

Salt Lake County Transportation Funding

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Today's Discussion



How is a transportation project funded?

6 examples of County transportation funding:

- ✓ Local Option Sales Tax – (Regional Transportation Choice Fund (2018))
- ✓ Contribution from State's County of the First Class Highway Fund
- ✓ SB 277 (2017) – Bond Proceeds
- ✓ State Infrastructure Bank (SIB) Loan – Parking Facilities Revolving Loan Fund
- ✓ Motor Vehicle Registration Fee – Corridor Preservation Funding
- ✓ Legislative appropriation



Local Option Sales Tax

Transportation Funding

Quarter 1:

Transit 0.30%

Established UTA

UCA 59-12-2213

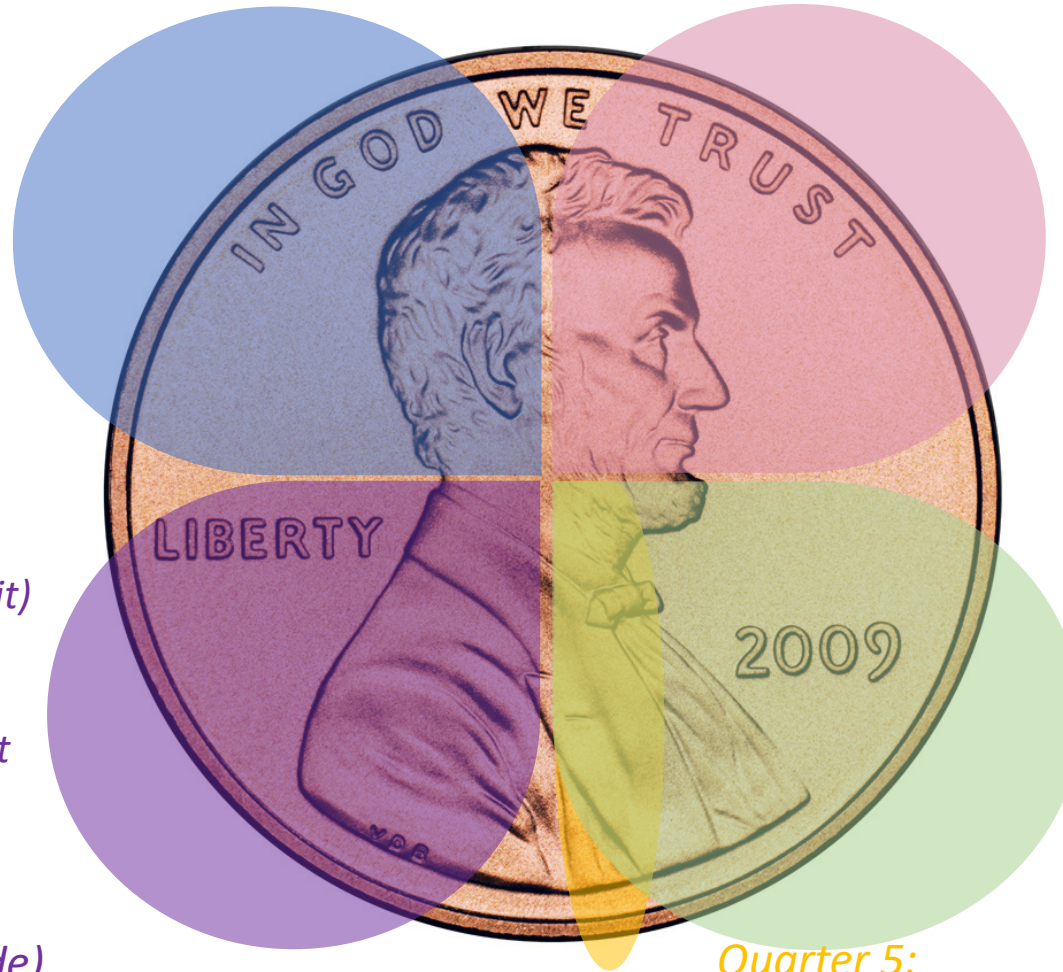
Quarter 2:

Transit 0.25% (80/20 split)

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

UCA 59-12-2214

(see detail on next slide)



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

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 0.05%)

UCA 59-12-2219

Quarter 5:

New 0.20% cannot be imposed until July 1, 2019 for transit capital or service delivery UCA 59-12-2220

Local Option Sales Tax

Transportation Funding

Quarter 2 detail:

Transit 0.25%

UTA TRAX Extension (80%)/State's County of the First Class Highway Fund (20%)

UCA 59-12-2214

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, an 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

- 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))

- 2007 General Obligation State Bond (UCA Section 63B-16-102)
- 2009 General Obligation State Bond (UCA Section 63B-18-402)
- 2017 General Obligation State Bond (UCA Section 63B-27-102)

2019 Funding Availability



Org ID 1034 for
HB 420 funds

- State's County of the First Class Highway Fund is paying debt service on three loans:

- Transportation Investment Fund (TIF) Internal State Loan: \$28M
- Transportation Investment Fund (TIF) Internal State Loan: \$30M
- State Infrastructure Bank (SIB) loan to Salt Lake County \$23.2M

Governance



- 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

Source



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

2019 Funding
Availability



Org ID 1036

- \$ 0

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

2019 Funding Availability



- Roughly \$10 - \$12 million starting January 1, 2020 – December 31, 2020

Note: 2018 projects were selected on a competitive basis using evaluation criteria for prioritization purposes

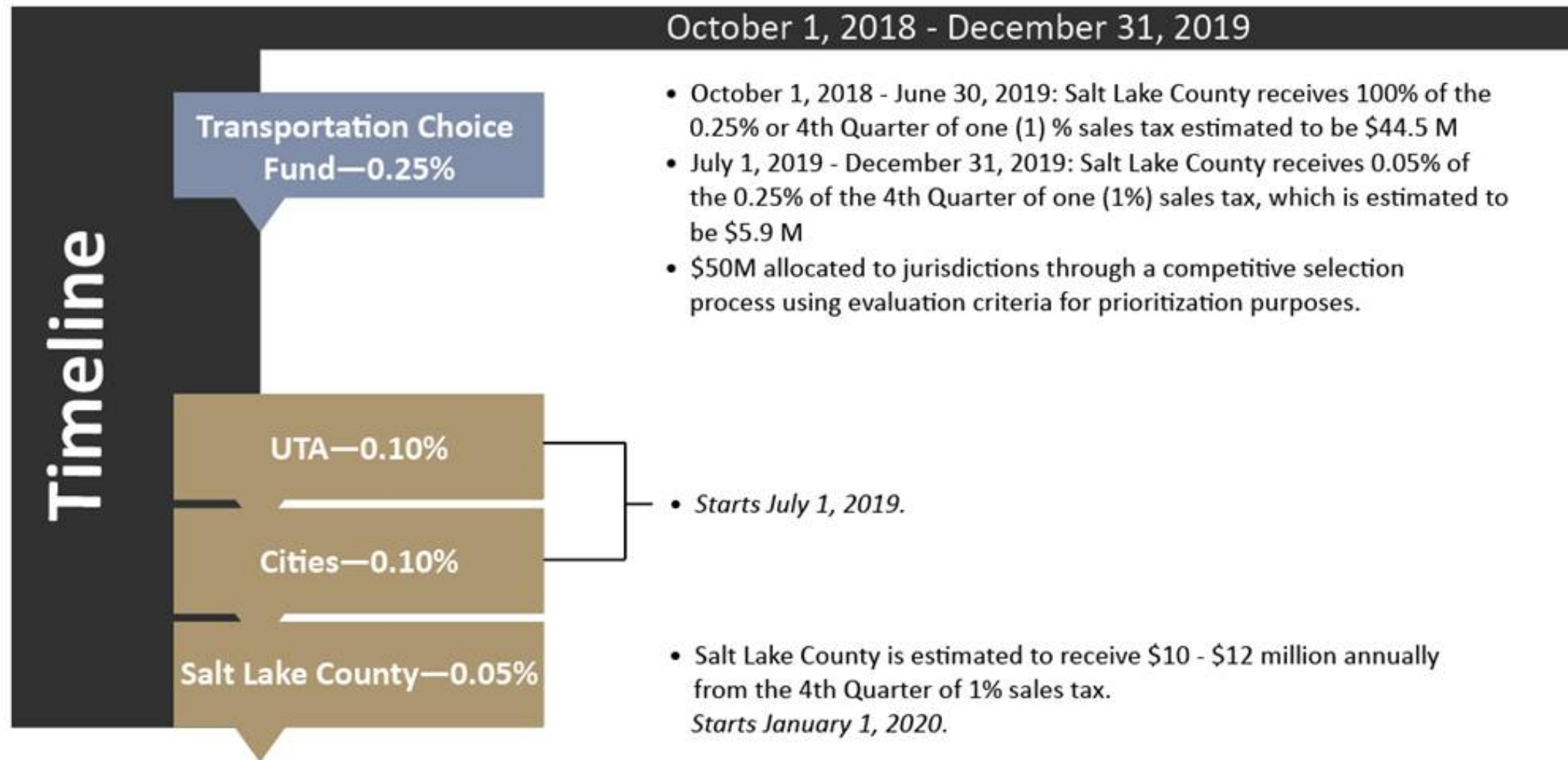
Org ID 1038

Governance



- In 2018, the Transportation Choice Fund Work Group made recommendations to the Mayor who then made recommendations to the Salt Lake County Council

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



Parking Facilities Revolving Loan Fund

Transportation Funding

Source



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

**2019 Funding
Availability**

Org ID 1037



- Funding & terms negotiated between local jurisdiction and Regional Economic Development with approval by Salt Lake County Council
 - 2 loans
 - Cottonwood Heights
 - Salt Lake City (being negotiated)

Corridor Preservation Funding

Transportation Funding

Source



Motor vehicle registration fee | \$3.00 out of \$10

Remaining \$7.00 goes to County of the First Class Highway Fund; \$5.00 is transferred to the County to pay Excise Tax Bonds and the remaining \$2.00 accumulates in the County of the First Class Highway Fund

2019 Funding Availability

Org ID 1033



- Approximately \$3 million; in 2018 Salt Lake County received \$2,927,849.32

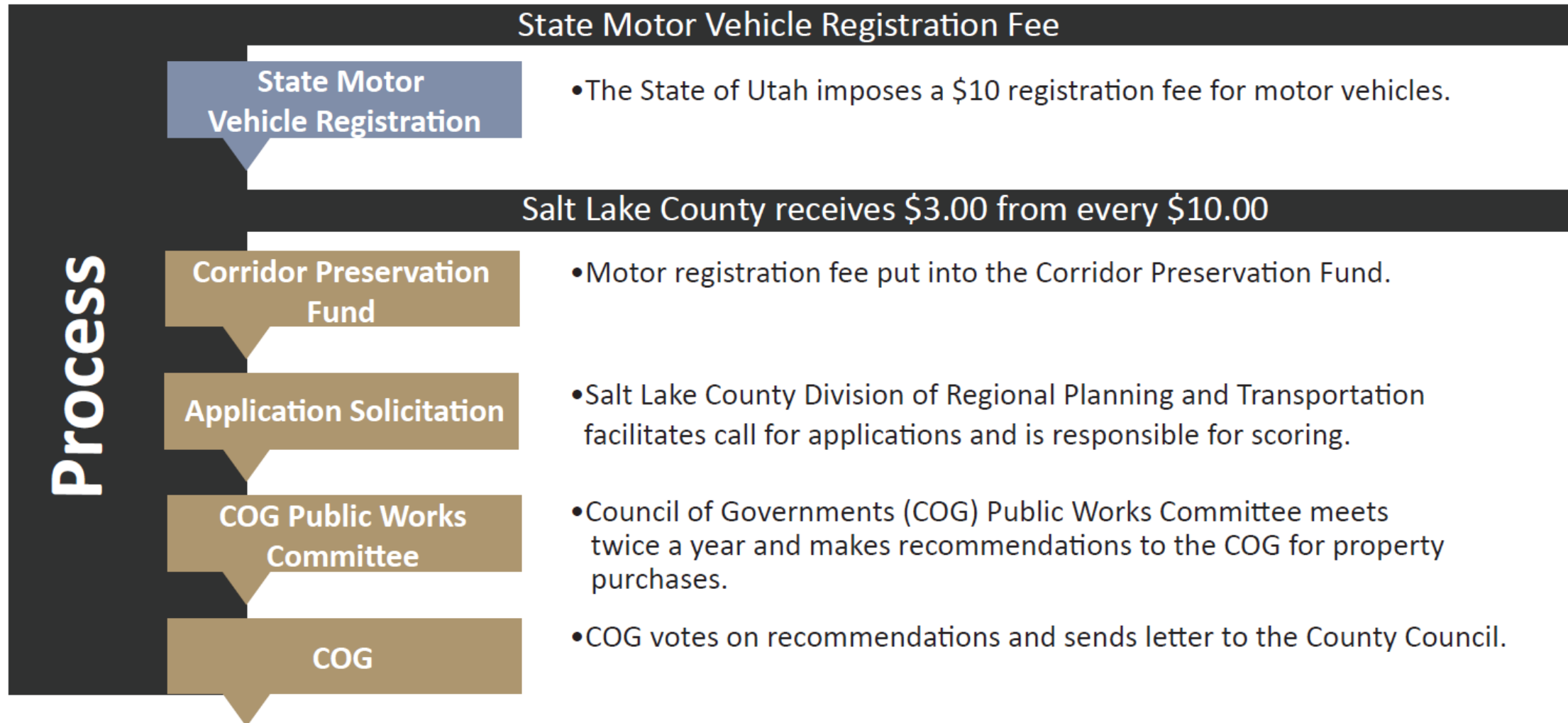
Governance



- Council of Governments (COG) Public Work Committee meets twice a year, 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)

Understanding the Corridor Preservation Fund



Corridor Preservation Funding

Transportation Funding

Source



Motor vehicle registration fee | \$7.00 out of \$10

2019 Funding Availability

Org ID 1031



Pays the 2014 and 2017 County Excise Tax Revenue bonds and the remaining \$2.00 is stranded in the State's County of the First Class Highway Fund until legislative action is taken.

Note: 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



Work flow function only.

Source



Utah Legislature appropriation

2019 Funding Availability



SB 268 (2019) transfers \$12 million from the State's County of the First Class Highway Projects Fund to UDOT to be used for the following projects:

- ✓ \$2M to West Valley City for highway improvements to 4100 South
- ✓ \$1M to Herriman City for highway improvements to Herriman Boulevard from 6800 West to 7300 West
- ✓ \$1.1M to South Jordan City for highway improvements to Grandville Avenue
- ✓ \$1.8M to Riverton City for highway improvements to Old Liberty Way from 13400 South to 13200 South
- ✓ \$1M to Murray City for highway improvements to 5600 South from State Street to Van Winkle
- ✓ \$1M to Draper City for highway improvements to Lone Peak Parkway from 11400 South to 12300 South
- ✓ \$1M to Sandy City for right-of-way acquisition for Monroe Street
- ✓ \$0.9M to South Jordan City for right-of-way acquisition and improvements to 10200 South from 2700 West to 3200 West
- ✓ \$1M to West Jordan City for highway improvements to 8600 South near Mountain View Corridor
- ✓ \$0.7M to South Jordan City right-of-way improvements 10550 South
- ✓ \$0.5M to Salt Lake County for highway improvements to 2650 South from 7200 West to 8000 West

UDOT to use bond proceeds to fund the following Salt Lake County projects:

- ✓ \$2M for highway improvements to 5400 South from 5600 West to Mountain View Corridor

| Budget Org. ID | Name | Available | Ongoing (a) |
|----------------|-----------------------------------|-----------|-------------|
| 1034 | HB 420 (2015) | \$ 0 | \$ 0 |
| 1036 | SB 277 (2017) | \$ 0 | \$ 0 |
| 1038 | 4 th Quarter | \$ 5.2 M | \$ 12 M |
| 1037 | SIB Loan Parking Structures | \$ 0 | \$ 0 |
| 1033 | \$ 3.00 Corridor Preservation (b) | \$ 1.8 M | \$ 3 M |
| 1030 & 1031 | \$ 5.00 Corridor Preservation (c) | \$ 7.3 M | \$ 1.9 M |
| 1032 | Pass Through | \$ 0 | \$ 0 |

- (a) Starting in 2020
- (b) Allocated by Council of Governments (COG) Public Works Committee
- (c) To be appropriated by the County Council pursuant to the recommendations of the County Transportation Advisory Committee
- (d) \$ 1.7 M of the \$ 7.3 M available in the \$ 5 corridor preservation fund was a legacy appropriation for active transportation and salaries. It is our recommendation to shift those appropriated expenditures to the 4th quarter funds.