



Agenda Report

June 15, 2015

TO: Honorable Mayor and City Council

FROM: Department of Transportation

SUBJECT: OPTIONS FOR ALLOCATION OF POTENTIAL NEW TRANSPORTATION SALES TAX REVENUE

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the following proposed action is exempt from review pursuant to the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b) (3); and
2. Direct staff to notify the Los Angeles County Transportation Authority (Metro) that the City of Pasadena favors being grouped with the Arroyo Verdugo Subregion (AVS) cities in identifying transportation projects for potential new transportation sales tax revenue.

BACKGROUND:

The cities of Pasadena and South Pasadena participate in both the San Gabriel Valley and Arroyo Verdugo subregions. Both cities have traditionally received Metro funding through the San Gabriel Valley Council of Governments (SGVCOG). In addition, both cities are currently working with the SGVCOG on their Metro Mobility Matrix projects. The San Gabriel Valley Mobility Matrix, along with concurrent efforts in other Metro subregions, includes the development of subregional goals and objectives to guide future transportation investments, an assessment of baseline transportation system conditions to identify critical needs and deficiencies, and an initial screening of projects and programs based on their potential to address subregional objectives and countywide performance themes.

The Mobility Matrix is intended to serve as a starting point for the update of the Metro Long-Range Transportation Plan (LRTP) currently scheduled for adoption in 2017 and will likely lead to a set of projects and programs to include in the potential 2016 transportation sales tax ballot measure (commonly referred to as Measure R².)

For the purposes of the Mobility Matrix, cities with membership in two subregions selected one subregion in which to participate. The City of Pasadena was included in the SGVCOG.

The Arroyo Verdugo Subregion (AVS) was assembled in 1993 as a method of coordinating information and providing a forum of discussion on issues of mutual interest and concern, consider regional programs and initiatives, and conduct studies, primarily related to transportation. The Subregion includes the cities of Burbank, Glendale, La Cañada Flintridge, Pasadena and South Pasadena. The AVS is not constituted as a Council of Governments (COG) in that it does not have a joint powers agreement entered into by the cities, as COGs have. At the time of its inception, Pasadena and South Pasadena were members of the San Gabriel Valley Council of Governments (SGVCOG) and the other three cities were not members of any COG. In 2002, the City of La Cañada Flintridge joined the SGVCOG. In 2009, the cities of Burbank and Glendale formed and joined the San Fernando Valley Council of Governments (SFVCOG).

Current 2008 Transportation Sales Tax Measure – Measure R

In 2008, voters approved a 30 year half-cent sales tax for the County of Los Angeles, known as Measure R, which included an Expenditure Plan that allocates funding to seven transportation categories:

1. Rail and Bus Rapid Transit Projects - 35%
2. Bus Operations - 20%
3. Carpool Lanes and Highway Improvements - 20%
4. Local City Improvements - 15%
5. Rail Operations - 5%
6. Metrolink Projects - 3%
7. Metro Rail System Improvements - 2%

As shown above, local jurisdictions receive 15 percent of the half-cent sales tax revenue for local transportation needs. The local return funds are then allocated based on per capita for each jurisdiction. In addition, the Expenditure Plan includes subregional program funding allocations for highway, bus, and transit that are based on project lists provided by the individual subregions.

Proposed 2016 Transportation Sales Tax Measure – Measure R²

Metro is currently preparing a new sales tax proposal for transportation that is being preliminarily referred to as “Measure R²”. Metro staff has approached the Arroyo Verdugo Subregion Steering Committee and requested to know whether the members preferred to be grouped with the Arroyo Verdugo Subregion cities, or be grouped with their respective COGs.

The respective City Councils of Burbank, Glendale, La Cañada Flintridge, and South Pasadena have expressed a preference for receiving potential Measure R² funds via the Arroyo Verdugo Subregion. The expressed reason for this preference is to maintain local control over these funds.

If Pasadena joined the Arroyo Verdugo Subregion cities for Measure R² fund allocation, the City would be the second largest entity in the group and would likely carry a major influence. The City would retain more local control over its capital project allocation while being free to collaborate with other Arroyo Verdugo Subregion cities on joint projects.

Options

The Metro Board has directed its staff to obtain feedback from the impacted cities in order to provide their final recommendations. Metro staff provided the following four scenarios for consideration:

- 1) Arroyo Verdugo Subregion will be redistributed into the San Fernando Valley and San Gabriel Valley subregions.
 - a. San Fernando Valley Subregion - Burbank, Glendale, and La Crescenta-Montrose.
 - b. San Gabriel Valley Subregion - Pasadena, South Pasadena, and La Cañada Flintridge.
- 2) Arroyo Verdugo Subregion will include only Burbank, Glendale, La Cañada Flintridge and La Crescenta-Montrose (Pasadena and South Pasadena would be included in the San Gabriel Valley Subregion).
- 3) Arroyo Verdugo Subregion will include Burbank, Glendale, Pasadena, South Pasadena and La Cañada Flintridge (La Crescenta-Montrose would be included in the San Fernando Valley Subregion).
- 4) Arroyo Verdugo Subregion includes Burbank, Glendale, Pasadena, South Pasadena, La Cañada Flintridge, and La Crescenta-Montrose.

Staff's understanding is that all of the cities would still retain their individual memberships in the COGs to which they belong (Pasadena would still continue serving as a member of the SGVCOG.) This action would only reflect the preference that the proposed Metro sales tax funds be funneled through the AVS.

Participation in the Arroyo Verdugo Subregion for the future Metro sales tax measure may be beneficial for the City and would allow the City to have far more local control over these funds. The City would not be required to exclude itself from the SGVCOG. The City could benefit from joining the Arroyo Verdugo Subregion if Metro continues to allow the Arroyo Verdugo Subregion cities to allocate funds based on per capita. The per capita allocation of funds would provide for more local control, in comparison to the project lists submitted by the SGVCOG which are prioritized based on regional needs. While several members of the Arroyo Verdugo Subregion cities have expressed a desire to have the Measure R² funds allocated on a per capita basis similar to Measure R, Metro has not yet confirmed that this would be allowed.

COUNCIL POLICY CONSIDERATION:

The proposed action is consistent with the following goal of the Strategic Plan: Maintain Fiscal Responsibility and Stability.

ENVIRONMENTAL ANALYSIS:

The proposed action is exempt from CEQA per section 15061 (b) (3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment.

FISCAL IMPACT:

There is no immediate fiscal impact associated with stating a subregional preference to Metro. If the sales tax measure is approved by the Los Angeles County voters in 2016, the City Council's preference may impact the amount of regional transportation funding that is allocated to projects in the City of Pasadena.

Respectfully submitted,

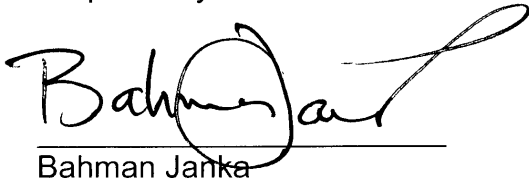


FREDERICK C. DOCK

Director

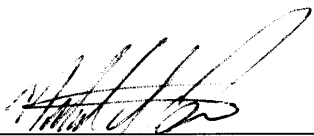
Department of Transportation

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