



A Tradition of Stewardship
A Commitment to Service

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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Steven Lederer, Director, Public Works - 259-8228

SUBJECT: Discussion and possible action regarding the VTC request to submit a grant application and obtain County match funding

RECOMMENDATION

County Executive Officer and Director of Public Works request discussion and possible action regarding a request from the Vine Trail Coalition to submit a grant application to the Metropolitan Transportation Commission (MTC) and to the California Transportation Commission (CTC) for \$10,000,000 and to commit to \$4 to \$4.5 million of County funding, for construction of the Yountville to St. Helena section of the Vine Trail Project.

EXECUTIVE SUMMARY

The Napa Valley Vine Trail (Vine Trail) is a proposed 47-mile multi-use paved trail that will extend from the City of Calistoga to the Vallejo Ferry Terminal. The Vine Trail route incorporates several existing paved pathways in the cities of Calistoga, Napa, American Canyon, Vallejo and the Town of Yountville.

The Napa Valley Vine Trail Coalition (NVVTC) is requesting the County apply for \$10 million in grant funding under the Active Transportation Program (ATP) cycle 5 administered by the California Transportation Commission (CTC) to obtain partial funding for design, engineering, and construction of the Yountville (Madison Street) to St. Helena (Sulphur Springs Avenue) segment of the Vine Trail project. The grant and other funding sources would provide approximately \$12 million of the \$16.2 million dollar project, leaving the County share of \$4.2 million, which would be needed from the time design starts (2021) until construction completes (approximately 2026). While the grant, if successful, would provide an influx of funding for the project, and the six jurisdictions receiving funding from Measure T (the county wide half cent sales tax which helps fund roads repairs) are required to spend a certain amount of funds (the so-called 6.67% requirement) on Class 1 bike paths such as this, this commitment, if made, would be advancing the amount of funding several years in advance of what is required by Measure T and would be in addition to funds that may be needed on other Class 1 bike path projects as well.

Staff requests discussion and possible action regarding this request from the NVVTC. Given the current financial condition of the County and the uncertainty of future revenue streams due to the COVID 19, staff does not recommend the Board make this commitment at this time. If the Board decides to make the funding commitment, staff request Board authorization of the Public Works Director to be able to sign all documents associated with submitting for the grant, and staff will return to the Board as needed to identify the source and appropriate the funding for this commitment.

PROCEDURAL REQUIREMENTS

1. Staff Report and
2. Presentation from NVVTC
3. Public Comment
4. Motion, second, discussion and vote on the item.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Staff is currently evaluating options for funding, though it likely will be a general fund expense. Neither Measure T nor SB 1/gas tax funds are authorized for use on this type of project.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The rationale for making this commitment is that it would facilitate obtaining outside grant funding for this project, improve the schedule of delivery of the project, and provide an amenity the community appears to enjoy. However, staff is not recommending that we do so as it is a very large commitment during a time of fiscal uncertainty.
Is the general fund affected?	Yes
Future fiscal impact:	Impacts would continue until construction of the project is complete around 2026.
Consequences if not approved:	If the request is not approved, this particular grant will not be submitted and the construction of the trail will await other funding sources, perhaps including the next cycle of this particular grant, which appears to be on about a 5 year cycle.
County Strategic Plan pillar addressed:	
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The Napa Valley Vine Trail (Vine Trail) is a proposed 47-mile multi-use paved trail that will extend from the City of Calistoga to the Vallejo Ferry Terminal. The Vine Trail route incorporates several existing paved pathways in the cities of Calistoga, St. Helena, Napa, American Canyon, Vallejo and the Town of Yountville. When completed, the Vine Trail will involve land controlled by twelve separate public agencies, including the County of Napa. In 2008, a grassroots non-profit organization was formed to advocate for the development of the Vine Trail. The stated vision of the Napa Valley Vine Trail Coalition (NVVTC) is to build a walking/biking trail system to connect the entire Napa Valley – physically, artistically and culturally. The Coalition's goal is to design, fund, construct and maintain this 47-mile level, paved, family-friendly, pet-friendly multi-use trail extending from Calistoga to Vallejo.

Many sections of the trail, including the Napa to Yountville section, have been completed and have been well received by the community. According to information provided by the NVVTC, 358,000 uses of the trail were measured by automatic counters on the trail in 2019. The St. Helena to Calistoga segment is completing design and should be going into construction next year. The Yountville to St. Helena segment remains a significant gap. The alignment for this segment would generally follow the alignment of the Wine Train tracks. NVVTC is requesting the County submit a grant request to obtain partial funding for design, engineering, and construction of the Yountville to St. Helena segment of the Vine Trail project. The grant and other funding sources would provide approximately \$12 million of the \$16.2 million dollar project, leaving the County share of \$4.2 million, which would be needed from the time design starts (2021) until construction completes (approximately 2026).

A summary of project costs and funding sources is provided below:

<u>Funding Source</u>	<u>Amount</u>
ATP Grant Application	\$10,000,000
Napa Valley Vine Trail Coalition	\$ 2,000,000
Measure T Equivalent Funds	\$ 4,200,000
Estimated Total Project Cost	\$16,200,000

2021 Active Transportation Program (ATP) – Cycle 5

The California Transportation Commission (CTC) approved the State and MTC's regional guidelines at their March 25, 2020 Meeting. Immediately following the state and regional guideline adoption, the state released the call for projects. On April 29, 2020 the CTC approved a three-month delay to the 2021 ATP application deadline, from June 15, 2020 to September 15, 2020. Applications for both the statewide and regional ATP are due by September 15, 2020. Approximately \$220 million is available for programming in the Statewide program, and \$37 million is available in MTC's Regional program. The programming years include fiscal years 21/22, 22/23, 23/24 and 24/25. The grant proposal, if successful, would potentially provide \$10 million of funding for the project. NVVTC is verbally committing \$2 million, leaving an estimated \$4.2M, and any cost overruns, to the County. While it is difficult to estimate a project's exact cost this early in the process, staff agrees NVVTC's cost estimate, at about \$2 million/mile, is realistic based on the cost of previous segments. To account for any other unknowns, we recommend the County contribution be assumed to be \$4.5 million. NVVTC, NVTA, and the local jurisdictions working together successfully obtained \$6.1 million in support of the Calistoga to St. Helena section of the Vine Trail in Cycle 4 of this same program. It is

likely that the next round of funding available for this particular program will be available around 2024/2025.

The six jurisdictions receiving funding from Measure T (the county wide half cent sales tax which helps fund roads repairs) are required to collectively spend the equivalent of 6.67% of the amount of money we receive for road repairs be spent on Class 1 bike paths such as this. Since it is a "collective commitment", each jurisdiction might end up spending more or less than their exact 6.67% share, but it is assumed the commitments will be reasonably close to that percentage.

The first year of Measure T the County received \$7.7 million, meaning our individual commitment, if shared equally amongst the other jurisdictions, would be \$513,000/year. In the fiscal year just completed, our Measure T revenue is estimated to be about \$6 million (greatly reduced by the COVID 19 situation), reducing our commitment to about \$400,000. For projection purposes, if we assume the economy recovers quickly, we can assume our commitment will, as an average, be about \$500,000/year between now and 2026. Thus from July 1, 2018 to July 1, 2026 our commitment would be no more than \$4 million (\$500,000/year for 8 years). However, the County has already committed approximately \$2.5 million on other class 1 trails (Devlin Segment E, the Class 1 trail on the replacement jail property, and contributions to the Calistoga segment of the vine trail), so our spending commitment is only \$1.5 million from now until then. Since the request is for \$4.2 million (conservatively \$4.5 million), this would entail a \$3.0 million, or a 6 year advance over what we are required to spend to meet the 6.67% commitment. Depending on how long it takes for the economy to recover this "advance" may in fact be some years longer than that.

The other factor this doesn't account for is the Board discretion to spend this money elsewhere (there may be additional costs for the Calistoga segment of the vine trail, there is existing deficient construction on the Oak Knoll segment that is unfunded but eventually needs to be fixed, there is a master planning process on Imola Ave. that may result in the need to fund a class 1 bike path, etc.). In fact, as this staff report was being written, the County received a request from NVTA to contribute another \$21,600 to the Calistoga segment of the Vine Trail (the third such request after our original agreed upon contribution was exhausted). Until bids are opened for construction of this segment, we will not know if additional funds will be needed.

Separate from the General Fund contribution to meet the Measure T commitment, there are other potential sources of funding that could help the County fill the \$4.5 million need. Through NVTA, there is some \$700,000/year in Transportation Department Act (TDA) 3 funds that are annually received, but these funds are for all 6 jurisdictions to use and it is unclear how much, if any, of these funds would be committed to this project. At some point, the lawsuit over Regional Measure (RM) 3 funds will be resolved, and some of this funding could become available. A Federal Infrastructure Bill may be forthcoming at some point in the future. Unfortunately, these are all speculative as the Board does not control any of this funding.

One helpful aspect of the proposal is that NVVTC has verbally committed that their \$2 million contribution could be spent first, which would delay the need for the Board to commit funding early on in the process, with the exception of providing funding for County staff. This would allow more time for the economy to recover or to find other grant funding opportunities.

Staff requests discussion and possible action regarding this request from the NVVTC. The current segments of the vine trail have been heavily used and well received by the community, and the Board has voiced previous support for completing the trail. This project would complete an important gap between Yountville and St. Helena, thus connecting Napa to Calistoga once all the sections are complete, and removing vehicle trips that would otherwise be on SR 29. However, given the current financial condition of the County and the

uncertainty of future revenue streams due to the COVID 19, staff does not recommend the Board make this commitment at this time. This would mean we will lose the opportunity for this grant (\$10M), and possibly make the project more expensive in the long run. It would probably delay the start and ultimate completion of this section of the trail by perhaps as much as five years unless other funding can be found. Staff recommends pursuing future grants (e.g. ATP Cycle 6 when it becomes available in 2024, or other grants as they become available) when the County's funding situation is clearer. If the Board decides to make the funding commitment, staff will return to the Board as needed to identify possible sources to appropriate the funding for this commitment.

Public comments received on this item prior to July 27 are attached for the Board's information.

If this project is to move forward, Public Works staff will work with the Napa Valley Vine Trail Coalition to prepare and review the application before it is submitted for consideration, and the Public Works Director shall be responsible for signing all needed documents associated with the submittal.

SUPPORTING DOCUMENTS

A . Vine Trail Segments

B . Public Comment Received by 7 27 20

CEO Recommendation: Approve

Reviewed By: Susan Kuss