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PLANNING AND PROGRAMMING COMMITTEE

October 16, 2002



**Metropolitan
Transportation
Authority**

One Gateway Plaza
Los Angeles, CA
90012-2952

**SUBJECT: DESIGNATED RECIPIENT OF FEDERAL URBANIZED
AREA FORMULA FUNDS FOR NEW
LANCASTER/PALMDALE URBANIZED AREA (UZA)**

**ACTION: ADOPT RESOLUTION RECOMMENDING SCAG
AS DESIGNATED RECIPIENT FOR NEW
LANCASTER/PALMDALE UZA**

RECOMMENDATION

Adopt the attached resolution recommending to the Governor of the State of California that the Southern California Association of Governments (SCAG) be identified as the designated recipient to receive and dispense federal Urbanized Area Formula Funds for the new Lancaster/Palmdale UZA with population over 200,000, according to Federal Transit Administration (FTA) requirements.

ISSUE

Currently, the State of California Department of Transportation (Caltrans), on behalf of the Governor, serves as the designated recipient for the Lancaster/Palmdale UZA. With this UZA being moved from under 200,000 population to over 200,000 population status, a new or amended recipient designation must be provided to the FTA before a grant application that proposes to use FY 2003 funds for the UZA is submitted. Therefore, to preclude any possible interruptions in the flow of funds to the Lancaster/Palmdale UZA and the region, it is essential that a recipient designation be made as expeditiously as possible.

In UZAs over 200,000 population, the FTA requires that the Governor, responsible local officials, and publicly owned operators of transit services jointly designate a recipient to apply for, receive, and dispense funds for Transportation Management Areas (TMAs) such as Los Angeles County. To satisfy this requirement, the Board must adopt a resolution certifying that the MTA, as one of those required and eligible entities, identifies SCAG as the region's jointly agreed upon designated recipient to apply for, receive, and dispense federal Urbanized Area Formula Funds for the new UZA. The MTA is the only other eligible regional transportation planning and programming agency within Los Angeles County with the expertise and the resources to conduct a designated recipient's regional planning requirements for the new Lancaster/Palmdale UZA. However, SCAG presently is the designated recipient for such funds for the vast majority of Los Angeles County, including the MTA.

POLICY IMPLICATIONS

Designated recipients have the authority to program and disperse Urbanized Area Formula Funds. The role of the designated recipient also includes preparing a Long Range Transportation Plan, such as the Regional Transportation Plan that SCAG prepares and files. To this end, the recommended action of identifying SCAG as the designated recipient for the new Lancaster/Palmdale UZA would continue to foster an effective planning process that ensures connectivity between modes, reduces access disadvantages experienced by modal systems, and promotes efficient overall transportation investment strategies.

OPTIONS

The Antelope Valley Transit Authority (AVTA), SCAG and the MTA are the three agencies that may reasonably be considered to serve as the designated recipient for the new Lancaster/Palmdale UZA. Accordingly, the Board would have four basic options available, as follows:

1. Adopt a resolution recommending that the MTA be named as designated recipient.
2. Adopt a resolution recommending that the AVTA be named as designated recipient.
3. Adopt a resolution recommending that SCAG be named as designated recipient.
4. Take no position on the subject.

SCAG has stated that their position is to allow the other eligible agencies to determine who should be the designated recipient. Initially, the AVTA and the MTA both expressed a willingness to serve as the designated recipient for the new UZA.

The AVTA has stated that while they would not object to SCAG being designated, they would be concerned with the additional review and approval steps that would be needed if the MTA were to be named as the designated recipient. Similarly, while MTA staff has no objection to SCAG being designated, it is felt that the AVTA currently contains neither the expertise nor the resources to conduct a designated recipient's regional planning requirements. Given these considerations, and the desire to develop a cohesive recommendation for the Governor to consider, Options 1 and 2 are not recommended. Further, as no Urbanized Area Formula Funds may be programmed or dispersed within the UZA until a designated recipient is officially named, Option 4 is undesirable. Thus, adopting a resolution recommending SCAG as the UZA's designated recipient remains the most preferable alternative.

FINANCIAL IMPACT

Approval of the recommended action would neither decrease MTA revenues nor increase MTA expenditures. As such, the recommended action would have no financial impact on the MTA.

BACKGROUND

According to the provisions of 49 U.S.C. 5303-5306, an FTA grant applicant in an urbanized area over 200,000 population must be a designated recipient to receive and dispense Urbanized Area Formula Funds. In Los Angeles County, SCAG has traditionally held this designation for all but the Lancaster/Palmdale area. Because that area was identified as being under 200,000 population by the 1990 Census, the Governor (i.e., Caltrans) was the statutory designated recipient of federal urbanized formula funds for the Lancaster/Palmdale area.

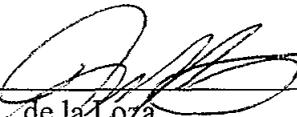
On May 1, 2002, the Bureau of the Census released the UZA designations for the 2000 Census. The 2000 Census determined that the Lancaster/Palmdale UZA was one of thirty (30) UZAs nationwide that moved from under 200,000 population to over 200,000 population. Accordingly, federal regulations require that a designated recipient now be identified for this new UZA with a population of over 200,000.

In UZAs over 200,000 population, the FTA requires that the Governor, responsible local officials, and publicly owned operators of transit services jointly designate a recipient to apply for, receive, and dispense funds for Transportation Management Areas (TMAs). To the extent possible, a single recipient should be designated for each TMA. The Governor, responsible local officials, and providers of publicly owned transit services may name any eligible statewide or regional agency responsible under state law for financing, constructing, or operating directly, by lease, contract, or otherwise of public transit services as a designated recipient.

Considering the regional planning requirements contained within 49 U.S.C. 5303-5306, as well as the fact that SCAG (the region's Metropolitan Planning Organization, or MPO, of record) currently serves as the designated recipient for the vast majority of Los Angeles County, it would be reasonable for SCAG to be identified as the designated recipient for the Lancaster/Palmdale UZA. Staff has conferred with the primary public transit operator within the Lancaster/Palmdale UZA, the AVTA, and they have concurred that SCAG should be named the designated recipient for the new UZA. To facilitate this, staff has drafted the attached resolution for the Board's consideration and approval, recommending that SCAG be designated as the recipient for Urbanized Area Formula Funds for the Lancaster/Palmdale UZA.

NEXT STEPS

Once the Board approves this item and adopts the accompanying resolution, staff will forward copies of the resolution to all appropriate agencies. These copies will serve as confirmation of the Board's recommendation to the Governor that SCAG be identified as the designated recipient of FTA Urbanized Area Formula Funds for the Lancaster/Palmdale UZA.



James L. de la Loza
Executive Officer
Countywide Planning and Development



Roger Snoble
Chief Executive Officer



Resolution No. _____

RESOLUTION RECOMMENDING THAT THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS BE IDENTIFIED AS THE DESIGNATED RECIPIENT OF FEDERAL URBANIZED AREA FORMULA FUNDS FOR THE LANCASTER/PALMDALE URBANIZED AREA

WHEREAS, On May 1, 2002, the Bureau of the Census released the urbanized area (UZA) designations for the 2000 Census; and

WHEREAS, the Federal Transit Administration (FTA) uses this data to allocate federal funds from its Urbanized Area Formula Fund program; and

WHEREAS, the Lancaster/Palmdale UZA, under the 2000 Census, has been moved from under 200,000 population to over 200,000 population; and

WHEREAS, federal regulations require that a statewide or regional agency responsible under state law for financing, construction, or operating directly, by lease, contract, or otherwise of public transit services be named by the Governor, responsible local officials, and providers of publicly owned transit services as the designated recipient for the purposes of receiving and dispensing FTA Urbanized Area Formula Funds in accordance with the provisions of 49 U.S.C. 5303-5306; and

WHEREAS, the Southern California Association of Governments (SCAG) currently serves as the designated recipient for FTA Urbanized Area Formula Funds for the vast majority of Los Angeles County; and

WHEREAS, the naming of SCAG as the designated recipient of FTA Urbanized Area Formula Funds for the Lancaster/Palmdale UZA would foster an effective planning process that ensures connectivity between modes, reduces access disadvantages experienced by modal systems, and the promotion of efficient overall transportation investment strategies.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Los Angeles County Metropolitan Transportation Authority hereby recommends that the Governor of the State of California identify SCAG as the designated recipient to receive and dispense funds for the Lancaster/Palmdale UZA.

CERTIFICATION

The undersigned, duly qualified and acting as the Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on Thursday, October 24, 2002.

MICHELE JACKSON
MTA Board Secretary

DATED:

(SEAL)

[LP UZA RESOLUTION]