

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 20-21, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.9, Action

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Subject: 2026 Local Partnership Formulaic Program Fund Distribution Adoption,
Resolution G-26-63

Recommendation:

Staff recommends that the California Transportation Commission (Commission) adopt the 2026 Local Partnership Formulaic Program Fund Distribution for Fiscal Years 2027-28 and 2028-29 as outlined in the 2026 Local Partnership Formulaic Program Fund Distribution, set forth in Attachment B.

Issue:

The primary objective of the Local Partnership Formulaic Program (Formulaic Program) is to provide funding to counties, cities, districts, and regional transportation agencies in which voters have approved taxes, tolls, or fees dedicated solely to transportation improvements.

The 2026 Local Partnership Formulaic Program Fund Distribution (Fund Distribution), shown in Attachment B, outlines the proposed funding distribution for taxing authorities determined by staff to be eligible for the 2026 Formulaic Program. The 2026 Local Partnership Formulaic Program Guidelines describe how the proposed formulaic fund distribution is established. Pursuant to the guidelines, the 2026 Fund Distribution includes two years of programming (Fiscal Years 2027-28 and 2028-29). All eligible taxing authorities will receive a minimum annual amount of \$200,000.

On July 14, 2026, Commission staff published the draft 2026 Local Partnership Program Formulaic Fund Distribution which outlined the proposed funding for eligible taxing authorities. Staff solicited feedback from program stakeholders to ensure jurisdictions had an opportunity to review, comment, suggest modifications, and submit information to verify eligibility prior to the August 2026 Commission meeting. Since publishing the draft on July 14, staff have updated sales tax revenues and populations for every agency based on the most recently available data. Additionally, staff made two necessary updates to specific jurisdictions described here:

- First, staff found an error in the calculation of San Joaquin County Transportation Authority's (SJCTA) distribution amount during the 2022 and 2024 Formulaic Program Cycles. Correcting the error results in an increase to SJCTA's distribution amount since the draft 2026 Fund Distribution was published for stakeholders, and a slight decrease to other eligible agencies. Additionally, SJCTA will receive an additional \$2,746,000 in the 2026 Fund Distribution to account for the distribution amounts SJCTA should have received in the 2022 and 2024 Formulaic Program Cycles. These additional funds will be drawn from available Fiscal Year 2027-28 Local Partnership Program Incentive Funds. Staff have verified that there were no similar calculation errors for other eligible taxing authorities.
- Second, one of Alameda County Transportation Commission's (ACTC) eligible sales tax codes was updated at ACTC's request, resulting in higher sales tax revenue totals calculating into ACTC's fund distribution. This adjustment results in an increase to their distribution amount since the draft 2026 Fund Distribution was published for stakeholders, and a slight decrease to other eligible agencies. ACTC will also receive an additional \$2,752,000 in the 2026 Fund Distribution to offset the difference in distribution amounts ACTC should have received in the 2022 and 2024 Formulaic Program Cycles due to the outdated tax code. These additional funds will be drawn from available Fiscal Year 2027-28 Local Partnership Program Incentive Funds.

As described above, a total of \$5,498,000 will be deducted from Fiscal Year 2027-28 Local Partnership Program Incentive Funds for SJCTA and ACTC, leaving \$14,502,000 in Incentive Funds available to be awarded to eligible taxing authorities with new or renewed measures in that fiscal year. Staff expect eligible taxing authorities who seek potential Incentive Funds in Fiscal Year 2027-28 will not be impacted, and any unused Incentive Funds will be redistributed among eligible taxing authorities in Fiscal Year 2028-29.

Also as described above, the funding distributions for every eligible taxing authority were updated to include sales tax revenue data from the most recent four quarters, ending June 30, 2026, as reported for each local tax measure by the California Department of Tax and Fee Administration. Additionally, the population for every eligible agency was updated pursuant to the California Department of Finance's most recent population data available.

Finally, forty percent of unused Incentive Funding from Fiscal Year 2025-26 has been rolled over to the 2026 Local Partnership Competitive Program pursuant to Local Partnership Competitive and Formulaic Program Guidelines. This results in a total of \$5,843,000 in unused Incentive Funding being added to the 2026 Competitive Program's programming capacity. The Formulaic Program's sixty percent share of unused Fiscal Year 2025-26 Incentive Funding totaling \$8,765,00 is being added to the 2024 Local Partnership Formulaic Fund Distribution under Reference Number 4.21, which will be redistributed among eligible taxing authorities in Fiscal Year 2026-27.

Background:

Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017) created the Local Partnership Program. Assembly Bill 115 (Committee on Budget, Chapter 20, 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 authorizes \$200 million annually to fund the Local Partnership Program.

The Local Partnership Formulaic Program provides funding to counties, cities, districts, and regional transportation agencies in which voters have approved fees, taxes, or tolls dedicated solely to transportation improvements. Only agencies included in the Commission-adopted Local Partnership Formulaic Program Fund Distribution are eligible to request funding for projects in the Local Partnership Formulaic Program.

Attachments:

- Attachment A: Resolution G-26-63
- Attachment B: 2026 Local Partnership Program Formulaic Fund Distribution

CALIFORNIA TRANSPORTATION COMMISSION
Adoption of the 2026 Local Partnership Program Formulaic Fund Distribution

RESOLUTION G-26-63

- 1.1 **WHEREAS**, on April 28, 2017, Governor Brown signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017), enacted as the Road Repair and Accountability Act of 2017, creating the Local Partnership Program to provide funding to jurisdictions that have sought and received voter approval of taxes or that have imposed fees, including uniform developer fees, which taxes or fees are dedicated solely to transportation improvements; and
- 1.2 **WHEREAS**, on June 27, 2017, Governor Brown signed Assembly Bill 115 (Ting, Chapter 20, Statutes 2017) which clarified language in SB 1 regarding local and regional transportation agency eligibility and expanded the types of projects eligible for the program; and
- 1.3 **WHEREAS**, on July 14, 2026, staff published the draft 2026 Local Partnership Formulaic Program Fund Distribution for eligible jurisdictions to review and provide comments; and
- 1.4 **WHEREAS**, the funding distributions for the 2026 Local Partnership Formulaic Program were updated based on the most current taxes, tolls, and fees data available; and
- 1.5 **WHEREAS**, on August 7, 2026, staff posted the revised 2026 Local Partnership Program Formulaic Fund Distribution on the Commission's website for review.
- 2.1 **NOW, THEREFORE, BE IT RESOLVED**, that the Commission adopts the 2026 Local Partnership Program Formulaic Fund Distribution as reflected in the Attachment; and
- 2.2 **BE IT FURTHER RESOLVED**, that staff is authorized to make minor technical changes as needed to the 2026 Local Partnership Program Formulaic Fund Distribution; and
- 2.3 **BE IT FURTHER RESOLVED**, that the Commission directs staff to post the 2026 Local Partnership Program Formulaic Fund Distribution to the Commission's website.

2026 Local Partnership Program			2027-28	2028-29
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
2024 Competitive Program Carryover Balance of Unprogrammed Funds			\$ 1,455	
Redistribution of FY 25-26 Incentive Funds (40% Competitive Portion)			\$ 5,843	
Subtotal Available for Competitive Program			\$ 79,298	\$ 72,000
Formulaic Program (60%)			\$ 108,000	\$ 108,000
Subtotal Available for Formulaic Program			\$ 108,000	\$ 108,000
Proposed Annual Formulaic Funding Distribution				
Tolls + VRF + parcel/property tax	7.98%		\$ 8,622	\$ 8,622
North sales tax	27.36%		\$ 29,546	\$ 29,546
South sales tax	64.66%		\$ 69,832	\$ 69,832
Funding Based on Voter-Approved Tolls, Vehicle Registration Fee (VRF), Parcel/Property Tax Revenue			2027-28	2028-29
	Revenue (100%)		Funding	Funding
Alameda County Transportation Commission (Measure F-VRF) *	\$ 12,174		\$ 200	\$ 200
Alameda-Contra Costa Transit District (Measure C1-Parcel Tax)	\$ 30,054		\$ 307	\$ 307
City of Albany (Measure C, Measure F- Parcel Taxes)	\$ 1,839		\$ 200	\$ 200
Bay Area Rapid Transit District (Measure RR-Parcel Tax)	\$ 117,928		\$ 1,206	\$ 1,206
Bay Area Toll Authority (Regional Measure (RM) 1, RM 2, RM 3-Tolls)	\$ 519,397		\$ 5,310	\$ 5,310
City and County of San Francisco (Prop. D-Bus. Tax)	\$ 18,979		\$ 200	\$ 200
City/County Association of Governments of San Mateo County (Measure M-VRF)	\$ 6,959		\$ 200	\$ 200
Orinda (Measure L-Parcel Tax)	\$ 1,888		\$ 200	\$ 200
San Francisco County Transportation Authority (Prop AA-VRF) *	\$ 4,582		\$ 200	\$ 200
Santa Clara Valley Transportation Authority (Measure B-VRF) *	\$ 15,841		\$ 200	\$ 200
Transportation Authority Marin County (Measure B-VRF) *	\$ 2,469		\$ 200	\$ 200
Yuba County (Measure D-Depletion Surcharge)	\$ 1,260		\$ 200	\$ 200
Totals	\$ 733,370		\$ 8,622	\$ 8,622
Funding Based on Voter-Approved Sales Tax Revenue and Population - North			2027-28	2028-29
County (Agency)	Revenue (25%)	Population (75%)	Funding	Funding
Alameda (Alameda County Transportation Commission) *	\$ 389,602	1,666,136	\$ 4,097	\$ 4,097
Amador (City of Amador)	\$ 22	183	\$ 200	\$ 200
Contra Costa (Contra Costa Transportation Authority)	\$ 122,557	1,163,891	\$ 2,466	\$ 2,466
El Cerrito	\$ 2,161	N/A	\$ 200	\$ 200
Martinez	\$ 4,765	N/A	\$ 200	\$ 200
Lake (Clearlake)	\$ 2,426	16,642	\$ 200	\$ 200
Madera (Madera County Transportation Authority)	\$ 16,555	166,407	\$ 356	\$ 356
Marin (Transportation Authority Marin County) * ^	\$ 36,277	250,823	\$ 404	\$ 404
Marin (Sonoma Marin Area Rail Transit District) ^	\$ 24,832	-	\$ 220	\$ 220
Mendocino (Fort Bragg)	\$ 1,225	7,142	\$ 200	\$ 200
Mendocino (Point Arena)	\$ 68	450	\$ 200	\$ 200
Mendocino (Ukiah)	\$ 3,377	16,138	\$ 200	\$ 200
Mendocino (Willits)	\$ 823	4,800	\$ 200	\$ 200
Merced (Merced County Transportation Authority)	\$ 28,516	294,154	\$ 617	\$ 617
Monterey (Transportation Agency for Monterey County) ^	\$ 40,734	436,755	\$ 710	\$ 710
Monterey (Monterey-Salinas Transit District) ^	\$ 13,291	-	\$ 251	\$ 251
Napa (Napa Valley Transportation Authority)	\$ 25,273	136,374	\$ 318	\$ 318
Nevada (Truckee)	\$ 3,708	16,891	\$ 200	\$ 200
Sacramento (Sacramento Transportation Authority)	\$ 176,770	1,628,349	\$ 3,464	\$ 3,464
San Benito (Council of San Benito County Governments)	\$ 13,602	68,111	\$ 200	\$ 200
San Francisco (San Francisco County Transportation Authority) * ^	\$ 117,463	845,658	\$ 1,556	\$ 1,556
San Francisco (Caltrain) * ^	\$ 43,165	-	\$ 425	\$ 425
San Joaquin (San Joaquin County Transportation Authority)	\$ 92,270	820,125	\$ 1,753	\$ 1,753
San Mateo (San Mateo County Transportation Authority) ^	\$ 119,903	748,182	\$ 741	\$ 741
San Mateo (San Mateo County Transit District) ^	\$ 239,297	-	\$ 1,480	\$ 1,480
San Mateo (Caltrain) * ^	\$ 43,165	-	\$ 220	\$ 220
Santa Clara (Santa Clara Valley Transportation Authority) * ^	\$ 734,663	1,932,468	\$ 5,291	\$ 5,291
Santa Clara (Caltrain) * ^	\$ 43,165	-	\$ 323	\$ 323
Santa Cruz (Santa Cruz County Regional Transportation Commission) ^	\$ 27,841	261,069	\$ 314	\$ 314
Santa Cruz (Santa Cruz Metropolitan Transit District) ^	\$ 27,857	-	\$ 314	\$ 314
Sonoma (Sonoma County Transportation Authority) ^	\$ 31,687	484,022	\$ 529	\$ 529
Sonoma (Sonoma Marin Area Rail Transit District) ^	\$ 24,832	-	\$ 511	\$ 511
Stanislaus (Stanislaus County Transportation Authority)	\$ 60,950	557,159	\$ 1,186	\$ 1,186
Totals	\$ 2,512,843	11,521,929	\$ 29,546	\$ 29,546
Funding Based on Voter-Approved Sales Tax Revenue and Population - South			2027-28	2028-29
County (Agency)	Revenue (25%)	Population (75%)	Funding	Funding
Imperial (Imperial County Local Transportation Authority)	\$ 21,153	185,961	\$ 501	\$ 501
Los Angeles (Los Angeles County Metropolitan Transportation Authority)	\$ 4,395,311	9,837,286	\$ 36,138	\$ 36,138
Orange (Orange County Transportation Authority)	\$ 439,164	3,163,696	\$ 8,758	\$ 8,758
Riverside (Riverside County Transportation Commission)	\$ 283,598	2,506,824	\$ 6,750	\$ 6,750
San Bernardino (San Bernardino County Transportation Authority)	\$ 257,376	2,216,685	\$ 5,989	\$ 5,989
San Diego (San Diego Regional Transportation Commission)	\$ 434,994	3,344,322	\$ 9,172	\$ 9,172
Santa Barbara (Santa Barbara County Local Transportation Authority)	\$ 56,849	444,974	\$ 1,217	\$ 1,217
Tulare (Tulare County Transportation Authority)	\$ 51,247	489,610	\$ 1,306	\$ 1,306
Totals	\$ 5,939,692	22,189,358	\$ 69,832	\$ 69,832
Incentive Funding			2027-28	2028-29
Beginning Balance			\$ 20,000	\$ 20,000
San Joaquin (San Joaquin County Transportation Authority) Correction of 2022-2024 Cycles Distribution			\$ 2,746	
Alameda (Alameda County Transportation Commission) Correction of 2022-2024 Cycles Distribution			\$ 2,752	
Remaining Balance			\$ 14,502	\$ 20,000

* Agency listed more than once.

^ Multiple agencies within county with countywide tax.

* Incentive funds are being awarded from incentive set-aside

* Formula Funding Distribution for FY2027-28 and 2028-29 is pending eligible measure renewal