



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: OCTOBER 20, 2015

ITEM NUMBER: **CC-7**

**SUBJECT: RESOLUTION FOR COMPREHENSIVE TRANSPORTATION FUNDING PROGRAM APPLICATIONS**

**DATE: OCTOBER 8, 2015**

**FROM: PUBLIC SERVICES DEPARTMENT/TRANSPORTATION SERVICES DIVISION**

**PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR**

**FOR FURTHER INFORMATION CONTACT: RAJA SETHURAMAN, TRANSPORTATION SERVICES MANAGER – (714) 754-5032**

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## **RECOMMENDATION:**

Adopt a resolution approving the submittal of grant applications for transportation improvement projects under the Orange County Transportation Authority's (OCTA) Comprehensive Transportation Funding Program (CTFP) for Fiscal Years 2016-17 through 2018-19 (Attachment 1).

## **BACKGROUND:**

In November 1990, Orange County voters approved Measure "M", a 20-year, half-cent local sales tax to fund transportation improvements countywide. All major transportation improvement projects and programs included in the original Measure "M" have been completed. The City of Costa Mesa has successfully secured approximately \$80 million in revenues under the Measure "M" Comprehensive Transportation Funding (CTFP) and Turnback Programs.

In November 2006, the Orange County voters passed the Renewed Measure "M" Program (M2), extending the half-cent sales tax for the next 30 years, beginning in the year 2011. Revenues from this extended sales tax are proposed to fund a wide range of improvements in Orange County, including freeway, arterial, and transit systems. In September 2011, the OCTA Board of Directors approved guidelines for the CTFP Program and subsequently authorized the annual "Call for Projects" under the "M2" Program. Since 2011, the City of Costa Mesa has successfully secured approximately \$8.5 million in revenues under the Renewed Measure "M" Program (M2) CTFP.

The "2016 Call for Projects" was issued for the Regional Capacity Program (RCP) providing approximately \$38 million for roadway improvements across Orange County, and an allocation of \$12 million for traffic signal system projects through the Regional Traffic Signal Synchronization Program (RTSSP).

## **ANALYSIS:**

OCTA has developed several regional competitive programs under the CTFP. With the current “Call for Projects,” only projects under the RCP and RTSSP are eligible for funding at this time.

Cities can compete and receive up to 75 percent funding for various transportation projects in the RCP category, which includes improvements in the following areas:

1. Arterial Capacity Enhancements (ACE) – This is for improvements on arterials throughout the Master Plan of Arterial Highways (MPAH);
2. Intersection Capacity Enhancements (ICE) – This category provides funding for operational and capacity improvements at intersecting MPAH roadways; and
3. Freeway Arterial/Streets Transition (FAST) – This focuses on improvements at freeway interchanges.

A total of \$38 million is available for the above components of the RCP for projects to be implemented in Fiscal Years 2016-17 through 2018-19.

A total of \$12 million has been allocated Countywide within the RTSSP for this “Call for Projects.” The RTSSP funds up to 80 percent of project costs.

The projects submitted will need to meet certain minimum requirements to be eligible for Measure “M” grants. While the City has met all these eligibility requirements, OCTA requires approval of the attached resolution prior to any consideration of City applications. The submittal of applications in response to this “2016 Call for Projects” will not be deemed complete and final until an adopted resolution is submitted to OCTA. Proposed projects for which funding applications were submitted are listed in the attached resolution (Attachment 1 – Exhibit A) and are briefly described in Attachment 2. The resolution authorizes the Public Services Director or designee to submit the grant applications and manage the projects that receive grant funding.

## **ALTERNATIVES CONSIDERED:**

One alternative considered is to not adopt the resolution. This alternative would result in the City’s project applications being declined and rendering the City ineligible to compete for available grant funding.

## **FISCAL REVIEW:**

If staff is successful in capturing grant dollars under these programs, a recommendation will be made to City Council relative to a funding source for any required a local match. Available sources include the Traffic Impact Fee account and the Air Quality Management District (AQMD) AB2766 funds. Traffic Impact Fees typically generate approximately \$150,000 in revenues per year and the City receives approximately \$100,000 annually in revenue from AQMD. Both of these funding sources are eligible as local match funds under the CTFP guidelines. If the City is successful in capturing CTFP grant funding, the projects are typically implemented within a two-year to three-year period. This would allow for the City to adequately budget any required matching funds.

**LEGAL REVIEW:**

The City Attorney has reviewed and approved the resolution as to form.

**CONCLUSION:**

The current Countywide “2016 Call for Projects” provides an opportunity for the City to compete for grant funding for implementation of certain transportation projects under the Renewed Measure “M” Program (M2). Staff recommends that the City Council adopt the attached Resolution for OCTA’s consideration of project applications under the Comprehensive Transportation Funding Program.

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**ERNESTO MUNOZ**  
Public Services Director

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**RAJA SETHURAMAN**  
Transportation Services Manager

ATTACHMENTS: 1 - [CTFP Resolution](#)  
2 - [Proposed Projects](#)

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