

Salt Lake County Transportation Funding

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2022

Today's Discussion



How is a transportation project funded?

6 examples of County transportation funding:

- ✓ Local Option Sales Tax – (Regional Transportation Choice Fund (4th Quarter) (2018))
- ✓ Contribution from State's County of the First-Class Highway Fund held at UDOT
- ✓ SB 277 (2017) – Bond Proceeds
- ✓ State Infrastructure Bank (SIB) Loan (SB 128 (2018)) – Parking Facilities Revolving Loan Fund
- ✓ Motor Vehicle Registration Fee – Corridor Preservation Funding
- ✓ HB 420 (2015)) and HB 244 (2021) – legislative appropriation



Local Option Sales Tax

Transportation Funding

Quarter 1:

Transit 0.30%

UCA 59-12-2213

Established UTA

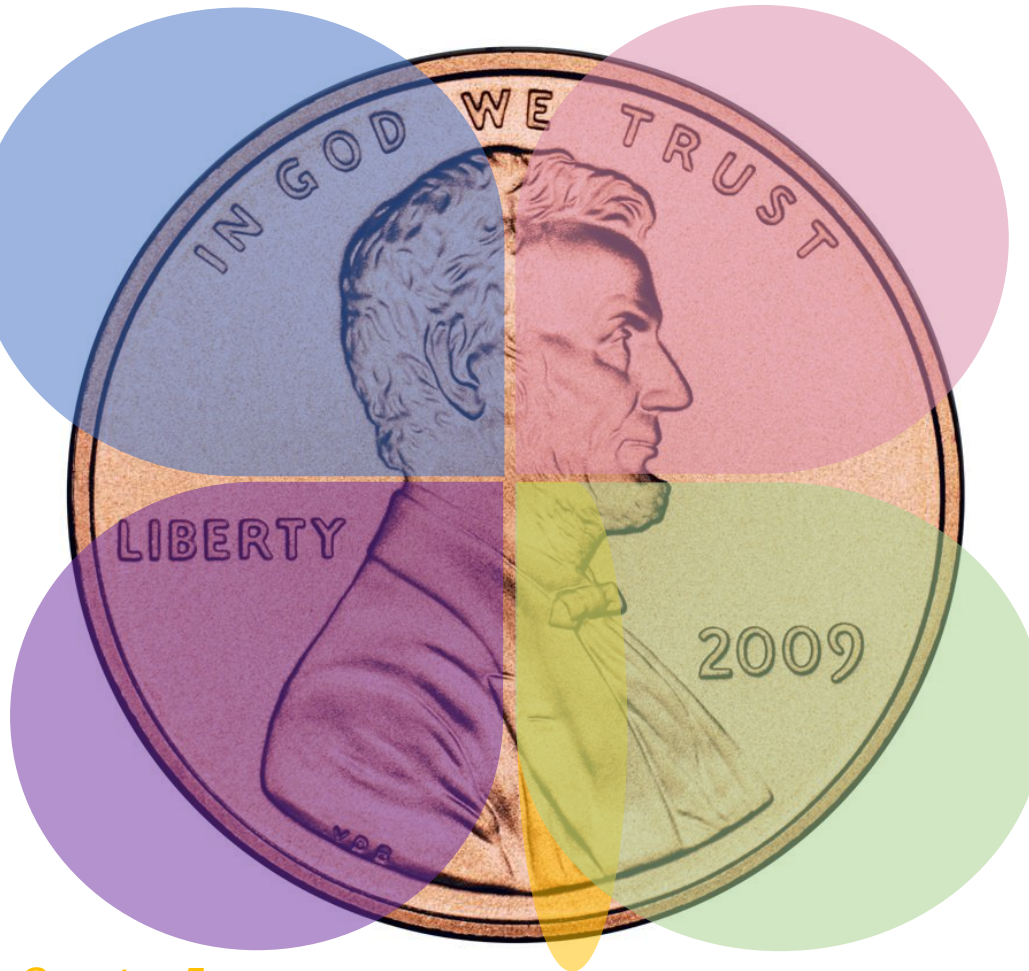
Quarter 2:

Transit 0.25% (80/20 split)

- UTA (80%)
- State's County of First-Class Highway Fund (20%)

UCA 59-12-2214

UTA fixed guideway and expanded public transportation system (see detail on next slide)



Quarter 5:

New 0.20% option expires June 30, 2023 for transit capital or service delivery UCA 59-12-2220

Quarter 3:

Road and Transit 0.25% (75/25 split)

- UTA (0.75%)
- UDOT (0.25%) to County of First-Class Highway Fund to Pay Debt on Bonds

UCA 59-12-2217

UTA construction, operation and maintenance of its commuter rail project, mid-Jordan light rail project and West Valley light rail project

Quarter 4:

Road and Transit 0.25% (40/40/20 split)

Cities (.10%); UTA (.10%); Salt Lake County (0.05%) (100% from Oct. 1, 2018 – June 30, 2019 after July 1, 2019 going forward 0.05%)

UCA 59-12-2219

UTA operations and maintenance in Salt Lake County and assists in maintaining the system in a state of good repair.

Local Option Sales Tax

Transportation Funding

Quarter 2 detail:

Transit 0.25%

UTA fixed guideway and expanded public transportation system (80%)/State's County of the First-Class Highway Fund (20%)

UCA 59-12-2214; can be spent according to UCA 59-12-2212.2

Breakdown of the State's County of the First-Class Highway Fund 20%:

42.5% pays:

- 2017 General Obligation (GO) State Bond (retire in 2032)
- \$28M to State Transportation Investment Fund (TIF) of 2005 (retire in State FY 2021)
- After 2017 General Obligation State Bond and \$28M has been paid, the balance of 42.5% will be transferred to legislative body of a County of the First Class for transportation purposes

20% is transferred to a public transit district (UTA) in a County of the First Class to fund a system for public transit

20% is transferred to the legislative body of a County of the First Class to fund parking facilities that facilitate significant economic development and recreation and tourism within the state. Separately, we applied for, and received, a State Infrastructure Bank (SIB) loan and will use this stream to fund payments on the loan.

17.5% being held in fund to mitigate against revenue decline



State's County of the First-Class Highway Fund

Transportation Funding

Source



Statutory Reference: UCA 59-12-2217; 2214(3)(b); and 41-1a-1222 | second and third quarter of one (1) % percent sales tax and corridor preservation fee funds

HB 420 (2015) provided for a one-time distribution of \$40M to Salt Lake County from the State's County of the First-Class Highway Projects Fund

Budget Org ID
1034 for HB
420 funds

- State's County of the First-Class Highway Fund is paying debt service and bond issuance costs on three bonds issued by the State:
(UCA Section 72-2-121(4)(b))
 - 2009 General Obligation State Bond (UCA Section 63B-18-402) (retire in 2025)
 - 2017 General Obligation State Bond (UCA Section 63B-27-102) (retire in 2032)
- State's County of the First-Class Highway Fund is paying debt service on three loans and the County's Transportation Bond:
 - Transportation Investment Fund (TIF) Internal State Loan: \$28M (projected to retire in State FY 2021)
 - Transportation Investment Fund (TIF) Internal State Loan: \$30M (retire in State FY 2026)
 - State Infrastructure Bank (SIB) loan to Salt Lake County \$23.2M (10-year term)
 - Salt Lake County 2010 Transportation Bond (retire in 2025)
- County Transportation Advisory Committee (established 8/2018)
- Reviews, ranks, provides recommendations to Mayor for proposed transportation and, as applicable, public transit projects who then makes recommendations to the County Council

Governance



Source



SB 277 (2017) | County received one-time funding in the amount of \$47 million from a General Obligation Bond issued by the State

Budget Org ID
1036

Note: funding was provided to jurisdictions based upon predetermined amounts through an application process

Regional Transportation Choice Fund (4th Quarter) *Transportation Funding*

Source



Facilitated by SB 136 (2018) | fourth quarter of one (1) % sales tax

Funding Availability



2020 Actual \$13.957M; 2021 is projected to be in excess of \$16M

Budget Org ID
1038

Governance



Mayor recommends transportation projects the County Council.

Understanding the 4th Quarter (0.25%) SB 136 (2018) – Regional Transportation Choice Fund

- October 1, 2018 – June 30, 2019, Salt Lake County received 100% of the 0.25% or 4th Quarter of one (1) % sales tax; \$47,694,433
- July 1, 2019 – December 31, 2019, Salt Lake County received 0.05% of the 0.25% of the 4th Quarter of one (1) % sales tax; \$7,158,862
- Currently the 4th Quarter distribution is as follows:
 - UTA – 0.10%
 - Cities – 0.10%
 - Salt Lake County – 0.05%
 - 2020 Actual - \$13,957,748
 - 2021 Actual - \$16,291,512
 - 2022 Projected - \$16,400,000

Parking Facilities Revolving Loan Fund

Transportation Funding

Source



SB 128 (2018) State Infrastructure Bank loan \$23.2M

Budget Org ID
1037

- Funding and terms negotiated between local jurisdiction and Regional Economic Development with approval by Salt Lake County Council
 - 2 loans
 - Cottonwood Heights – Canyon Centre
 - Salt Lake City – Block 67 West Quarter

Corridor Preservation Funding

Transportation Funding

Motor vehicle registration fee | \$5.00 (50%) out of \$10

Breakdown:

\$2 to Salt Lake County until July 2023 then for 15 years thereafter the County will transfer \$300,000 to Kearns Metro Township and \$225,000 to Magna Metro Township

\$3 to Salt Lake County Council of Governments (COG) Public Works Committee

- Approximately \$5 million

- Council of Governments (COG) Public Works Committee meets when the fund reaches \$3M, makes recommendations to Salt Lake County Council for property to be purchased as right of way for future roadways and public transit projects

Note: Proposed property purchases must be associated with projects identified on the adopted Regional Transportation Plan (RTP)

Source



2021 Funding Availability

Budget Org ID
1033



Governance



Corridor Preservation Funding

Transportation Funding

Source



Motor vehicle registration fee | \$5.00 out of \$10

2021 Funding Availability

Budget Org ID
1031



Pays the 2014 and 2017 County Excise Tax Revenue bonds

Note: In the past, funds over and above the County Excise Tax Revenue Bond debt service fund the active transportation grants in the amount of approximately \$1M annually

Governance



Workflow function only.

Source



Utah Legislature appropriation

Example: 2021 Funding Availability



HB 244 (2021) transferred funds from the State's County of the First-Class Highway Projects Fund to:

2020-2021 state fiscal year only, the following amounts will be transferred to the following individual cities:

- \$2.6M South Salt Lake
- \$1.1 each for Salt Lake City, West Valley City, Millcreek
- \$700,000 each for Sandy, West Jordan
- \$500,000 each for Murray, South Jordan, Taylorsville

Beginning on fiscal year on or after July 1, 2021 and for 15 years, the annual transfers will occur to the following individual cities:

- \$1.1M each for Salt Lake City, Sandy, Taylorsville, West Jordan, West Valley City
- \$800,000 Herriman
- \$700,000 each for Draper, Riverton, south Jordan
- \$500,000 each for Midvale, Millcreek, Murray
- \$400,000 Cottonwood Heights
- \$300,000 Holladay