

City of Hesperia

STAFF REPORT



DATE: September 18, 2018

TO: Mayor and Council Members

FROM: Nils Bentsen, City Manager

BY: Michael Blay, Director of Development Services
Jamie Carone, Administrative Analyst

SUBJECT: Adopt Measure I Five Year Capital Project Needs Analysis for Fiscal Years 2019/20 through 2023/2024

RECOMMENDED ACTION

It is recommended that the Mayor and Council Members adopt Resolution No. 2018-058 approving the Measure I Five-Year Capital Project Needs Analysis submittal to the San Bernardino County Transportation Authority (SBCTA) for Fiscal Years 2019/2020 through 2023/2024.

BACKGROUND

In November of 1989, voters approved passage of Measure I to impose a one-half of one percent retail transactions and use sales tax applicable in the incorporated and unincorporated territory of San Bernardino County. In advance of Measure I expiring in 2010, voters approved Ordinance No. 04-01 in November 2004 renewing the Measure I half-cent sales tax for 30 years. The renewed Measure I is referred to as Measure I 2010-2040.

One minor difference between the original Measure I and the “2010-2040” Measure I is the establishment of a separate component to jointly fund regional projects among the five communities in the Victor Valley sub-area (Adelanto, Apple Valley, Hesperia, Victorville, and the County of San Bernardino). This fund is known as the “Major Local Highway Program” (MLHP) and constitutes 25% of the Measure I revenue. SBCTA estimates that \$269.1 million will be generated over the life of the Measure within our sub-area. This revenue was incorporated into SBCTA’s Strategic Plan, after multiple meetings with member agencies. In addition, to provide direction to SBCTA, each member agency’s legislative body approved an initial expenditure list. The Council approved the initial list of projects at its August 28, 2008 meeting to be considered for the MLHP funding.

ISSUES/ANALYSIS

Under MLHP, qualifying projects are defined as “major streets and highways serving as primary routes of travel within the subarea, which may include State highways and freeways, where appropriate.” Locally-maintained streets which serve more than one community (e.g., Ranchero Road through Hesperia and the County also serves Apple Valley residents) would qualify. While the intent of this program was to allow communities within our sub-area to pool resources and vote on projects collectively, it became clear during these meetings that the amount of revenue available would be outstripped by the Victor Valley’s financial needs (SBCTA’s estimate is \$1.2 billion for all regional facilities, including US-395 and I-15 widening). In addition, one community’s project needs, while providing a benefit to the sub-area, may not directly benefit another Victor Valley community. As a result the consensus was reached to

divide the MLHP revenue equally among the five agencies, resulting in up to \$53.82 million each (the amount of revenue will fluctuate based on the amount of retail sales occurring over the life of the plan). Projects prioritized by each agency can only be partially funded by the MLHP, and funding will be programmed based on the short-term (year 1-10) mid-term (year 11-20) and long term (year 21-30) availability and priority.

SBCTA is requesting confirmation of the City's priorities, which is now referred to as the Capital Project Needs Analysis (CPNA). Therefore, in accordance with SBCTA requirements, Staff is recommending that the City Council adopt Resolution 2018-058 approving the Measure I MLHP submittal and adopting the Five-Year CPNA for Fiscal Years 2019/2020 through 2023/2024.

FISCAL IMPACT

There is no fiscal impact.

ALTERNATIVE (S)

1. Provide alternative direction to staff.

ATTACHMENT (S)

1. Resolution No. 2018-058
2. Measure I CPNA submittals for Fiscal Year 2019/2020 through 2023/2024