



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TDD/TTY 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

Memorandum

TO: Administration Committee

DATE: June 1, 2011

FR: Executive Director

W.I.: 1152

RE: MTC / ABAG Interagency Agreement for FY 2011-12

Each year, MTC enters into an agreement to pass through to ABAG certain Federal Highway Administration (FHWA), Federal Transit Administration (FTA) and Transportation Development Act (TDA) planning funds to cover expenses related to joint land use and transportation planning activities. In addition, MTC programs an annual amount of regional planning funds from the STP/CMAQ program and grants ABAG funding for their support of the Station Area Planning program. The proposed FY 2011-12 MTC funding contribution to ABAG, by funding source, is as follows:

FTA	\$ 229,183	15% of the portion that MTC reserves for regional planning activities
FHWA	\$1,044,900	15% of the total FHWA funds available for regional planning activities in FY2011-12
FHWA c/o	\$ 172,097	15% of balance after final apportionment calculation for FY2010-11
TDA	\$ 771,301	10% of TDA three percent planning funds
STP	\$ 619,000	Fixed amount programmed by the Commission
Station Area Planning	\$ 250,000	A portion of MTC's Station Area Planning grant program for ABAG technical assistance to local jurisdictions
Prop. 84	\$ 800,000	ABAG share of grant awarded in FY2010-11
Total	\$3,886,482	

In April of this year, the Commission authorized an advance of \$350,000 in TDA funds to ABAG to cover an unanticipated budget shortfall in the current fiscal year. This shortfall was due primarily to the inability to secure grant funding that ABAG had anticipated would be available for planning purposes to maintain the level of ABAG staff support required to implement SB 375. ABAG will repay this advance in FY 2011-12. While this was an unusual situation, it has revealed a structural budget problem that threatens ABAG's ability to conduct the work necessary to complete Plan Bay Area through the spring of 2013.

ABAG's Executive Director, Ezra Rapport, and I have met to develop a strategy to address this problem, looking at both expenses and revenues. The proposed MTC/ABAG Interagency Agreement for FY 2011-12 outlined in this memorandum would set a new "baseline" annual funding level of \$3.5 million for ABAG planning and research activities (excluding the \$350,000

ABAG repayment to cover the TDA advance) for the two agencies' joint land use and transportation planning program. The strategy assumes that (1) we retain the existing formula for federal planning and TDA planning funds and that federal apportionments and TDA revenues remain at current levels or better; (2) MTC continues to provide \$250,000 per year for station area planning support; (3) MTC and ABAG secure Proposition 84 funds for use in FY 2012-13 in an amount that would provide a minimum \$400,000 to ABAG, or 50% of the FY 2010-11 grant award; and (4) that ABAG reduces expenses beginning in FY 2011-12 to match available revenues through more efficient use of staff resources. ABAG anticipates a \$274,000 reduction in expenses in FY 2011-12.

We believe these are reasonable assumptions. However, as it is possible that we will not achieve the funding levels described above, we have agreed to identify additional efficiencies that can be implemented following the adoption of Plan Bay Area and that will take advantage of the proposed consolidation of our agencies' office locations if that strategy is implemented in the coming months.

Agreement Work Scope

The scope of work for FY 2011-12 focuses on the research and planning activities required to develop Plan Bay Area, staff support for the station area planning assistance to local jurisdictions, and other joint transportation/land use planning activities per the direction of the Joint Policy Committee. Products and delivery dates have been identified to track progress and achievement of various tasks. ABAG will also support technical activities including maintenance of the IT systems necessary to support MTC's web site.

Recommendation

Staff recommends the referral of the FY 2011-12 ABAG/MTC Interagency Agreement to the Commission for approval, subject to the approval of the FY 2011-12 agency budget.

Steve Heminger

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Funding Agreement

Work Item No.: 1152

Agency: Association of Bay Area Governments
Oakland, CA

Work Project Title: FY 2011-12 joint land use and transportation planning program
between MTC and ABAG

Purpose of Project: To provide a regional land use and transportation planning program

Brief Scope of Work: To assist with certain comprehensive planning and technical
activities and products that support the planning functions of both
agencies, with special emphasis on Plan Bay Area.

Project Cost Not to Exceed: \$3,886,482

Funding Source: Formula share of MTC general planning funds: 10% TDA; 15%
FTA and 15% FHWA; STP regional planning and Station Area
Planning; Proposition 84 grant funds.

Fiscal Impact: Funds are included in the proposed MTC Agency Budget for FY
2011-12

Motion by Committee: That the Executive Director or his designee is authorized to
negotiate and enter into a funding agreement with the Association of
Bay Area Governments to perform comprehensive planning and
technical activities in FY 2011-12, and the Chief Financial Officer
is authorized to set aside funds from the FY 2011-12 Agency
Budget for this purpose in the amount of \$3,886,482, subject to the
approval of the proposed FY 2011-12 agency budget.

Administration Committee: _____
Dave Cortese, Chair

Approved: Date: June 8, 2011