

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 16-17, 2022

From: MITCH WEISS, Executive Director

Reference Number: 4.7, Information

Prepared By: Alicia Sequeira
Assistant Deputy Director

Published Date: March 4, 2022

Subject: Local Streets and Roads Funding Program Fiscal Year 2020-21 Expenditure Report Update

Summary:

As of December 8, 2021, California Transportation Commission (Commission) staff have received 539 Annual Expenditure Reports for Fiscal Year 2020-21 from cities and counties in the Local Streets and Roads Funding Program. This marks the fourth consecutive year in which all jurisdictions submitted the required reports.

The Annual Expenditure Reports track the Program funds unspent from prior years in addition to the funds apportioned to the jurisdictions in the reporting fiscal year. Jurisdictions are expected to report on how program funds were spent, account for previously proposed and reported on projects, and provide specific project outcomes once a project has completed.

Reports were due to the Commission by December 1, 2021, however, due to COVID-19 related staffing shortages, 21 of the 539 reports were submitted late. The reporting detail is posted on the Commission's Local Streets and Roads Funding Program webpage, per the 2021 Local Streets and Roads Funding Program Reporting Guidelines.

A copy of the detailed expenditures and project list can be found on the Commission's Local Streets and Roads Funding Program [webpage](#) and is shared with the State Controller's Office. A summary of the report will be included in the Commission's Annual Report to the Legislature.

Background:

On April 28, 2017, Governor Brown signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017). A percentage of the Road Maintenance and Rehabilitation Account funding created by SB 1 is apportioned by formula and disbursed monthly by the Controller's Office to eligible cities and counties pursuant to Streets and Highways Code Section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Pursuant to Streets and Highways Code Section 2034(b), for each fiscal year in which Road Maintenance and Rehabilitation Account funds are received and expended, cities and counties must submit documentation to the Commission that details the expenditures. The documentation must include a description and location of each completed and in progress project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement.

Commission staff held three technical training webinars in November 2021, to provide guidance for the Annual Expenditure Report. Over 82 percent of the reporting jurisdictions participated in the webinars.

Commission staff worked closely with all jurisdictions, Regional Transportation Planning Agencies, the California State Association of Counties, and the League of California Cities to ensure timely submittals. Cities and counties were expected to account for approximately \$2.4 billion in apportionments: \$1.2 billion remaining from prior years and \$1.2 billion from Fiscal Year 2020-21.

Cities and Counties reported spending \$979 million in program funds on over 3,000 projects that were either completed or in progress within the fiscal year. Project status updates were provided for an additional 1,120 projects that were not active within the reporting year. Cities and counties retained \$1.5 billion in program funds for use in a future fiscal year.

Approximately \$815 million in program funds were spent on construction projects addressing 81,565 lane miles of local streets and road improvements. These improvements included 245 miles of bicycle lane improvements, 7,056 ADA curb ramp improvements, 36,908 miles of safety improvements, and 44,412 lane miles of general roadway maintenance and paving.

Jurisdictions spent \$164 million in program funds on pre-construction and operational need projects. Those costs include, but are not limited to, design, project management, environmental studies, feasibility studies, equipment, and public works maintenance materials.

The Fiscal Year 2020-21 Expenditure Report has been posted on the Commission's Local Streets and Roads Program website. Fiscal Year 2022-23 Project List Submittals for program funding eligibility are due to the Commission by July 1, 2022.

Attachment:

- Attachment A: Fiscal Year 2020-21 Statewide Expenditure Report Summary

**FY 2020-21 Local Streets and Roads Program
 Statewide Expenditure Report Summary
 (Project Expenditures as of June 30, 2021)**

Total Funds Remaining (from Prior Fiscal Years)	Total Funds Received (as of August 2021)	Total Funds Spent (in Fiscal Year 2020-21)
\$1,243,875,552.02	\$1,234,900,871.92	\$979,462,753.38

The following detail reflects the information gathered on the 4,124 projects in the reports collected from the 539 recipient agencies.

Projects by Status	Program Funds Spent in Fiscal Year 2020-21	Total Project Cost (All Funds)
Completed: 1,554	\$407,507,164.09	\$1,761,187,224.89
In Progress: 1,450	\$571,955,589.29	\$2,978,108,087.62
Carried Over into FY 2021-22 or Later: 1,120	N/A	N/A
All Projects:	\$979,462,753.38	\$4,739,295,312.42

*In Fiscal Year 2021, Agencies removed 381 previously proposed projects that will no longer be funded with Road Maintenance and Rehabilitation Account funds and will now be funded with other source funds available to those agencies.