

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 29, 2020

From: MITCH WEISS, Executive Director

Reference Number: 4.1, Action

Prepared By: Alicia Sequeira Smith  
Assistant Deputy Director

Published Date: April 17, 2020

Subject: **Amendment to the Local Streets and Roads Program Schedule for 2020 Funding Eligibility and 2019 expenditure reporting, Resolution G-20-51, Amending Resolution G-18-38**

## **Issue:**

Should the California Transportation Commission (Commission) approve a one-time amendment to the Local Streets and Roads Funding Program Annual Program Schedule impacting Fiscal Year 2020-21 funding eligibility and Fiscal Year 2019-20 expenditure reporting?

## **Recommendation:**

Staff recommends the Commission approve a one-time amendment to the Local Streets and Roads Funding Program Annual Program Schedule, as proposed in this book item.

Staff held two virtual public workshops on April 9, 2020. Stakeholders were presented with potential schedule revision options to solicit input. The prevailing feedback that staff received was that it would be difficult for cities and counties to obtain local council or board approval of the required project lists during the State of Emergency, and therefore an extension of the project list due date was important. Additionally, stakeholders stated it would be difficult to meet the program's maintenance of effort requirement, because local funds are being redirected for emergency purposes.

Staff recommends a one-time amendment to the Local Streets and Roads Funding Program Annual Program Schedule, outlined below. The amended schedule is only applicable to Fiscal Year 2020-21 Funding Eligibility and Fiscal Year 2019-20 Expenditure Reporting. The subsequent eligibility and reporting fiscal years must follow the annual program schedule adopted in the 2019 Local Streets and Roads Funding Program Guidelines.

Funding Eligibility Schedule for Fiscal Year 2020-21

Program Milestone	Current Schedule	Amended Schedule (Staff Recommendation)
Project Lists Due to Commission	May 1, 2020	Extend to July 15, 2020
Initial List of Eligible Cities and Counties Adoption	June Commission Meeting	August Commission Meeting
Commission Sends Adopted Initial Eligibility List to the State Controller	June 30, 2020 (at the latest)	August 31, 2020 (at the latest)
Subsequent Project Lists Due to Commission	August 1, 2020 (if needed)	Extend to September 30, 2020
Subsequent List of Eligible Cities and Counties Adoption	August Commission Meeting	October Commission Meeting
Commission Sends Adopted Subsequent Eligibility List to the State Controller	August 31, 2020 (at the latest)	October 31st (at the latest)

Expenditure Reporting Schedule for Fiscal Year 2019-20

Program Milestone	Current Schedule	Amended Schedule (Staff Recommendation)
Fiscal Year Expenditure Reports due to Commission	October 1, 2020	December 1, 2020
Informational Update to Commission	December Commission Meeting	December Commission Meeting

**Background:**

On March 19, 2020, Governor Gavin Newsom issued Executive Order N-33-20 placing into effect an order requiring all individuals in the State of California to stay at home or at their place of residence, to protect the health and well-being of all Californians due to the State of Emergency resulting from COVID-19. Commission staff began receiving calls from cities and counties with concerns regarding their potential inability to meet the Fiscal Year 2020-21 Funding Eligibility due date of May 1, 2020, for the Local Streets and Roads Funding Program.

After Executive Order N-33-20 was issued, the Commission received letters from the League of California Cities, California State Association of Counties, Urban Counties of California, and Rural County Representatives of California requesting a deadline extension for the Program’s Fiscal Year 2020-21 Funding Eligibility submittals (Attachment A).

Statutory Requirements and Reporting Guidelines

To be eligible to receive funding from the State Controller, each year cities and counties must adopt by resolution a list of projects proposed to be funded with Road Maintenance and Rehabilitation Account funds. The list must be adopted by the applicable city council or county board of supervisors at a regular public meeting and submitted to the Commission.

The Commission's Local Streets and Roads Funding Program Guidelines set May 1 as the cities and counties initial eligibility project list submittal due date to the Commission. The May 1 due date was intended to provide adequate time for staff to review the submittals to ensure statutory compliance prior to recommending approval of the initial eligibility list at the June Commission meeting. The Commission then submits the list of cities and counties initially determined eligible to receive funding to the State Controller by June 30.

Statute states that the Commission may submit a subsequent list of eligible cities and counties to the State Controller within 90-days of the initial list. A city or county not included on the initial or subsequent list submitted to the State Controller forfeit their fiscal year apportionment. Any forfeited funds are redistributed to the eligible cities and counties.

**Resolution G-20-51, Amending Resolution G-18-38**

Be it resolved, the Commission adopts a one-time amendment to the Local Streets and Roads Funding Program Annual Program Schedule, outlined in the Amended Schedule above; and that the amended schedule is only applicable to Fiscal Year 2020-21 Funding Eligibility and Fiscal Year 2019-20 Expenditure Reporting; and that the subsequent eligibility and reporting fiscal years must follow the annual program schedule adopted in the 2019 Local Streets and Roads Funding Program Guidelines.

Attachments:

- Attachment A: Stakeholder Letters

March 22, 2020

The Honorable Gavin Newsom  
Governor, State of California  
State Capitol Building  
Sacramento, CA 95814

Dear Governor Newsom:

Thank you for your leadership and partnership during this unprecedented public health crisis. The League of California Cities appreciates the open lines of communication with your Administration and the combined effort to address needs in real time.

With our cities on the front lines of responding to this crisis, while continuing to deliver essential services, it is critical that we continue to work together as new issues and concerns arise. We know you share our intent to make the best decisions we can to protect our communities.

City resources and personnel are stretched thin, as they navigate the response necessary to contain the COVID-19 outbreak while complying with the requirements for social distancing and self-quarantining. Many city employees who would normally assist in ensuring that cities comply with certain statutory requirements have been pulled from their regular assignments to work on emergency response efforts.

In light of this, the League of California Cities respectfully requests that you take immediate action to pause certain statutory requirements, so that cities can devote the resources necessary to protect the health and safety of all Californians. Specifically, we request the following relief during the period that began on March 4, 2020 with the issuance of your Proclamation of a State of Emergency as a result of threat of COVID-19 (“State of Emergency”):

**Review and Approval of Development Projects**

- Existing law requires completion of review and decisions on development applications within strict time limits. Failure by a city to approve or disapprove a development project within those time limits may result in the project being “deemed” approved.
  - **Relief Requested:** Extend the deadlines in the Permit Streamlining Act (Gov. Code § 65920 *et seq.*), Housing Accountability Act (Gov. Code § 65589.5), Subdivision Map Act (Gov. Code § 66410 *et seq.*), and Government Code section 65852.2, relating to Accessory Dwelling Units, by 120 days from when the deadline would otherwise expire if the

deadline would have expired during the State of Emergency or the application is submitted during the State of Emergency.

### **Housing Elements**

- Existing law requires cities to review their Housing Elements “as frequently as appropriate” in order to evaluate progress made and any changing conditions affecting its housing needs, and to report on the status and progress of implementing the Housing Element annually. Depending on jurisdiction and other factors, a minimum four-year, five-year, or eight-year revision cycle applies. The housing elements in several regions will be due in the next year or two (upcoming deadlines can be found at the following link:

<https://www.hcd.ca.gov/community-development/housing-element/docs/6th-web-he-revised-duedate.pdf>. Although some of these deadlines seem far off,

there are many things that have to be done prior to submitting a Housing Element to the Department of Housing and Community Development (HCD), including the solicitation of robust public input (statutory community meetings, California Environmental Quality Act scoping meetings, etc.). Further, in developing their housing elements, cities benefit from technical assistance from HCD and are required to plan for their share of the regional housing need developed by councils of governments. Orders to self-isolate, closure of government facilities, and closure of many businesses will make it virtually impossible to engage the community in the manner required by this mandate. Moreover, many cities are preparing comprehensive General Plans, in addition to their mandatory Housing Elements, to ensure that their General Plans are internally consistent. Because of the necessary measures cities must take during this public health emergency, cities will not be able to devote the time and attention necessary for adoption of a community-supported Housing Element in a timely manner.

- **Requested Relief:** Extend the dates by which cities must submit their Housing Elements to HCD by six months if they are required to submit their Housing Elements in 2020 or 2021. Extend the requirement in Government Code section 65400 that cities submit an annual report on the status and progress to HCD before April 1, 2020 by 120 days to July 30, 2020.

### **Housing and Community Development (HCD) Grant Programs**

- Existing law authorizes HCD to administer programs that provide grants and loans (from both state and federal housing programs) that create rental and homeownership opportunities. Without these programs cities have fewer resources to ensure all Californians, including veterans, seniors, people with disabilities, farmworkers, and individuals and families who are experiencing homelessness, have access to housing.
- **Requested Relief:** Direct HCD to extend the application deadlines for all HCD grant programs that would otherwise expire during the State of

Emergency to 120 days after the Governor terminates the State of Emergency.

### **California Environmental Quality Act**

- Existing law establishes certain deadlines that lead agencies must comply with to determine the environmental impact of proposed projects.
  - **Relief Requested:** Direct the Governor's Office of Planning and Research to adopt guidelines extending lead agency deadlines established pursuant to the California Environmental Quality Act by 120 days from when the deadline would otherwise expire if the deadline would have expired during the State of Emergency, including but not limited to:
    - Public Resources Code Section 21000 *et seq.*, which sets forth the requirements of environmental review of projects and establishes publication and public comment periods, as that section applies to applications deemed complete prior to the declaration of the State of Emergency;
    - CEQA guidelines section 15102, which provides 30 days to determine whether an EIR or Negative Declaration will be required;
    - CEQA guidelines section 15103, which provides a 30 day window within which an agency must review and comment on a notice of preparation;
    - CEQA Guidelines section 15104, which requires that a meeting requested by a project applicant be convened within 30 days of the request;
    - CEQA guidelines section 15105, which establishes the public agency review period for a draft environmental impact report or negative declaration;
    - CEQA guidelines section 15107, which provides that a negative declaration for a private project must be completed within 180 days of the application being deemed complete.
    - CEQA guidelines section 15108, which provides that an environmental impact report for a private project must be completed within one year of the application being deemed complete.

### **Transportation Funding**

- In order for cities to obtain SB 1 (Beall, Statutes of 2017) road maintenance and rehabilitation account funds, existing law requires cities to maintain their existing commitment of local funds for street, road, and highway purposes. The amount of this commitment is calculated pursuant to Streets & Highways Code section 2036. In addition, cities are required to develop a list of projects they propose to be

funded with SB 1 funds by May 1 of each year. If a city does not submit the list of projects within 90 days of the May 1 deadline, the city forfeits the funding.

- **Requested Relief:** Reduce the requirement in California Streets and Highways Code section 2036(b) that cities expend a certain amount of general fund revenue for street, road, and highway purposes by 25 percent to account for the reduction in spending during the fourth quarter of the fiscal year, as a result of the State of Emergency. Extend the deadline to submit a list of projects established by the California Transportation Commission pursuant to California Streets and Highways Code section 2034 in its “Local Streets and Roads Funding Program 2019 Reporting Guidelines” (August, 2018) by 120 days to August 29, 2020.

### **Public Records Act**

- Existing law requires an agency to respond to a request for a public record within 10 days of receiving the request. Under “unusual circumstances” (as defined), an agency may extend the period for responding by up to 14 days. “Unusual circumstances” does not include a public health emergency, such as the State of Emergency. Some cities may be able to continue to comply with the current statutory deadlines. Other cities will not, due to factors such as limited staffing or IT capability.
  - **Relief Requested:** State that the phrase “unusual circumstances” found in Section 6253(c) includes the State of Emergency. Suspend the provision of Government Code 6253(c) that limits the extension to respond to 14 days for all Public Records Act requests other than those for records created during, and relating to, the State of Emergency.

### **Political Reform Act - Form 700**

- Existing law requires certain local elected officials and employees to submit a Statement of Economic Interest, also known as Form 700, by April 1 of each year. Failure to timely file Form 700 results in the imposition of fines in the amount of \$10 per day up to \$100.
  - **Relief Requested:** Direct the Fair Political Practices Commission (1) not to impose fines under Government Code section 91013 for failure to timely file Form 700s by April 1, 2020; and (2) to establish a new filing deadline after the Governor terminates the State of Emergency.

### **California Government Claims Act**

- Existing law requires cities to provide certain notices to claimants who submit a Government Claims Act claim within very short deadlines, ranging from 20 to 45 days. If the city does not provide such notices within the deadlines, the city may lose certain defenses and may be subject to longer statutes of limitations. The Governor’s Executive Order N-35-20 appears to offer some relaxation of these requirements, including the time within which the State must act upon claims.

However, there are some remaining ambiguities, including the time within which local agencies must act upon claims.

- **Relief Requested:** Toll the requirements that local agencies provide notice to Government Claims Act claimants—including but not limited to those under Government Code sections 910.8, 911.3, 911.6, 912.4, and 915.2—until 20 to 45 days after the Governor terminates the State of Emergency, if either the deadline to provide notice would have expired during the State of Emergency or the claim is submitted during the State of Emergency.

### **Solar Permits**

- Existing law provides that an application for approval of a solar installation will be deemed approved in the absence of a written denial within 45 days.
  - **Requested Relief:** Extend the deadline in Civil Code section 714(e)(2)(B) by 120 days to 165 days if the deadline would have expired during the State of Emergency or the application is submitted during the State of Emergency.

### **Wireless Telecommunication Facilities:**

- Existing law provides that a collocation or siting application for wireless telecommunications facility shall be deemed approved if certain requirements are met, including that a city or county fails to approve or disapprove the application within a “reasonable period of time.”
  - **Requested Relief:** Suspend application of Government Code section 65964.1 until the Governor terminates the State of Emergency.

### **Financial Reports**

- Existing law provides that cities must submit to the State Controller information on annual compensation for the previous calendar year no later than April 30.
  - **Requested Relief:** Extend the deadline in Government Code section 53891 for submitting compensation information to the State Controller by 120 days to August 28, 2020.

### **Police Department Registration**

- Existing law requires sex offenders to register with the police department within five days of moving into or changing their address, or 30 days if the individual is without housing. Existing law also requires arson offenders to register with the police department within 14 days of moving into or changing their address in a jurisdiction. These registrations require in-person fingerprinting, photographs, and signing of documents. Fingerprinting is problematic at this time, in light of the social distancing recommendations, as it requires person to person contact (police department employees must hold the registrants hand in place to scan).
  - **Requested Relief:** Toll the deadlines for fingerprinting in penal code sections 290 (sex offenders) and 457.1 (arson offenders) until the Governor terminates the State of Emergency.





Thank you again for your leadership and partnership during these uncertain times. I appreciate your consideration of these urgent requests. If you have questions or would like to further discuss, please do not hesitate to contact me at (916) 658-8200.

Sincerely,

A handwritten signature in black ink that reads "Carolyn M. Coleman".

Carolyn M. Coleman  
Executive Director



April 6, 2020

Paul Van Konyenburg, Chair  
California Transportation Commission  
1120 N Street, MS 52  
Sacramento, CA 95814

**Re: Request for Extension of Deadline for Local Streets and Roads FY 2020-21 Eligibility Submittals**

Dear Chair Van Konyenburg,

In light of the COVID-19 public health crisis, the California State Association of Counties (CSAC), the Urban Counties of California (UCC), the League of California Cities (LCC), and the Rural County Representatives of California (RCRC) respectfully request that the California Transportation Commission (Commission) extend the May 1<sup>st</sup> deadline for cities and counties to submit materials required to establish eligibility for Fiscal Year 2020-21 SB 1 local streets and roads funding to at least **July 1, 2020**.

In order to be eligible for funding from the Road Maintenance and Rehabilitation Account (RMRA) each fiscal year, cities and counties must first submit to the Commission a planned project list approved by their governing body. There is an approximately two-month delay between collection and disbursement of RMRA revenues.<sup>1</sup> Therefore, our organizations hope that a July 1<sup>st</sup> deadline would provide local governments with needed flexibility, allow the Commission and State Controller's office sufficient time to confirm eligibility, and *not delay* the first allocation of Fiscal Year 2020-21 revenues in September.

Local governments, including public works departments, are directly involved in the response to the current public health crisis. The COVID-19 emergency has also created operational difficulties, as public meetings have been canceled or delayed, and as public works departments adjust remote work arrangements. Absences due to illness and limitations on internet access have proven especially disruptive for smaller and rural local governments.

In addition to the operational difficulties faced by many local jurisdictions, the COVID-19 crisis will have significant impacts on fuel tax revenues, which make up the majority of local RMRA funding. The precipitous drop in vehicle miles travelled and fuel consumption as Californians shelter in place will cause a significant reduction in Fiscal Year 2019-20 revenues. Initial data on actual revenue reductions will not be available until May, but any current year funding reductions will likely require recalibration of local project lists. An extended deadline will give local governments and opportunity to adjust their Fiscal Year 2020-21 submittals accordingly.

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<sup>1</sup> For instance, the first allocation of fiscal year 2019-20 RMRA revenues was made to local governments on September 20, 2019

Thank you for your consideration of our request. Should you have any questions, please do not hesitate to contact Christopher Lee (CSAC) at [clee@counties.org](mailto:clee@counties.org), Jean Kinney Hurst (UCC) at [jkh@hbeadvocacy.com](mailto:jkh@hbeadvocacy.com), Carolyn Coleman (LCC) at [ccoleman@cacities.org](mailto:ccoleman@cacities.org), or Paul A. Smith (RCRC) at [psmith@rcrcnet.org](mailto:psmith@rcrcnet.org).

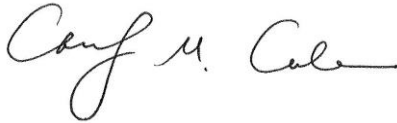
Sincerely,



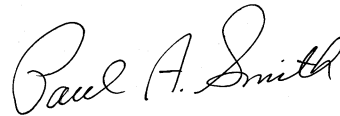
Christopher Lee  
California State Association of Counties



Jean Kinney Hurst  
Urban Counties of California

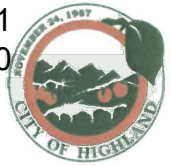


Carolyn Coleman  
League of California Cities



Paul A. Smith  
Rural County Representatives of California

cc: Members of the California Transportation Commission  
Mitchell Weiss, Executive Director, California Transportation Commission  
Indira McDonald, Deputy Controller for Legislative Affairs, State Controller's Office



April 13, 2020

Mitch Weiss  
 Executive Director  
 California Transportation Commission  
 1120 N Street MS 52  
 Sacramento, CA 95814

**Subject: Funding eligibility schedule options and City SB 1 MOE obligation**

Dear Mr. Mitch Weiss:

After reviewing the materials discussed on the Local Streets and Roads Program Eligibility Schedule Revision Discussion webinar held on April 9, 2020, the letter from the League of California Cities to Governor Newsom on March 22, 2020, and in consideration of the ongoing COVID-19 public health crisis, the City of Highland respectfully request that the California Transportation Commission consider taking the following action at the April 29<sup>th</sup>, 2020 Commission meeting.

- Extend the May 1<sup>st</sup> deadline for cities and counties to submit materials required to establish eligibility for Fiscal Year 2020-21 SB 1 local streets and roads funding to July 15<sup>th</sup>, 2020 as discussed in the CTC April 9, 2020 webinar as Option B, slide 6.
- Reduce the requirement in California Streets and Highways Code section 2036(b) that cities expend a certain amount of general fund revenue for street, road, and highway purposes by 25 percent to account for the reduction in spending during the fourth quarter of the fiscal year, as a result of the State of Emergency for FY 2019/20
- Suspend FY 2020/ 21 requirement in California Streets and Highways Code section 2036(b) that cities expend a certain amount of general fund revenue for street, road, and highway purposes as a result of the State of Emergency for FY 2019/20.

As is the case with most Cities and Counties throughout the State, the City of Highland's resources and personnel are being stretched thin and we are adjusting to the requirements for social distancing and self-quarantining. With respect to these new challenges and the uncertainty of the times, the City of Highland request these steps toward relief during the Governor's Proclamation of a State of Emergency, March 4, 2020, in response the threat of COVID-19.

Mayor Manager	Mayor Pro Tem	City Council	City Council	City Council	City
Larry McCallon Hughes	Penny Lilburn	Jesse Chavez	Anaeli Solano	John P. Timmer	Joseph A.



Please contact me at 909-864-8732, ext. 254, or via email at [czamano@cityofhighland.com](mailto:czamano@cityofhighland.com) if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Carlos', with a long horizontal flourish extending to the right.

Carlos Zamano  
Public Works Director/ City Engineer



14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260  
PHONE (310) 973-3200, FAX (310) 644-4556  
www.lawndalecity.org

April 13, 2020

Attention:  
**Mitch Weiss**  
Executive Director  
California Transportation Commission  
1120 N Street MS 52  
Sacramento, CA 95814

**Subject: Local Streets and Roads Schedule Options and MOE Relief Requests**

Dear Mr. Mitch Weiss:

Thank you for the giving us this opportunity to provide you feedback on the schedule options presented at the workshop, **City of Lawndale**, would prefer to go with **Option A (extended to June 10, 2020)**.

Due to COVID- 19 pandemic, and the financial burden caused by this pandemic. City of Lawndale is requesting reduction of 25% of the MOE requirements for Fiscal Year's 2019-20 and 2020-21.

If you have any questions, please contact Kevin Moghadasi, Assistant Engineer at [kmoghadasi@lawndalecity.org](mailto:kmoghadasi@lawndalecity.org) or at O: 310-973-3265, M: 310-363-3396

Sincerely,

A handwritten signature in blue ink, appearing to be 'Kahono Oei', written over a blue circular stamp.

Kahono Oei  
Public Works Director/City Engineer



## CITY of LAGUNA NIGUEL

30111 Crown Valley Parkway / Laguna Niguel, California, 92677  
Phone / 949-362-4300 Fax / 949-362-4340

ATTACHMENT A

Reference No.: 4.1

~~April 29, 2020~~  
CITY COUNCIL

Mayor Laurie Davies

Mayor Pro Tem Fred Minagar

Council Member Elaine Gennawey

Council Member John Mark Jennings

Council Member Sandy Rains

April 13, 2020

Mitch Weiss  
Executive Director  
California Transportation Commission  
1120 N Street MS 52  
Sacramento, CA 95814

Dear Mr. Weiss:

The City of Laguna Niguel would like to thank the California Transportation Commission (CATC) for allowing us to provide feedback on the one-time program schedule amendment to the Local Streets and Roads Funding Program and to provide our Maintenance of Effort (MOE) concerns and requested relief measures.

The City hereby requests that Option B be brought forth and recommended to the Commission for action on April 29, 2020.

The City is concerned with our ability to meet our MOE requirements for Fiscal Years 2019-20 and 2020-21 due to the COVID-19 crisis. As such, we hereby request that the MOE requirements for Fiscal Years 2019-20 and 2020-21 be suspended and request that the State Controller's Office and California Department of Finance select three alternate years to base the MOE calculations prior to reinstating the MOE in Fiscal Year 2021-22.

We thank you in advance for your consideration of our requests.

Sincerely,

Jacki Scott  
Public Works Director/City Engineer

April 29, 2020

**City Manager's Office**

P.O. Box 642

Modesto, California 95354

209.577.5200

[www.modestogov.com](http://www.modestogov.com)

Mitch Weiss  
Executive Director  
California Transportation Commission  
1120 N Street MS 52  
Sacramento, CA 95814

Dear Executive Director Weiss,

The City of Modesto is appreciative of the recent efforts that the California Transportation Commission (CTC) has put forth in light of the COVID-19 pandemic. The CTC's collaboration with local agencies when it comes to creating innovative ways to solve transportation funding issues and address a myriad of concerns has been very beneficial.

In a recent webinar that was hosted by the CTC, a request was made of California agencies that receive Road Maintenance and Rehabilitation Account (RMRA) or SB 1 funding. The CTC requested that agencies respond to the two inquiries below:

1. Feedback on the schedule option that the agency would prefer based on what was presented at the recent workshop/webinar.
2. Provide any concerns or relief requests concerning the Maintenance of Effort (MOE) that is required by receiving RMRA funding.

Responses to the two requests above were asked to be received no later than April 13, 2020.

The City of Modesto would like to request Option A in terms of the timeline for the submittal and approval of the project eligibility list. This timeline would allow an appropriate amount of time for Modesto to get the project list approved by Council and submitted to the CTC.

As for the second request related to the Maintenance of Effort the City of Modesto, like many agencies across California and the nation, is extremely concerned about the economic downturn that is anticipated as a result of the COVID-19 pandemic. Revenues across many of the major tax generating sources for the City of Modesto are anticipated to be at lows not seen since the "Great Recession". Due to this, Modesto would like to request relief from the MOE requirement in FY 2020-21 in the method described below:

- Suspend the MOE requirement for Fiscal Year 2019-20 and Fiscal Year 2020-21.
  - The City of Modesto estimates that it will expend a significant amount of General Fund Emergency Reserves in Fiscal Year 2019-20 and based upon current projections anticipates financial impacts in Fiscal Year 2020-21 that could be substantial based upon current major revenue trends. Suspension of the Fiscal Year 2019-20 and 2020-21 MOE requirements would save the City of Modesto upwards of \$3 million over two fiscal years and provide significant financial relief.

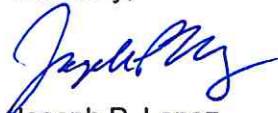
Modesto understands that its situation is not unique and that many other agencies in California are experiencing the same financial impacts as they plan for the upcoming fiscal years. The



City of Modesto would like to encourage creative solutions to maintain levels of service for cities. We are happy to meet with your office to discuss potential options that we can explore to ensure that we can continue with this important source of funding for the infrastructure of California.

I am available for any questions or comments via email at [joelopez@modestogov.com](mailto:joelopez@modestogov.com) or by phone at (209) 577-5224.

Sincerely,



Joseph P. Lopez  
City Manager  
City of Modesto

April 13, 2020

Mitch Weiss  
Executive Director  
California Transportation Commission  
1120 N Street MS 52  
Sacramento, CA 95814  
Email: [Mitchell.Weiss@catc.ca.gov](mailto:Mitchell.Weiss@catc.ca.gov)

Re: Senate Bill (SB) 1, Local Streets and Roads Eligibility Schedule Options and Maintenance of Effort (MOE) Relief Request

Dear Mr. Weiss:

In light of the COVID-19 public health emergency, we appreciate the efforts of the California Transportation Commission (Commission) to discuss and solicit feedback regarding eligibility schedule options and MOE relief for the SB 1 Local Streets and Roads Funding Program. As indicated in the League of California Cities letters dated March 22 and April 6, 2020, city resources and personnel are stretched thin, as we navigate the emergency response necessary to contain the COVID-19 outbreak as well as try to understand and cope with its economic impacts.

This is to express our preference for Fiscal Year 2020-21 Funding Eligibility Option B, extending the project list submittal deadline to July 15, 2020 to provide City of El Cerrito staff the needed time to prepare the project list for City Council review and approval, allow the Commission and State Controller's office sufficient time to confirm eligibility, and not delay the first allocation of Fiscal Year 2020-21 revenues in September. In addition given the yet to be determined reductions in City revenues, the City of El Cerrito respectfully requests that the Commission suspend the MOE requirement for Fiscal Year's 2019-20 and 2020-21 and work with the League of California Cities and local governments to determine the appropriate MOE reduction for these two years as well as recalculation of the MOE requirement prior to reinstating the MOE in Fiscal Year 2021-22.

If CTC staff have any questions regarding this request, please contact Yvetteh Ortiz, Public Works Director/City Engineer at [yortiz@ci-el-cerrito.ca.us](mailto:yortiz@ci-el-cerrito.ca.us) or (510) 215-4345. Thank you for your consideration.

Sincerely,



Karen Pinkos  
City Manager, City of El Cerrito

C: Caroline Cirrincione, Legislative Policy Analyst, California League of Cities,  
(ccirrincione@cacities.org)  
Mark Rasiah, Finance Director, City of El Cerrito,  
Yvetteh Ortiz, Public Works Director, City of El Cerrito



## CITY OF SOUTH PASADENA

PUBLIC WORKS

1414 MISSION STREET, SOUTH PASADENA, CA 91030

TEL: (626) 403-7240 • FAX: (626) 403-7371

WWW.SOUTHPASADENACA.GOV

April 13, 2020

VIA EMAIL: [lsr@catc.ca.gov](mailto:lsr@catc.ca.gov)

California Transportation Commission  
1120 N Street MS 52  
Sacramento, CA 95814

Re: Road Maintenance and Rehabilitation Program - Local Streets and Roads (RMRP – LSR) Deadlines and Maintenance of Effort (MOE) Requirements

Dear California Transportation Commission (CTC),

We appreciate the CTC considering an alternative funding eligibility schedule for Fiscal Year (FY) 2020-21 in light of the global COVID-19 pandemic. The City of South Pasadena (City) supports Option B, extending the project list due date to July 15, 2020. This will allow additional time to the City to access the financial impacts of COVID-19 on its street maintenance program, and will also provide an opportunity to the City to engage public in the selection of street maintenance projects. The City also supports the proposed deadline extension for the FY 2019-20 expenditure report to December 1, 2020.

In addition, the City would like to request waiving the MOE for RMRP – LSR for FY 2019-20 and FY 2020-21. Currently the City has a very disproportionate MOE requiring expenditure of \$1.4M in General Fund to receive \$460K in SB1 revenue. The City is facing substantial General Fund budget constraints as a result of COVID-19, the City therefore, mostly likely will not be able to meet this requirement of MOE. It is therefore, requested that the MOE for FY 2019-20 and FY 2020-21 be waived to allow the City the opportunity to fund critical roadway repair projects without requiring a burdensome amount of General Fund contribution.

We appreciate CTC's understanding of the hardship that many organizations are facing as a result of COVID-19. Extending these eligibility deadlines and foregoing MOE requirements for at least two years will allow the City to continue these important roadway repair projects as it recovers from financial difficulties.

Sincerely,

(Shahid Abbas)

City of South Pasadena Public Works Director

cc: Karen Aceves-Nunez, City of South Pasadena Finance Director

April 29, 2020 *Department Heads*Town Council

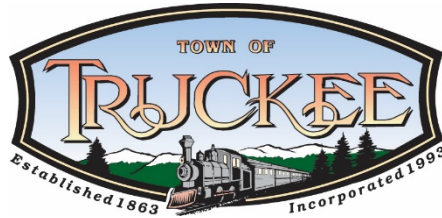
David Polivy, Mayor

Anna Klovstad, Vice Mayor

Jessica Abrams, Council Member

David Tirman, Council Member

Tony Commendatore, Council Member



Jeff Loux, Town Manager  
Andy Morris, Town Attorney  
Robert Leftwich, Chief of Police  
Kim Szczurek, Administrative Services Director  
Judy Price, Communications Director/Town Clerk  
Daniel Wilkins, Public Works Director/Town Engineer  
Denyelle Nishimori, Community Development Director

April 13, 2020

Mitch Weiss  
Executive Director  
California Transportation Commission  
1120 N Street MS 52  
Sacramento, CA 95814

Re: Local Streets and Roads FY 2020-21 Schedule Amendment

Dear Mr. Weiss,

Thank you for the opportunity to comment on Local Streets and Roads Funding Program proposed one-time schedule amendment. Town staff participated in the April 9<sup>th</sup> webinar and have reviewed Option A and Option B. It is our understanding that neither option A nor B will impact when the Town will receive its first monthly apportionment as we are ready to request eligibility in the first round. We also understand neither option will impact the amount of fiscal year apportionments we receive.

However, the Town is concerned with the existing Maintenance of Effort requirements, as outlined in the 2019 Local Streets and Roads Funding Program Reporting Guidelines. Given the unknown financial impacts of COVID-19 and the short- and long-term effects it will have on our revenue sources, the Town may not be able to maintain historic maintenance of effort levels in Fiscal Year 20/21. At this time it is difficult to predict how much relief will be required and our preference would be that the MOE requirement be waived for Fiscal Year 20/21.

Thank you for your consideration of our request. Should you have any questions, please do not hesitate to contact Engineering Manager, Becky Bucar at [bbucar@townoftruckee.com](mailto:bbucar@townoftruckee.com) or Senior Accountant, Nicole Casey at [ncasey@townoftruckee.com](mailto:ncasey@townoftruckee.com).

Sincerely,

A handwritten signature in black ink that reads "Jeff Loux".

Jeff Loux  
Town Manager  
Town of Truckee

CC: Truckee Town Council



# City of Villa Park

17855 Santiago Boulevard, Villa Park, California 92861-4187  
(714) 998-1500 • Fax: (714) 998-1508

[www.villapark.org](http://www.villapark.org)

**April, 13, 2020**

Mr. Mitch Weiss  
Executive Director  
California Transportation Commission  
1120 N Street MS 52  
Sacramento, CA 95814

**Subject: Local Streets and Roads Schedule and MOE Relief Extension Request**

In light of the COVID-19 public health crisis, in behalf of the City of Villa Park respectfully request that the California Transportation Commission (CTC) to extend the May 1<sup>st</sup> deadline for the City to submit materials required to establish eligibility for Fiscal Year 2020-21 SB1 local Streets and Roads funding to July 1, 2020.

In addition to the operational difficulties faced by the City, the COVID-19 will have significant impacts on the City's revenues. Therefore the City of Villa Park respectfully request relief and/or adjustment of the FY 2019-20 and the future years MOE. This can be accomplished by recalculating the MOE as an average over the next three years.

Thank you for your consideration of our request. Should you have any questions, please feel free to contact me (714) 998-1500, or my cell (949) 547-0816.

Sincerely,

M. Akram Hindiyeh  
City Engineer

April 13, 2020

Mitch Weiss  
Executive Director  
California Transportation Commission  
1120 N Street MS 52  
Sacramento, CA 95814

Re: Comments and Requests Regarding RMRA FY 2020-21 Requirements and Deadlines

Dear Mr. Weiss:

Thank you for the workshops presented by your staff last week regarding potential options for extending the May 1<sup>st</sup> deadline for cities and counties to submit materials required to establish eligibility for Fiscal Year 2020-21 SB 1 (RMRA) local streets and roads funding to a later date. The workshops were very informative and CTC staff did a great job in requesting and receiving comments in a virtual environment.

Local governments, including public works departments, are directly involved in the response to the current public health crisis. The COVID-19 emergency has also created operational difficulties, as public meetings have been canceled or delayed, and as public works departments adjust remote work arrangements. Absences due to illness and limitations on internet access have proven especially disruptive for smaller and rural local governments.

Although the City of West Sacramento City Council has already approved the required RMRA materials (project list and resolution) and City staff is in the process of submitting the materials to California Transportation Commission (CTC) staff, in light of the COVID-19 public health crisis, we respectfully request that the CTC extend the May 1<sup>st</sup> deadline to a later date. This would allow other cities and counties that do not have the ability to meet the May 1<sup>st</sup> deadline, the ability to still submit their materials prior to a later deadline. This request, however, is predicated on our desire that there *not be any delay* in the first allocation of Fiscal Year 2020-21 revenues in September 2020.

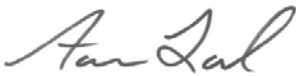
In addition to the operational difficulties faced by many local jurisdictions, the COVID-19 crisis will have significant impacts on sales tax and fuel tax revenues. The fuel tax revenues, which make up the majority of local RMRA funding, will see a precipitous drop as vehicle miles travelled and fuel consumption also significantly drop as we shelter in place. We are unsure how this reduction will affect our projects that are funded by RMRA revenues.

Further, sales tax revenues to the City will also see a major reduction due to significant retail establishments during the shelter in place. The sales tax revenue is a primary portion of the City's general fund. The California Streets and Highways Code section 2036(b) requires that cities expend a certain amount of non-designated (such as the general fund) revenue for street, road, and highway purposes in order to be eligible for receipt of the RMRA funds. Because of the significant reduction in sales tax revenues and the corresponding reduction in the City's general fund, *we are requesting that the Maintenance of Effort (MOE) requirement be suspended for two years* and that when this requirement is reinstated, it use a three year running average for calculation of the MOE amounts.

If this suspension is not possible, we then request that the MOE amount be reduced significantly. The California League of Cities is requesting a reduction of 25% to account for the reduction in spending during the fourth quarter of the fiscal year, as a result of the State of Emergency. Because of the uncertainty in collection of sales tax revenues not only in the fourth quarter of the fiscal year, but also into the future because of a likely recession, the City's first choice, as stated above, would be a suspension of the requirement for at least two years. If that is not possible, the City would support a reduction of at least 50% in the MOE amount.

Thank you for your consideration of these requests. Should you have any questions, please feel free to contact Gary Predoehl, Capital Improvement Manager, at [garyp@cityofwestsacramento.org](mailto:garyp@cityofwestsacramento.org) or me at [aaronl@cityofwestsacramento.org](mailto:aaronl@cityofwestsacramento.org).

Sincerely,



Aaron Laurel  
City Manager

c: Caroline Cirrincione, California League of Cities  
José Luis Cáceres, SACOG  
Roberta Raper, City of West Sacramento