

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 20-21, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.21, Action

Prepared By: Kayla Giese
Assistant Deputy Director

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Subject: 2024 Local Partnership Formulaic Program Fund Distribution Amendment,
Resolution LPP-P-2627-02, Amending Resolution LPP-P-2526-03

Recommendation:

Staff recommends the California Transportation Commission (Commission) approve an amendment to the 2024 Local Partnership Formulaic Fund Distribution to redistribute unused Fiscal Year 2025-26 Incentive Funding of \$8,765,000 and lapsed project funds totaling \$4,006,000 among all eligible taxing authorities in the Local Partnership Formulaic Program and add Incentive Funding for Madera County Transportation Authority in Fiscal Year 2026-27 in the amount of \$5,000,000.

Issue:

Pursuant to the Local Partnership Program Guidelines, incentive funds remaining at the end of each fiscal year shall be redistributed in the following fiscal year. Sixty percent will be redistributed to the Formulaic Program and forty percent to the Competitive Program.

At the conclusion of Fiscal Year 2025-26, the total unused incentive funding balance was \$14,608,000. Approval of this amendment will redistribute the sixty percent Formulaic Program share of the unused incentive funding and add \$8,765,000 to the 2024 Local Partnership Formulaic Program, to be distributed among all eligible taxing authorities. \$5,843,000 will be added to the 2026 Local Partnership Competitive Program in the 2026 Local Partnership Formulaic Fund Distribution in Reference Number 4.9.

Lapsed project funds are also being redistributed according to the Local Partnership Formulaic Program Guidelines. Two projects in the Formulaic Program were unable to meet Timely Use of Funds Policy deadlines, resulting in the redistribution of \$4,006,000 in unexpended funds among all eligible taxing authorities. These lapsed funds are proposed to be deallocated and deprogrammed from their respective projects under Reference Numbers 2.5s.(7) and 4.20, before this item would redistribute them.

The breakdown of this redistribution of the \$8,765,000 in unused Incentive Funding and \$4,006,000 in lapsed project funds can be found in Attachment A.

Lastly, \$5,000,000 in Incentive Funding is being added to Fiscal Year 2026-27 for Madera County Transportation Authority for their renewal of Measure T, which makes them eligible for the Formulaic Program. Measure T will go into effect on April 1, 2027.

Background:

Senate Bill (SB) 1 (Chapter 5, Beall, Statutes of 2017) created the Local Partnership Program and authorized \$200 million annually to fund the Program. This legislation requires the Commission, in consultation with the California Department of Transportation, regional transportation planning agencies, local agencies and other transportation stakeholders, to develop guidelines. 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.

The Local Partnership Formulaic Program provides funding to counties, cities, districts, and regional transportation agencies in which voters have approved fees or taxes dedicated solely to transportation improvements. Only agencies with Commission-adopted funding and committed local matching funds are eligible to receive the Local Partnership Formulaic Program funding.

The Local Partnership Formulaic Program recognizes new or renewed voter-approved self-help efforts and incentivizes jurisdictions to pursue future voter-approved tax measures, tolls, or fees. Incentive funding will be set-aside each fiscal year from the Local Partnership Program. One-time incentive funding is provided to jurisdictions that seek and receive voter approval of new or renewed tax measures, tolls, or fees, if those tax measures, tolls, or fees have a minimum period of ten years, are dedicated solely to transportation, and, for sales taxes, that are equal to or greater than one quarter cent. The total amount of incentive funding awarded to jurisdictions will not exceed \$20 million annually. Incentive funding amounts will be a minimum of \$200,000 and may range up to a maximum of \$5 million for each jurisdiction.

Attachments:

- Attachment A: Amended 2024 Local Partnership Formulaic Fund Distribution

2024 Local Partnership Program			2025-26	2026-27
Local Partnership Program Annual Appropriation Snapshot			\$ 200,000	\$ 200,000
Set-Aside Incentive Funding			\$ 20,000	\$ 20,000
Competitive Program (40%)			\$ 72,000	\$ 72,000
Formulaic Program (60%)			\$ 108,000	\$ 108,000
Competitive Program (40%)			\$ 72,000	\$ 72,000
2022 Competitive Program Rollover of Unprogrammed Funds			\$ 57,923	
2022 Competitive Overprogramming			\$ (6,253)	
Redistribution of FY 24-25 Incentive Funds			\$ 7,440	
Subtotal Available for Competitive Program			\$ 131,110	\$ 72,000
Formulaic Program (60%)			\$ 108,000	\$ 108,000
Redistribution of Lapsed Project Funds (2020 Program) (PPNO 4810, PPNO 1512, PPNO 8055)			\$ 716	
Redistribution of Lapsed Project Funds (2022 Program) (PPNO 1512)			\$ 29	
Redistribution of FY 24-25 Incentive Funds			\$ 11,160	
City of Amador Mid-Cycle 2022 Distribution for FY 24-25 (subtracted from \$11,160,000 Redistribution)			\$ (100)	
City of Albany 2024 Distribution for FY 25-26 and 26-27 (subtracted from \$11,160,000 Redistribution)			\$ (400)	
El Paso de Robles Measure Expiration Redistribution			\$ 400	
Lapsed Funds from FY 24-25			\$ 3,147	
Redistribution of Lapsed Project Funds (PPNO 2743 and PPNO 1342)				\$ 4,006
Redistribution of FY 25-26 Incentive Funds				\$ 8,765
Subtotal Available for Formulaic Program			\$ 122,952	\$ 120,771
Proposed Annual Formulaic Funding Distribution				
Tolls + VRF + parcel/property tax	7.16%		\$ 8,801	\$ 8,645
North sales tax	26.18%		\$ 32,186	\$ 31,615
South sales tax	66.66%		\$ 81,965	\$ 80,511
Funding Based on Voter-Approved Tolls, Vehicle Registration Fee (VRF), Parcel/Property Tax Revenue			2025-26	2026-27
	Revenue (100%)		Funding	Funding
Alameda County Transportation Commission (Measure F-VRF) *	\$ 12,170		\$ 200	\$ 200
Alameda-Contra Costa Transit District (Measure C1-Parcel Tax)	\$ 29,883		\$ 365	\$ 357
City of Albany (Measure C, Measure F- Parcel Taxes)	\$ 1,433		\$ 200	\$ 200
Bay Area Rapid Transit District (Measure RR-Parcel Tax)	\$ 92,756		\$ 1,132	\$ 1,108
Bay Area Toll Authority (Regional Measure (RM) 1, RM 2, RM 3-Tolls)	\$ 447,768		\$ 5,462	\$ 5,347
City and County of San Francisco (Prop. D-Bus. Tax)	\$ 16,981		\$ 207	\$ 203
City/County Association of Governments of San Mateo County (Measure M-VRF)	\$ 7,845		\$ 200	\$ 200
Orinda (Measure L-Parcel Tax)	\$ 1,736		\$ 200	\$ 200
San Francisco County Transportation Authority (Prop AA-VRF) *	\$ 4,652		\$ 200	\$ 200
Santa Clara Valley Transportation Authority (Measure B-VRF) *	\$ 19,318		\$ 236	\$ 231
Transportation Authority Marin County (Measure B-VRF) *	\$ 2,320		\$ 200	\$ 200
Yuba County (Measure D-Depletion Surcharge)	\$ 981		\$ 200	\$ 200
Totals	\$ 637,842		\$ 8,801	\$ 8,645
Funding Based on Voter-Approved Sales Tax Revenue and Population - North			2025-26	2026-27
County (Agency)	Revenue (25%)	Population (75%)	Funding	Funding
Alameda (Alameda County Transportation Commission) *	\$ 195,330	1,641,869	\$ 3,800	\$ 3,728
Amador (City of Amador)	\$ 32	193	\$ 200	\$ 200
Contra Costa (Contra Costa Transportation Authority)	\$ 122,556	1,146,626	\$ 2,610	\$ 2,561
El Cerrito	\$ 2,167	N/A	\$ 200	\$ 200
Martinez	\$ 4,686	N/A	\$ 200	\$ 200
Fresno (Fresno County Transportation Authority)	\$ 110,090	1,017,431	\$ 2,320	\$ 2,277
Lake (Clearlake)	\$ 2,617	16,553	\$ 200	\$ 200
Madera (Madera County Transportation Authority)	\$ 16,155	159,328	\$ 360	\$ 353
Marin (Transportation Authority Marin County) * ^	\$ 34,759	252,844	\$ 437	\$ 428
Marin (Sonoma Marin Area Rail Transit District) ^	\$ 24,540	-	\$ 241	\$ 236
Mendocino (Fort Bragg)	\$ 1,195	7,179	\$ 200	\$ 200
Mendocino (Point Arena)	\$ 65	445	\$ 200	\$ 200
Mendocino (Ukiah)	\$ 3,368	16,108	\$ 200	\$ 200
Mendocino (Willits)	\$ 942	4,830	\$ 200	\$ 200
Merced (Merced County Transportation Authority)	\$ 26,951	287,303	\$ 642	\$ 630
Monterey (Transportation Agency for Monterey County) ^	\$ 38,556	437,614	\$ 758	\$ 744
Monterey (Monterey-Salinas Transit District) ^	\$ 12,602	-	\$ 262	\$ 258
Napa (Napa Valley Transportation Authority)	\$ 25,095	135,029	\$ 341	\$ 335
Nevada (Truckee)	\$ 5,708	16,778	\$ 200	\$ 200
Sacramento (Sacramento Transportation Authority)	\$ 178,274	1,578,938	\$ 3,624	\$ 3,556
San Benito (Council of San Benito County Governments)	\$ 13,227	65,853	\$ 200	\$ 200
San Francisco (San Francisco County Transportation Authority) * ^	\$ 108,678	843,071	\$ 1,651	\$ 1,620
San Francisco (Caltrain) * ^	\$ 39,901	-	\$ 453	\$ 444
San Joaquin (San Joaquin County Transportation Authority)	\$ 88,077	791,408	\$ 1,045	\$ 1,025
San Mateo (San Mateo County Transportation Authority) ^	\$ 116,088	741,565	\$ 809	\$ 793
San Mateo (San Mateo County Transit District) ^	\$ 231,713	-	\$ 1,616	\$ 1,585
San Mateo (Caltrain) * ^	\$ 39,901	-	\$ 237	\$ 232
Santa Clara (Santa Clara Valley Transportation Authority) * ^	\$ 671,714	1,903,198	\$ 5,593	\$ 5,486
Santa Clara (Caltrain) * ^	\$ 39,901	-	\$ 343	\$ 336
Santa Cruz (Santa Cruz County Regional Transportation Commission) ^	\$ 27,644	262,572	\$ 342	\$ 335
Santa Cruz (Santa Cruz Metropolitan Transit District) ^	\$ 27,700	-	\$ 342	\$ 335
Sonoma (Sonoma County Transportation Authority) ^	\$ 31,832	478,152	\$ 564	\$ 553
Sonoma (Sonoma Marin Area Rail Transit District) ^	\$ 24,540	-	\$ 541	\$ 531
Stanislaus (Stanislaus County Transportation Authority)	\$ 60,839	548,744	\$ 1,256	\$ 1,232
Totals	\$ 2,327,445	12,353,631	\$ 32,186	\$ 31,615
Funding Based on Voter-Approved Sales Tax Revenue and Population - South			2025-26	2026-27
County (Agency)	Revenue (25%)	Population (75%)	Funding	Funding
Imperial (Imperial County Local Transportation Authority)	\$ 23,982	182,881	\$ 594	\$ 584
Los Angeles (Los Angeles County Metropolitan Transportation Authority)	\$ 4,399,442	9,824,091	\$ 42,684	\$ 41,927
Orange (Orange County Transportation Authority)	\$ 430,476	3,150,835	\$ 10,296	\$ 10,113
Riverside (Riverside County Transportation Commission)	\$ 282,217	2,442,378	\$ 7,803	\$ 7,665
San Bernardino (San Bernardino County Transportation Authority)	\$ 251,862	2,181,433	\$ 6,969	\$ 6,845
San Diego (San Diego Regional Transportation Commission)	\$ 426,693	3,291,101	\$ 10,675	\$ 10,486
San Luis Obispo (El Paso de Robles) ^	\$ 6,799	96,997	\$ -	\$ -
Santa Barbara (Santa Barbara County Local Transportation Authority)	\$ 54,452	443,623	\$ 1,428	\$ 1,403
Tulare (Tulare County Transportation Authority)	\$ 51,171	478,918	\$ 1,516	\$ 1,489
Totals	\$ 5,920,295	21,995,260	\$ 81,965	\$ 80,511
Incentive Funding			2025-26	2026-27
Beginning Balance			\$ 20,000	\$ 20,000
City of Albany (Special Parcel Tax)			\$ 392	
Napa Valley Transportation Authority (Measure U)			\$ 5,000	
Madera County Transportation Authority (Measure T)				\$ 5,000
Remaining Balance			\$ 14,608	\$ 15,000

* Agency listed more than once.

^ Multiple agencies within county with countywide tax.

* Incentive funds are being awarded from the FY 24-25 incentive set-aside

* Formula Funding Distribution for FY2025-26 and 2026-27 is pending eligible measure renewal