

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.4, Information – ***YELLOW REPLACEMENT ITEM***

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Subject: Draft 2026 Local Partnership Formulaic Program Guidelines Presentation

UPDATE:

The June 12, 2026 version of this item is being replaced to reflect the following:

1. Appendix C in Attachment A has been updated to reflect the most recent eligible taxing authorities receiving Local Partnership Formulaic Program funding. The City of El Paso de Robles was removed, and the City of Albany was added. A new column was added to indicate the year the taxing authority was deemed eligible for the Formulaic Program.

Summary:

The 2026 Local Partnership Formulaic Program will include two years of programming with approximately \$216 million in funds covering Fiscal Years 2027-28 and 2028-29.

The draft Formulaic Program Guidelines are included as Attachment A. The 2026 Local Partnership Formulaic Program represents the sixth cycle of the Formulaic Program.

California Transportation Commission (Commission) staff prepared the draft 2026 Local Partnership Formulaic Program Guidelines in consultation with the Interagency Equity Advisory Committee, California Department of Transportation (Caltrans), regional transportation planning agencies, local agencies, advocates, and other stakeholders.

Following the initial kick-off workshop on November 20, 2025, Commission staff hosted four additional public workshops to solicit stakeholder input to inform the 2026 Local Partnership Program guidelines for both the Competitive and Formulaic programs. This included two program-specific workshops, as well as two standalone workshops focused on workforce development considerations and advancing equity and community engagement across the SB 1 Programs. Each workshop was recorded and posted to the [Commission's website](#). Commission staff also hosted 24 virtual office hour sessions from March 2026 to May 2026 to provide technical assistance to potential applicants who wanted to discuss their project nominations for the 2026 Local Partnership Program.

In alignment with the intent of Senate Bill 1, the Local Partnership Formulaic Program Guidelines have continued to evolve to address important state policy goals while balancing the need to direct increased revenue to the state's highest transportation needs and fairly distribute the economic impact of the increased funding. Collectively, these proposed changes support the Commission's Strategic Plan goals to elevate community voices, ensure a healthy environment for all, move people and goods efficiently, prioritize safety, and partner for success.

Key changes included in the draft 2026 Local Partnership Formulaic Program guidelines are described below. In addition to these changes, minor language and formatting edits have been incorporated to make the guidelines clearer, more user friendly, and to emphasize existing priorities and policies. The changes below were developed in collaboration with stakeholders through the Commission's public workshop process.

Advanced Programming

Part IV, Section 18

A new section was developed for the 2026 Formulaic Guidelines to address Advanced Programming, which previously was not an option in the Formulaic Program. The new Advanced Programming policy allows eligible agencies to program Formulaic funds in advance of the 2026 Cycle Initial Programming in January 2027. Advanced Programming requests will only be considered for projects that support significant events of statewide economic impact, such as the 2028 Olympic and Paralympic Games in Los Angeles. Agencies are encouraged to reach out to Commission staff as soon as possible should they have questions regarding the eligibility of their advanced programming request.

Additional Requirements for Allocation Adjustments

Part V, Section 23

The Formulaic Program allows allocated funds to be shifted, within specified limits, between programmed project phases to accommodate cost changes. Commission staff have added additional language to this section to clarify the process for adjusting allocations.

Additional Requirements for Cost Savings Policy

Part V, Section 27

When projects in the Formulaic Program are delivered and closed out, the project cost savings may be returned to the eligible taxing authority and accounted for in the subsequent formulaic fund distribution. The updated language in this section specifies who the request should be sent to and when it should be submitted.

Community Engagement and Equity

Part VIII, Appendix F

The SB 1 Programs Transportation Equity Supplement was updated as outlined below:

- Expanded guidance on inclusive community engagement practices and accessibility accommodations.
- Included new resources related to engagement with Tribal communities.

These updates were informed by the Interagency Equity Advisory Committee, advocates, and other stakeholders, and continue to support implementation of the Commission's Racial Equity Statement adopted in January 2021.

Background:

The Road Repair and Accountability Act of 2017 or SB 1 (Chapter 5, Beall, Statutes of 2017) established the Local Partnership Program. Assembly Bill 115 (Chapter 20, Committee on Budget, Statutes of 2017) clarified SB 1 language regarding local and regional transportation agency eligibility and expanded the types of projects eligible for the program. SB 1 continuously appropriates \$200 million annually to fund the Local Partnership Program and requires the Commission to develop program guidelines in consultation with Caltrans, regional transportation planning agencies, local agencies, and other stakeholders.

The Local Partnership Program provides funding to counties, cities, districts, and regional transportation agencies in which voters have approved fees, tolls, or taxes dedicated solely to transportation improvements or that have imposed fees, including uniform developer fees, dedicated solely to transportation improvements. Funding for the Local Partnership Program is divided into two programs: the Formulaic Program and the Competitive Program.

The 2026 Local Partnership Program will include two years of programming with \$400 million in funds covering Fiscal Years 2027-28 and 2028-29. The program historically distributes the funding as follows:

- \$40 million formulaic incentive funds will be set-aside,
- \$216 million is estimated to be available for the Formulaic Program, and
- \$144 million is estimated to be available for the Competitive Program.

The draft 2026 Local Partnership Formulaic Program Guidelines describe the policy, standards, criteria, and procedures for the development, adoption, and management of the Local Partnership Formulaic Program. Program Guidelines may be amended by the Commission after conducting at least one public hearing. The draft guidelines address legislative requirements, incorporate input received from various stakeholders, and include the Commission procedures for programming and project delivery.

Commission staff would like to thank all stakeholders who attended the workshops and provided input into the draft guidelines.

Attachments:

- Attachment A: Draft 2026 Local Partnership Formulaic Program Guidelines – Appendix C

APPENDIX C – ELIGIBLE TAXING AUTHORITIES RECEIVING FORMULAIC FUNDING
 (Updated June 12, 2026)

ADMINISTERING AGENCY	BALLOT DESIGNATION	EXPIRATION DATE	ADDED TO LPP-F
Alameda County Transportation Commission	Measure BB	March 31, 2045	2017
	Measure F-VRF	None	
Alameda-Contra Costa Transit District	Measure C1/VV	June 30, 2039	2017
Albany, City of	Measure C	June 30, 2035	2025
	Measure F	None	
Amador, City of	Measure K	June 30, 2034	2025
Bay Area Rapid Transit District (BART)	Measure RR	None	2017
Bay Area Toll Authority	Regional Measure 1	None	2017
	Regional Measure 2	None	
	Regional Measure 3	None	
Caltrain	Measure RR	June 30, 2051	2021
Clearlake, City of	Measure V	March 31, 2037	2017
Contra Costa Transportation Authority	Measure J	March 31, 2034	2017
Council of San Benito County Governments	Measure G	March 31, 2049	2019
El Cerrito, City of	Measure A	None	2017
Fort Bragg, City of	Measure J	None	2017
Fresno County Transportation Authority	Measure C	June 30, 2027	2017
Imperial County Local Transportation Authority	Measure D	March 31, 2050	2017
Los Angeles County Metropolitan Transportation Authority	Proposition A	None	2017
	Proposition C	None	
	Measure M	None	
	Measure R	June 30, 2039	
Madera County Transportation Authority	Measure T	March 31, 2027	2017
Martinez, City of	Measure D	March 31, 2032	2017
Merced County Transportation Authority	Measure V	March 31, 2047	2017
Monterey-Salinas Transit District	Measure Q	March 31, 2030	2017
Napa Valley Transportation Authority	Measure T	June 30, 2043	2017
Orange County Transportation Authority	Measure M	March 31, 2041	2017
Orinda, City of	Measure L	September 15, 2038	2017
Point Arena, City of	Measure C	None	2017
Riverside County Transportation Commission	Measure A	June 30, 2039	2017
Sacramento Transportation Authority	Measure A	March 31, 2039	2017
San Bernardino County Transportation Authority	Measure I	March 31, 2040	2017
San Diego Regional Transportation Commission	Proposition A	March 31, 2048	2017

2026 LOCAL PARTNERSHIP FORMULAIC PROGRAM GUIDELINES

San Francisco, City and County of	Proposition D	November 5, 2045	2020	
San Francisco County Transportation Authority	Proposition AA	None	2017	
	Proposition L	March 31, 2053		
San Joaquin County Transportation Authority	Measure K	March 31, 2041	2017	
San Mateo, City/County Association of Governments of	Measure M	May 1, 2036	2020	
San Mateo County Transit District	Proposition A	None	2017	
	Measure W	June 30, 2049		
San Mateo County Transportation Authority	Measure A	December 31, 2034	2017	
Santa Barbara County Local Transportation Authority	Measure A	March 31, 2040	2017	
Santa Clara Valley Transportation Authority	Measure A	1976	None	2017
		2000	March 31, 2036	
	Measure B	2008	June 30, 2042	
		2010	None	
		2016	March 31, 2047	
Santa Cruz County Regional Transportation Commission	Measure D	March 31, 2047	2017	
Santa Cruz Metropolitan Transit District	Measure G	None	2017	
Sonoma County Transportation Authority	Measure M	March 31, 2025	2017	
	Measure DD - <i>renewal (operative April 1, 2025)</i>	March 31, 2045		
Sonoma Marin Area Rail Transit District	Measure Q	March 31, 2029	2017	
Stanislaus County Transportation Authority	Measure L	March 31, 2042	2017	
Transportation Agency for Monterey County	Measure X	March 31, 2047	2017	
Transportation Authority of Marin County	Measure AA	March 31, 2049	2017	
	Measure B	None		
Truckee, City of	Measure R	September 30, 2024	2017	
	Measure U - <i>renewal (operative October 1, 2024)</i>	None		
	Measure V	December 31, 2028		
Tulare County Transportation Authority	Measure R	March 31, 2037	2017	
Ukiah, City of	Measure Y	None	2022	
	Measure Z			
Willits, City of	Measure A	None	2017	
Yuba County	Measure D	None	2017	