

December 7, 2021

R-46

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute an agreement with the Long Beach Public Transportation Company (Long Beach Transit), for disbursement of fifty-three (53) percent of the City's actual Proposition A local return revenue, for a five-year term, beginning July 1, 2021 through June 30, 2026. (Citywide)

DISCUSSION

City Council approval is requested to enter into an agreement with Long Beach Transit for disbursement of fifty-three (53) percent of the City's Proposition A revenue actuals.

Proposition A (Prop A) was approved by the Los Angeles County voters in November 1980, authorizing a sales tax increase of one-half cent for public transit purposes. Collection of this tax began in July 1982, and the funds are administered and disbursed by the Los Angeles County Metropolitan Transportation Authority (Metro) to cities on a per capita basis. Prop A funding is to be used exclusively for the construction, improvement and maintenance of mass transit services and facilities. Prop A funds are used for bus stop improvements and maintenance, recreational transit services, transit facilities/transportation enhancements, park-and-ride lots, signal synchronization that prioritizes buses, transit demand management, right-of-way improvements, administration, and other costs related to public transit.

On August 10, 1982, the City Council received a joint report by the Director of Public Works and the Executive Director of Long Beach Transit relative to the disbursement of Prop A Local Return funds. Both the City and Long Beach Transit work in cooperation on the use of these funds for various public transit-related capital and operating expenditures. To detail the use of Prop A funding, the City and Long Beach Transit entered into an agreement, which has been extended by the City Council numerous times.

Under the previous agreement, approved by the City Council on October 4, 2016, the City allocated fifty-three (53) percent of the City's Prop A funds received from Metro to reimburse Long Beach Transit for actual annual costs. The percentage was applied to actual annual revenues received by the City from June 1 to July 30. This agreement expired June 30, 2021.

Under a separate agreement between Long Beach Transit and the Police Department, approved by City Council on October 17, 2017, the Long Beach Transit agreed to reimburse the Police Department for law enforcement services. The agreement between

Long Beach Transit and the Police Department expired on September 30, 2021. On September 14, 2021, the City Council authorized the Police Department to enter into a new contract with Long Beach Transit for reimbursement of law enforcement services.

City Council approval is requested to enter into a new agreement with Long Beach Transit for a term of five-years and reflecting disbursement of fifty-three (53) percent of the City's Proposition A revenue actuals. This agreement is contingent on the City's continued receipt of Prop A funds from Metro. The actual disbursement from the City will depend on actual revenue received, as well as reporting and supporting documentation of costs from Long Beach Transit. The City and Long Beach Transit will continue to discuss potential changes to future allocation formulas, as well as opportunities for joint projects.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley on November 22, 2021 and by Budget Operations and Development Officer Rhutu Amin Gharib on November 19, 2021.

SUSTAINABILITY

The City will use Prop A funds to improve the public transit system in Long Beach, making it safer and more convenient for transit users to access public transit options, and making it safer for bus operators to navigate through their routes.

TIMING CONSIDERATIONS

City Council action is requested on December 7, 2021, to authorize the execution of a new agreement with Long Beach Transit to continue various transit-related capital and operating expenditures.

FISCAL IMPACT

The City will reimburse Long Beach Transit for actual operating costs, on a quarterly basis, a maximum of fifty-three (53) percent of the City's actual Prop A revenue received from Metro. The actual disbursement from the City will depend on the amount of Prop A revenue received during the term of the agreement. The City's Prop A allocation to Long Beach Transit is budgeted in the Capital Projects Fund Group the Public Works Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. Approval of this recommendation will provide continued support to our local economy. This Agreement will result in a positive local job impact and allow Long Beach Transit to continue operating at its current level of service.

HONORABLE MAYOR AND CITY COUNCIL
December 7, 2021
Page 3

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ERIC LOPEZ
DIRECTOR OF PUBLIC WORKS

EL:JB:mw:ad

APPROVED:



THOMAS B. MODICA
CITY MANAGER