



SACOG Board of Directors

December 8, 2005

Increase in Transportation Development Act (TDA) Planning Fees

Issue: The only significant source for local funding that SACOG has for the required local match for state and federal funding is the Transportation Development Act Planning Fee. There are significant new projects coming up that will require additional matching funds. In order to generate the required matching funds, staff recommends increasing the planning fee consistent with allowed guidelines and the practice of many other regional governments.

Recommendation: Administration Committee recommends that the Board of Directors approve an increase in the TDA Planning Fee to 3.0% and remove the 10% cap on actual increases or decreases in the amount of the planning fee.

Committee Action/Discussion: The TDA allows Regional Transportation Planning Agencies to assess both administrative and planning fees on the TDA Local Transportation Funds that it administers. SACOG has maintained a planning fee level of 2.63% and an administrative fee level of approximately 0.993% since the early 1990s. In FY 2000/01, the SACOG Board approved a continuation of the planning fee of 2.63% and added an annual cap/stop loss of 10% over the prior year's funding level. In FY 2005/06, the current planning fee generated \$1,710,000 on an LTF base of \$67,491,756 from the four counties for which SACOG is the transportation planning agency (Sacramento, Yolo, Sutter, and Yuba), and administrative fees of \$669,944. In FY 2005/06, SACOG also received planning fees in the amount of \$330,171 through the Placer County Transportation Planning Agency (PCPTA) and \$58,903 from the El Dorado County Transportation Commission (EDCTC). This level is set through the MOU's between SACOG and PCPTA and EDCTC wherein the planning fee is set at 2%. The PCPTA MOU also includes the same 10% cap on actual increases or decreases of the TDA planning fee. Removal of the 10% cap provision will require an amendment to the SACOG/PCPTA MOU.

The staff conducted a short survey of other regional transportation planning agencies and determined that the normal planning fee charged is at a level of 3%. The guidance contained in the Transportation Development Act normally allows for a planning fee of up to 3%.

SACOG has two major new grant programs on the horizon, the federal transportation bill Air Quality Earmark of \$5,000,000, which will require matching funds of \$1,250,000, and the state-funded Blueprint grant, which if funded at proposed levels might require matching funds of \$263,500 in both FY 2005/06 and FY 2006/07. We also regularly pursue other grant-funded programs as they become available which require varying amounts of matching funds. The matching funds for the new programs will exceed the capacity of our existing local funding resources. In order to maximize our ability to receive and implement the air quality, Blueprint, and other grant programs, we recommend that the Board approve an increase in the planning fee to 3% and that the 10% cap/stop loss provision be removed for the TDA funding program beginning in the 2006/07 fiscal year. Using the FY 2005/06 TDA findings of apportionment as a baseline, these changes would generate approximately \$293,000 in additional planning fee revenue within the four RTPA counties. The removal of the annual cap/stop loss would potentially increase revenue through the PCPTA and EDCTC MOUs, depending on population growth and sales tax. Upon Board approval, SACOG staff will initiate discussions with PCPTA to amend the MOU to remove the 10% cap on increases or decreases of the TDA planning fee.

Staff has discussed this change with Dr. Scott, General Manager and CEO of the Sacramento Regional Transit District, per the recommendation of the Administrative Committee, and she is supportive of the change. Attached is a chart that outlines the results of the proposed new planning fee as if it had been applied to the FY 2005/06 TDA funding levels for the RTPA counties.

Approved by:

Mike McKeever
Executive Director

MM:JEB:gg
Attachment

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**Analysis of Recommended TDA Planning Fee Increase
Applied to Adopted FY 2005/06 Findings of Apportionment**

JURISDICTION	2005/06 LTF Revenue (Findings of Apportionment)	2005/06 Planning Fee	2005/06 Net Available to Jurisdiction	3% Planning Fee w/o cap/stop loss	2005/06 Net Available to Jurisdiction	Difference
SACRAMENTO COUNTY TOTALS	\$ 54,272,799	\$ 1,417,460	\$ 52,855,339	\$ 1,628,185	\$ 52,644,614	\$ 210,725
Sacramento Uninc.	21,749,335	572,008	21,177,327	652,480	21,096,855	80,472
Citrus Heights	3,535,873	92,993	3,442,880	106,076	3,429,797	13,083
Elk Grove	4,434,088	108,308	4,325,780	133,023	4,301,065	24,715
Folsom	2,666,151	69,746	2,596,405	79,985	2,586,166	10,239
Galt	900,223	23,676	876,547	27,007	873,216	3,331
Isleton	33,758	888	32,870	1,013	32,745	125
Sacramento City	17,923,158	471,379	17,451,779	537,695	17,385,463	66,316
Rancho Cordova	3,030,213	78,462	2,951,751	90,906	2,939,307	12,444
SUTTER COUNTY TOTALS	3,151,096	87,714	3,063,382	94,533	3,056,563	6,819
Sutter Uninc.	880,092	27,980	852,112	26,403	853,689	(1,577)
Live Oak	241,368	6,355	235,013	7,241	234,127	886
Yuba City	2,029,636	53,379	1,976,257	60,889	1,968,747	7,510
YOLO COUNTY TOTALS	8,059,786	178,904	7,880,882	241,793	7,817,993	62,889
Yolo Uninc.	987,404	22,548	964,856	29,622	957,782	7,074
Davis	2,818,032	63,450	2,754,582	84,541	2,733,491	21,091
West Sacramento	1,660,235	36,067	1,624,168	49,807	1,610,428	13,740
Winters	300,372	6,513	293,859	9,011	291,361	2,498
Woodland	2,293,743	50,326	2,243,417	68,812	2,224,931	18,486
YUBA COUNTY TOTALS	1,313,080	26,129	1,286,951	39,393	1,273,687	13,264
Yuba Uninc.	989,418	19,809	969,609	29,683	959,735	9,874
Marysville	259,253	5,201	254,052	7,778	251,475	2,577
Wheatland	64,409	1,119	63,290	1,932	62,477	813
Total	\$ 66,796,761	\$ 1,710,207	\$ 65,086,554	\$ 2,003,904	\$ 64,792,857	\$ 293,697

Footnotes for TDA Planning Fee Chart

- (1) Of the \$80,472 increase attributed to Sacramento County unincorporated area, 94.7995%, or \$76,287 will be assessed through the Sacramento Regional Transit District apportionments; the remaining \$4,185 would be assessed through the county unincorporated area apportionment.
- (2) 100% of the City of Sacramento planning fee will be paid through the Sacramento Regional Transit District apportionment.
- (3) 100% of the City of Rancho Cordova planning fee will be paid through the Sacramento Regional Transit District apportionment.