



## **PUBLIC WORKS DEPARTMENT**

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### **CITY COUNCIL STAFF REPORT**

Meeting: February 4, 2020

#### Subject

Consider entering into a funding agreement with Santa Clara Valley Transportation Authority (VTA) to allow the City of Cupertino to receive 2016 Measure B funds for expenditure on bicycle and pedestrian educational programs within the City that qualify under the 2016 Measure B Bicycle & Pedestrian Education and Encouragement Program

#### Recommended Action

Authorize the City Manager to enter into a funding agreement with Santa Clara Valley Transportation Authority (VTA) for the 2016 Measure B Bicycle & Pedestrian Education and Encouragement Program

#### Background

On November 8, 2016, Santa Clara County voters passed 2016 Measure B ("Measure B"), a 30-year, half-cent sales tax measure funding transportation projects in the following nine program areas: Local Streets and Roads; BART Phase II; Bicycle & Pedestrian; Caltrain Grade Separation; Caltrain Corridor Capacity Improvements; Highway Interchanges; County Expressways; State Route 85 Corridor; and Transit Operations. Collection of the tax revenue began on April 1, 2017.

A lawsuit challenging the validity of Measure B was filed in 2017, however, the California Supreme Court refused to hear an appeal on the legal challenge. This authorized the lower court, which also ruled against the challenge, to allow VTA to disperse the tax revenue, which was accumulating in escrow, as of January 30, 2019.

On March 19, 2019, City Council authorized the City Manager to enter the first Measure B funding agreement for the Local Streets and Roads Program. The Bicycle & Pedestrian Education and Encouragement Program is now the second of several requisite Measure B funding agreements. VTA is using the same form of funding agreement for all cities.

#### Discussion

The Measure B Bicycle & Pedestrian Program funds bicycle and pedestrian projects of countywide significance. It consists of three subcategories, one of which is the Education and Encouragement Program ("E&E Program"), which intends to provide funding for

bicycle and pedestrian educational and encouragement programs. Section 3 of the funding agreement identifies the activities and projects that are eligible for the E&E Program funds, some of which include the organization and implementation of Safe Routes to School programs, Vision Zero programs, and open streets events. For the City of Cupertino, these funds will predominately create new and support existing educational and encouragement activities and projects within the City's Safe Routes to School Program.

As stated in the adopted Bicycle & Pedestrian Program Guidelines, the overall Bicycle & Pedestrian Program is projected to provide \$250 million (in 2017 dollars) in total funds, or \$8.3 million annually, to all member agencies. Fifteen percent will be allocated towards the E&E Program, or \$1.25 million annually. Santa Clara County will receive \$250,000 annually, and the remaining funds will be allocated to each city on a formula-based distribution, in addition to a \$10,000 minimum annual allocation. Funding allocation for each fiscal year, starting July 1, 2017, will be based upon the City's percentage share of the population, applied to the VTA Board of Directors Adopted Biennial Budget for the E&E Program subcategory. While the term of the agreement continues through June 30, 2021 with options to extend the term as stated in Section 2 of the funding agreement, E&E Program funds will continue to be available for distribution through March 31, 2047 under separate and subsequent funding agreements. More detail of the funding formula can be found in Section 5 of the funding agreement.

For the City of Cupertino, VTA provided the set amounts of funding for the following fiscal years:

FY17/18	\$37,049.00
FY 18/19	\$37,049.00
FY 19/20	\$37,462.30
FY 20/21	\$37,462.30

Additionally, any unused funds may be banked to be used for the following fiscal year for a maximum of three years subject to VTA approval.

#### Sustainability Impact

Continuing to educate and promote bicycle and pedestrian safety to the community through the City's Safe Routes to School Program will encourage biking and walking, which reduces traffic congestion and leads to reduced vehicle emissions, helping the City achieve its air quality and greenhouse gas emissions reduction goals.

#### Fiscal Impact

Upon execution of the funding agreement, the City will receive formulaic funds annually through June 30, 2021 that will be available on a reimbursement basis. This will include reimbursements of \$37,049 for FY17/18 and FY18/19, and \$37,462.30 for FY19/20 and FY20/21.

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Prepared by: Jennifer Chu, Senior Civil Engineer

Reviewed by: Roger Lee, Director of Public Works

Approved for Submission by: Deborah Feng, City Manager

Attachments:

A – Draft Funding Agreement