



**Agenda Item D.2  
PUBLIC HEARING**

**Meeting Date: February 17, 2009**

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**TO:** Mayor and Councilmembers

**FROM:** Dan Singer, City Manager

**CONTACT:** Steve Wagner, Community Services Director  
Marti Schultz, Principal Civil Engineer

**SUBJECT:** Revised Measure D Two-Year Program of Projects for FY 2008-2009 through FY 2009-2010

**RECOMMENDATION:**

- A. Conduct a public hearing for a Revised Measure D Two-Year Program of Projects for FY 2008-2009 through FY 2009-2010; and
- B. Adopt Resolution No. 09-\_\_ entitled "A Resolution of the City Council of the City of Goleta, California Adopting the Revised Measure D Two-Year Local Program of Projects FY 2008-2009 through FY 2009-2010".

**BACKGROUND:**

In 1989 the voters of Santa Barbara County approved Measure D establishing the Santa Barbara Transportation Improvement Program. As a result, the local sales tax was increased one half cent for a period of 20 years. The revenues generated by the tax increment are split between local (70%) and regional (30%) transportation programs. Since the Measure D program sunsets in FY 2009-2010, the City will not receive any Measure D funds for road maintenance purposes starting in FY 2011. A new transportation measure, Measure A, was approved by the voters in 2008 and will replace Measure D in FY 2010-2011.

The Santa Barbara County Association of Governments (SBCAG) is the designated Local Transportation Authority and is responsible for the administration of the Measure D program and the allocation of revenues to the local agencies. Each year local agencies must approve an expenditure plan called a "Local Program of Projects" that identifies the agencies' projects that are to be funded by Measure D.

On April 15, 2008, the City of Goleta held a public hearing and approved the two-year Local Program of Projects which was then forwarded to the SBCAG for adoption.

**DISCUSSION:**

The Measure D Local Allocation Rules allow for revisions to the approved program of projects to account for new projects or changes in planned expenditures as identified by the City.

Subsequent to the approval of the program of projects in April 2008, the City authorized additional Measure D expenditures associated with implementation of the Gap Fire Emergency Response Plan and transit assistance to MTD for the Calle Real/Old Town Shuttle. Staff has now prepared a revised 2-year Measure D Local Program of Projects for Council approval as required by the Measure D Local Allocation Rules.

The Gap Fire Emergency Response Plan expenditures were for drainage improvements at the Calle Real culvert at San Pedro Creek and the Stow Canyon road culvert at Las Vegas Creek. These expenditures totaled \$180,000 and are identified as Gap Fire Drainage Improvements in the revised Measure D program of projects attached to this report.

On August 19, 2008, the City approved a 2-year transit subsidy agreement for the Calle Real/Old Town Shuttle. A copy of the City Council Agenda report for the subsidy agreement is Attachment 2 to this report. These expenditures total \$137,000 and are identified as Calle Real/Old Town Shuttle (Line 9) Transit Subsidy on the revised program of projects.

**ALTERNATIVES:**

Council may elect to not adopt the revised two-year program of projects, however this would mean that Council would need to direct staff to find alternate funding for the improvements completed for the winter storm preparation.

**FISCAL IMPACTS:**

There are no direct financial impacts to the City associated with the adoption of the Revised Measure D Two-Year Program of Projects. However, the Measure D fund originally identified for Street Maintenance and Improvements will be reduced by \$317,000 over the 2 year period to account for the additional expenditures associated with the Gap Fire Emergency Response Plan and the transit subsidy for the Calle Real/Old Town Shuttle as identified above.

Submitted By:

Reviewed By:

Approved By:

\_\_\_\_\_  
Steve Wagner  
Community Services Director

\_\_\_\_\_  
Michelle Greene  
Admin. Services Director

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Daniel Singer  
City Manager

**ATTACHMENTS:**

1. Resolution Adopting the Revised Measure D Two-Year Program of Projects for FY 2008-2009 through FY 2009-2010
2. August 19, 2008 Council Report – Calle Real/Old Town Shuttle Service Pilot Project

## **ATTACHMENT 1**

**Resolution Adopting the Revised Measure D Two-Year Program  
of Projects for FY 2008-2009 through FY 2009-2010**

**RESOLUTION No. 09-\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, CALIFORNIA ADOPTING THE REVISED MEASURE D TWO-YEAR LOCAL PROGRAM OF PROJECTS FY 2008-2009 THROUGH FY 2009-2010**

**WHEREAS**, on November 7, 1989, the voters of Santa Barbara County approved the Santa Barbara Transportation Improvement Program Ordinance and Expenditure Plan known as Measure D; and

**WHEREAS**, Measure D provides that the Santa Barbara County Local Transportation Authority shall annually approve a program of projects submitted by local jurisdictions identifying those transportation projects eligible to use Measure D funds during the succeeding five year program; and

**WHEREAS**, Measure D originally required reporting of a five year program which has now been reduced to a two year program report since Measure D will expire in 2010; and

**WHEREAS**, the City of Goleta was provided with an estimate of annual Measure D local revenues for Fiscal Year 2008-2009 through Fiscal Year 2009-2010; and

**WHEREAS**, the City of Goleta held a public hearing on April 18, 2008 and adopted a two-year program of projects in accordance with Section 5 of Measure D; and

**WHEREAS**, subsequent to the adoption of the two-year program of projects the City of Goleta identified additional projects for which Measure D funds are to be expended; and

**WHEREAS**, the City of Goleta held a public hearing on a revised two-year program of projects on February 17, 2009 in accordance with Section 5 of Measure D.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLETA AS FOLLOWS:**

**SECTION 1.**

The City of Goleta hereby adopts the attached Revised Two-Year Program of Projects, attached hereto as Exhibit A, to be funded in part, by Measure D revenues.

**SECTION 2.**

The City of Goleta will not use Measure D revenues to replace private developer funding that has been committed to transportation projects or would otherwise be required under current City policies.

**SECTION 3.**

The City of Goleta has complied with all other applicable provisions and requirements of Measure D.

**SECTION 4.**

The City Clerk shall certify to the adoption of this Resolution.

**PASSED, APPROVED AND ADOPTED** this 17th day of February 2009.

\_\_\_\_\_  
ROGER S. ACEVES, MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
DEBORAH CONSTANTINO  
CITY CLERK

\_\_\_\_\_  
TIM W. GILES  
CITY ATTORNEY

STATE OF CALIFORNIA            )  
COUNTY OF SANTA BARBARA    )     ss.  
CITY OF GOLETA                 )

I, DEBORAH CONSTANTINO, City Clerk of the City of Goleta, California,  
DO HEREBY CERTIFY that the foregoing Resolution No. 09-\_\_\_ was duly  
adopted by the City Council of the City of Goleta at a regular meeting held on the  
17<sup>th</sup> day of February, 2009, by the following vote of the Council:

AYES:            COUNCILMEMBERS

NOES:            COUNCILMEMBERS

ABSENT:          COUNCILMEMBERS

(SEAL)

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DEBORAH CONSTANTINO  
CITY CLERK

EXHIBIT A

**CITY OF GOLETA**  
**REVISED MEASURE D TWO YEAR PROGRAM OF LOCAL PROJECTS**  
**FY 2008/2009 - FY 2009/2010**  
 (Amounts shown in \$1000s)

PROJECT DESCRIPTION				Funding Source and Amount	Other Local	State	Federal
	08/09	09/10	2 Year Total	Measure D			
Street Maintenance and Improvements*	\$901	\$1,156	\$2,057	\$2,057			
Miscellaneous Concrete Repairs*	\$122	\$122	\$ 244	\$244			
Street Tree and Median Maintenance	\$275	\$275	\$ 550	\$550			
Paratransit (Easy Lift)	\$27	\$28	\$ 55	\$55			
MTD Lines 6 & 11 Enhancements	\$63	\$65	\$ 128	\$128			
Calle Real/Old Town Shuttle (Line 9) Transit Subsidy	\$67	\$70	\$ 137	\$137			
Gap Fire – Drainage Improvements	\$180		\$180	\$180			
<b>TOTAL</b>	<b>\$1,635</b>	<b>\$1,716</b>	<b>\$3,351</b>	<b>\$3,351</b>			
Estimated Apportionments	\$1,635	\$1,716	\$3,351	\$3,351			
Unallocated Apportionments	\$0	\$0	\$0	\$0			

\* A draft list of streets for repairs is provided in the following table and as provided in the City of Goleta Staff Report dated April 15, 2008.



## **ATTACHMENT 2**

**August 19, 2008 Council Report – Calle Real/Old Town  
Shuttle Service Pilot Project**



**Agenda Item C.3**  
**DISCUSSION/ACTION ITEM**  
**Meeting Date: August 19, 2008**

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**TO:** Mayor and Councilmembers

**FROM:** Steve Wagner, Community Services Director

**CONTACT:** Marti Schultz, Principal Civil Engineer

**SUBJECT:** Calle Real/Old Town Shuttle Service Pilot Project

**RECOMMENDATION:**

- A. Authorize the City Manager to execute a 2-year transit subsidy agreement with MTD, subject to approval as to form by the City Attorney, for the Calle Real/Old Town Shuttle, Line 9, in an amount not to exceed \$135,683.
- B. Appropriate \$66,511 from unappropriated Measure D Funds for FY 2008/2009, Fund 205.

**BACKGROUND:**

In 1998, the Santa Barbara Metropolitan Transit District (MTD) was awarded \$9,175,000 in Congestion Mitigation and Air Quality Improvement program (CMAQ) funds for the implementation of the South Coast Transit Plan (SCTP). This plan included various new and expanded transit services and the purchase of new electric buses. One of the components of the SCTP was a new shuttle service in Goleta. On August 2, 2004, Council received a presentation from MTD with respect to the options for a shuttle service between Calle Real and Old Town (Shuttle service). In September 2005 MTD initiated the start of the Shuttle service in the City of Goleta. This service links the Hollister Old Town corridor with the Fairview and Calle Real shopping centers.

On June 5, 2006, Council was presented with an update on the Shuttle service. At that time, the Shuttle service was projected to serve 41,530 passengers per year with an operating cost of approximately \$211,800. Based on the estimated fare box revenue, the operating subsidy was estimated to be approximately \$146,300 per year.

It should also be noted that annual ridership has increased consistently over the past 3 years as shown in the following table:

Year	Ridership
2006	41,530
2007	56,019
2008	70,516
2009	73,340*

\*estimated

**DISCUSSION:**

In April 2008, the City received a letter from MTD requesting \$264,979 in operating subsidy for the Shuttle service’s operation. This subsidy would cover approximately 1 ½ years of operation from September 1, 2008, through April 30, 2010. Following receipt of the request, City and MTD staff discussed the parameters of the Shuttle service and potential changes to the route in order to better serve the needs of the City of Goleta. During the discussion it was determined that the planned change by MTD to eliminate a portion of Line 8 service that is duplicated by the Shuttle service should result in a credit to the City of Goleta for the needed Shuttle service subsidy. This would thereby reduce the costs of the annual subsidy for the Shuttle.

MTD’s overall cost to run the Shuttle service is approximately \$500,000. These costs are covered by the fare box revenues, various State and Federal funding sources and the Congestion Management Air Quality (CMAQ) subsidy. The final subsidy calculated by MTD requested of the City of Goleta is \$66,511 for FY 2008-2009 and \$69,172 for FY 2009-2010, per a letter dated August 8, 2008, (Attachment 1). If approved, this subsidy will replace the CMAQ funding formerly received by MTD. At this time it is recommended that Council appropriate the subsidy for FY 2008-2009. The subsidy for the final fiscal year of Measure D will be included in the FY 2009-2010 recommended budget.

Staff also requested that MTD look at what the costs would be if the City were to further subsidize the Shuttle by reducing the fares to \$1.00 and \$0.50. The estimates for the fare buy down are shown in the table below:

Fare	Base Subsidy FY 2008-2009	Annual Subsidy Fare Buy Down*	Subsidy FY 2008-2009	Subsidy FY 2009-2010	Not to Exceed Amount of Agreement
\$1.25	\$ 66,511	\$ 0	\$ 66,511	\$ 69,172	\$135,683
\$1.00	\$ 66,511	\$ 20,050	\$ 86,561	\$ 69,172	\$175,783
\$0.50	\$ 66,511	\$ 79,350	\$145,894	\$ 69,172	\$294,416

Estimated Cost, actual costs will depend on actual number of riders

It should be noted that MTD will be looking at potential fare increases in January 2009, which would change these estimates. However, if the fare were to be

increased to \$1.50 and the City wanted to buy down the fare to \$1.25 it would cost the City approximately \$20,050 more per year, depending on actual ridership estimates at that time.

**GOLETA STRATEGIC PLAN:**

The Calle Real/Old Town Shuttle is consistent with the Goals in the Goleta Strategic Plan entitled, "Emphasize Old Town Revitalization" or "Protect Character, Quality & Diversity of Neighborhoods." Although, there is not a specific Objective that covers the pilot Shuttle project it still moves the City closer toward realizing its vision as defined within the City's Strategic Plan.

**ALTERNATIVES:**

Council may elect not to provide the requested subsidy. However, without the subsidy it may end the Calle Real/Old Town Shuttle project as of August 31, 2008. Council may direct City Manager to execute a subsidy agreement with MTD to cover either of the following levels of subsidy to provide for a reduction in the fare to the rider:

1. Authorize the subsidy agreement in an amount not to exceed \$175,783 and appropriate funds from Measure D in the amount of \$86,561 to continue with service of the Calle Real/Old Town Shuttle at a cost of \$1.00 per one way trip.
2. Authorize the subsidy agreement in an amount not to exceed \$294,416 and appropriate funds from Measure D in the amount of \$175,783 to continue with service of the Calle Real/Old Town Shuttle at a cost of \$0.50 per one way trip.

**FISCAL IMPACTS:**

MTD has requested that the City of Goleta provide for the subsidy of the Shuttle through April 30, 2010. Staff is recommending that the subsidy agreement be approved through April 30, 2010 and that funds are appropriated to cover the period from September 1, 2008 through June 30, 2009. For any of the proposed subsidies the funding would come out of the City's unappropriated budget from Measure D, Fund 205. There is approximately \$223,000 of unappropriated Measure D Funds in the FY 2008-2009 approved budget. It is recommended that Council authorize the subsidy agreement in an amount not to exceed \$135,683 and appropriate \$66,511 for FY 2008-2009 to continue the Shuttle service at its current rate of \$1.25.

Finally, as indicated in MTD's letter of August 2008, if Measure A is approved the subsidy costs for the Shuttle would be provided directly to MTD, and City would not need to subsidize existing MTD costs starting in FY 2010-2011.

Submitted By:

Reviewed by:

Approved By:

\_\_\_\_\_  
Steve Wagner  
Community Services Director

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Michelle Greene  
Administrative Services  
Director

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Daniel Singer  
City Manager

**ATTACHMENTS:**

1. MTD Letter Dated August 8, 2008
2. MTD Request to City of Goleta for Calle Real/Old Town Shuttle Operating Subsidy
3. Draft Subsidy Agreement