must submit SB1 STA claims to Metro, which must include resolution(s) from the governing body to authorize the claim and approve the basic purpose for which it is being filed.

## **DISCUSSION**

For the City of Los Angeles to receive SB1 STA funds, LADOT must sign an SB1 STA funding resolution (See Attachment 1) to satisfy funding program requirements established by Caltrans. The allocations by year are as follows:

- The FY 2017-2018 LADOT Transit allocation is \$838,576.
- The FY 2018-2019 LADOT Transit allocation is \$1,213,029.
- The FY 2020-2021 LADOT Transit allocation is \$1,371,622.
- The FY 2021-2022 LADOT Transit allocation is \$884,288.
- The FY 2023-2024 LADOT Transit allocation is \$2,283,207.

LADOT Transit will use all SB1 STA funding listed above to operate the DASH service.

## **FISCAL IMPACT**

There is no impact to the City's General Fund. SB1 STA funds will be deposited in the Proposition A Fund 385, Revenue Source Code 3361, State Grants – Other.

CL:JK:ds

Attachement 1 - Resolution

## RESOLUTION

**WHEREAS**, the State Transportation Development Act (TDA), as amended by the Mills-Alquist-Deddeh Act (Public Utilities Code Section 99200 et seq.) provides for the allocation of State Transit Assistance (STA) funds, derived from the statewide sales tax on diesel fuel; and

**WHEREAS**, pursuant to the provisions of the TDA, as amended, and pursuant to the applicable rules and regulations thereunder (Cal Code of Regulations, Title 21, Sections 660 et seq.), a prospective claimant wishing to receive an allocation from the STA is required to file its annual claim with its county transportation authority; and

**WHEREAS**, eligible uses for these funds include transit operations, maintenance, rehabilitation, and capital projects; and

**WHEREAS**, the City of Los Angeles is an eligible claimant and desires to file claims for STA funds with the Los Angeles County Metropolitan Transportation Authority (Metro) for the FY 2018 allocation of \$838,576; for the FY 2019 allocation of \$1,213,029; for the FY 2021 allocation of \$1,371,622; for the FY 2022 allocation of \$884,288; and for the FY 2024 allocation of \$2,283,207; and

**WHEREAS**, the City will use the funds to support transit operations;

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council authorizes the General Manager of the Department of Transportation or designee to apply, submit, and execute the annual claims to the Los Angeles County Metropolitan Transportation Authority for FY 2018 State Transportation Development Act funds, in an amount not to exceed \$838,576; for FY 2019 State Transportation Development Act funds, in an amount not to exceed \$1,213,029; for FY 2021 State Transportation Development Act funds, in an amount not to exceed \$1,371,622; for FY 2022 State Transportation Development Act funds, in an amount not to exceed \$884,288; and for FY 2024 State Transportation Development Act funds, in an amount not to exceed \$2,283,207.