STAFF REPORT

SUBJECT: US Census Area Delineations

MEETING DATE: November 18, 2010

AGENDA ITEM: 6A

STAFF CONTACT: Michael Powers, Brian Bresolin

RECOMMENDATION:

Authorize Executive Director to submit letter to Census Bureau commenting on proposed changes to census geography including urbanized area boundaries.

SUMMARY:

The Census Bureau is proposing changes to the criteria used to establish urbanized area boundaries for the 2010 Census. Urbanized area delineations are used for allocating federal transit and highway funding. There are three urbanized areas in the County: Santa Barbara, Santa Maria and Lompoc. Proposed changes in the urbanized area criteria would simplify the allocation of transit funding for the Santa Barbara and Santa Maria urbanized areas by eliminating small appendages of these areas which extend into San Luis Obispo and Ventura counties. The Census Bureau is soliciting comments on the proposed changes to census geography delineations. Staff reviewed the proposed changes with TTAC and TPAC in October and at their November meetings, the two advisory committees unanimously recommended that the board authorize submittal of a letter to the Census Bureau commenting on the changes. Comments must be submitted by November 22, 2010.

DISCUSSION:

The Census Bureau’s urban-rural classification is a delineation of geographical areas, identifying both individual urban areas and the rural areas of the nation. The Census Bureau’s urban areas represent densely developed territory and encompass residential, commercial and other non-residential urban land uses. Other areas not considered urban are designated rural. In the August 24, 2010 Federal Register, Bureau of the Census, Proposed Urban Area Criteria for the 2010 Census, proposes changes to the urban area criteria. The Bureau is soliciting comments on the proposed methods, or criteria, used to establish urban areas by November 22, 2010. The proposed changes would take effect with data from the 2010 Census.

The Census Bureau recognizes that some federal, state and regional agencies use the Census Bureau's urban/rural classification in allocating program funds, setting program standards, and implementing aspects of their programs. Thus there may be impacts to federal transportation...
and other funding programs as a result of changes in definitions to census geography and this in turn may impact the allocation of funds in the SBCAG and other regions.

The October TPAC/TTAC staff report Urbanized Area Criteria that describes, in detail, the proposed urbanized area criteria was reviewed by committee members and comments were solicited to determine how the proposed criteria would potentially impact federal transportation programs in Santa Barbara County. These comments varied and included the importance of viewing this as a strategic planning issue and suggesting that potential assistance by the federal lobbyist might be necessary. The comments are summarized below:

Census Proposal: Reduce the “jump distance” over undeveloped areas from 2.5 to 1.5 miles
Currently the Nipomo Mesa in San Luis Obispo County is within the Santa Maria Urbanized Area (Shown on the following Figure 1 in the pink shaded area). In the 2000 Census, the 2.5 mile “jump distance” criteria added the Nipomo portion to the Santa Maria Urbanized Area and created additional administrative burden related to Federal Transit Administration (FTA) funds with minimal supplemental funding. In 1990 and previous census periods the criteria was a 1.5 mile jump and did not include Nipomo or Ventura areas. Some TTAC members advocated for reducing the jump criteria to eliminate Nipomo from the Santa Maria Urbanized Area and as a result simplify the funding for Santa Maria Area Transit (SMAT). If Nipomo is detached from the Santa Maria Urbanized Area, the SLOCOG Nipomo Mesa area would likely become eligible for a rural funding pot administered by the State (Caltrans) Division of Mass Transportation.

Likewise, during the last census in 2000 the urbanized area criteria added the Ventura Coastal Strip to the Santa Barbara Urbanized Area shown in the pink shaded area in Figure 2. This had no material impact on funding but due to subsequent population growth since the last Census the 2.5 “jump” criteria could extend this boundary further east and impact future funding. It makes more sense to exclude this remote strip from the SB Urbanized Area since it is governed by the Ventura County Board of Supervisors, there are no political subdivisions of any kind (e.g., municipal governments, special districts) in Santa Barbara County that cross the county line to
include this area, residents in this area have no representation by elected or appointed officials in the SB Urbanized Area, there are no transportation funds from the SB Urbanized Area allocated to this area, and the housing markets and demographic characteristics are significantly different.

Figure 2, Santa Barbara Urbanized Area, Ventura Section

Census Proposal: Eliminate rivers and water areas from the jump distance calculation. The portion of the Santa Maria Urbanized Area lying in San Luis Obispo County (Nipomo) is separated from Santa Barbara County by the Santa Maria River. The proposed 2010 criteria suggest eliminating rivers and water areas from the jump distance calculation. Water features are often used by the census and others in defining geographical areas and disregarding water features would be inconsistent with established methods. SBCAG staff recommends not support this proposal since it would revise the current criteria that accounts for undevelopable territory over water features particularly when these features are wide rivers, such as the Santa Maria River, or in other areas, estuaries or other expansive water features that clearly separate urban areas by long distances. In keeping the water features included in the jump criteria Nipomo would in effect be further away from the Santa Maria Urbanized Area. If the proposed shorter 1.5 mile jump distance is adopted, Nipomo would not be included in the Santa Maria Urbanized Area.

Census Proposal: Split large agglomerations of urbanized areas along metropolitan statistical area boundaries, resulting in the identification of individual urbanized areas.

Exceptionally large urban areas of continuously developed territory are referred to as urban agglomerations. Although such areas do reflect the reality of urbanization at one scale, the areas may be cumbersome and less satisfactory for more localized applications. For the 2010 Census urban area delineation process, the Census Bureau proposed criteria requires splitting the urban agglomerations into smaller urbanized areas when the total agglomeration population is over 1 million (The LA, Riverside, San Bernardino agglomeration is estimated at 15 million). Santa Barbara County has limited ties to the Los Angeles Region, few of our residents work there, our economic base is different, SB County is separated from the LA region geographically by a narrow coastal strip, among other factors. The Census Bureau anticipates that many data
users would find these large agglomerations to be inconvenient for meaningful analysis, and therefore, proposes that they be split in some consistent fashion. This is a new designation, as there was no definition of an agglomeration previously. However, the term was used in the past for internal applications at the Census Bureau. Agglomerations are currently not used by FHWA or FTA for apportioning transportation funds, but that could change in the future. Census geographers were consulted and indicated the likelihood of the Santa Barbara Urbanized area splitting into an individual urbanized area separate from the Los Angeles, Riverside, San Bernardino agglomeration.

Some advisory committee members suggested that while there may be an opportunity for more funding associated with an expanded boundary, if the Santa Barbara urbanized area was included with the Los Angeles-Riverside-San Bernardino Urban Agglomeration, SBMTD representatives indicate potentially significant negative impacts on MTD with the inclusion of the Santa Barbara Urbanized Area in a larger region. A MTD Board of Directors Report dated October 19 (Attachment 2), identifies a number of concerns. The possibility that the Santa Barbara Urbanized Area would be the only Urbanized Area within the “agglomeration” not served by the Southern California Association of Governments (SCAG) as its MPO may be problematic. The best opportunity for the Santa Barbara Urbanized Area to separate itself from the proposed “agglomeration” and ensure that SBCAG remains the MPO for SBMTD would be to support the Bureau of the Census’ proposal to change the “Jump” criterion from 2.5 miles over undeveloped areas to 1.5 miles. The change would likely detach the strip of development within Ventura County from the SB Urbanized Area. In doing so, the SB Urbanized Area would likely be excluded from the proposed “agglomeration”.

Other Agency Comments include a Ventura County Transportation Commission (VCTC) Memo dated November 5, (Attachment 3), indicates that although the Bureau considers its Urban Area definition function as a purely demographic exercise, under Federal law the configuration of these areas determines the apportionment for much of the Federal Transit Administration (FTA) funding. The FTA has issued a separate notice proposing to revise the transit funding formula, effectively eliminating funds generated by regional transit services that pass through small urban and rural areas. It appears the FTA proposal would result in a 2–3 million dollar loss to the FTA formula revenue generated from VISTA and Metrolink services passing through Simi Valley and Camarillo, should these areas remain separate small areas. In view of the potential significant countywide loss of funds should the revised FTA funding formula be adopted while Simi Valley and Camarillo remain separate areas, their staff recommends that VCTC take no position at this time on the issue of the smaller urban areas, but focus its comments solely on maintaining separation from Los Angeles and Santa Barbara.

In their comment letter to the Census Bureau, VCTC proposes that the Census Bureau extend the comment period. The FTA could by that time have made a decision regarding the funding formula. Should that occur, it will then be possible to comment on the urban area definition while having a better understanding of the funding implications. The VCTC supports using existing jurisdictional boundaries (MSA’s) as the basis for splitting urban agglomerations to simplify the local administration of transportation funds, and supports the proposed population threshold of 1 million to trigger the splitting of urban agglomerations. They also cite the example of the Santa Barbara Urbanized Area within Ventura County that should be considered rural or part of the Oxnard Urbanized Area. As you will see below our recommendations are consistent.

SLOCOG staff was contacted regarding their position on the Nipomo inclusion in the Santa Maria Urbanized Area. Although they are still formulating an official response they feel the 2.5
mile jump is to their advantage because it would maintain Nipomo in an Urbanized Area otherwise it would likely not meet the 50,000 population threshold (Nipomo population is approx. 12,600) and be considered rural and not eligible for the urban area funding opportunities. In addition, the Paso Robles Atascadero Urbanized area could lose their status as well since as separate entities they do not meet the 50,000 population threshold.

SBCAG staff recommends;

- Support the proposal by the Census Bureau that the jump distance be reduced from the existing 2.5 to 1.5 miles, potentially eliminating the Nipomo area from the Santa Maria Urbanized Area, and potentially eliminating the Santa Barbara Urbanized area extension to Ventura County.

- Do not support the proposed 2010 criteria that suggest eliminating rivers and water areas from the jump distance calculation. In keeping the water features included in the jump distance criteria, Nipomo would in effect be further away from the Santa Maria Urbanized Area. If the water features are maintained, and the proposed shorter 1.5 mile jump distance adopted, Nipomo would not be included in the Santa Maria Urbanized Area.

- Support the Census Bureau proposal to apply the 1,000,000 person minimum population threshold to split the Los Angeles, Riverside, San Bernardino Urban Agglomeration separating the Santa Barbara Urbanized Area from the larger agglomeration.

On a related issue but not tied directly to the criteria for establishing urbanized area boundaries, if the jump distance is shortened from 2.5 to 1.5 miles the approximately 360 housing units (in Ventura County) would be eliminated from the Santa Barbara Urbanized Area population. This would reduce the population of the urbanized area by approximately 900 and lower the potential for exceeding the 200,000 population threshold for the Santa Barbara Urbanized area. However, this reduction is offset by housing unit, school enrollment and overall population growth in the remaining urbanized cities of Goleta and Santa Barbara between the 2000 to 2010 period. So, staff expects the SB Urbanized Area will likely exceed the 200,000 threshold as a result of the 2010 Census. This has implications for MTD in terms of the amount of federal funding it could receive in future years and eligible uses of these funds.

**COMMITTEE REVIEW:**

TPAC and TTAC reviewed the proposed Urbanized Area criteria at their October meeting and provided comments as noted in this staff report. At the November TPAC and TTAC meetings all members were in support of the comment letter and unanimously recommended sending it to the Census Bureau.

SBCAG also encourages other local agencies to send a similar letter to the Census Bureau to strengthen support for SBCAG’s comments. A template has been provided by SBCAG staff to local jurisdictions.

Some TPAC members suggested requesting more time from the Census Bureau for comment until the FTA regulations are finalized, however the schedule for census product updates is fairly
restricted and time sensitive so that may not be a possible and comments should be submitted by the deadline to ensure acceptance.

Attachments

Attachment 1, Draft Comment Letter to Timothy Trainor, U.S. Census Bureau
Attachment 2, MTD Board Report
Attachment 3, VCTC Board Report and Comment Letter to Census Bureau
Attachment 1, Draft Comment Letter to Timothy Trainor, U.S. Census Bureau

Timothy Trainor, Chief, Geography Division,
U.S. Census Bureau,
Washington, DC 20233–7400

RE: Comments on proposed Urban Area Criteria for the 2010 Census

Dear Mr. Trainor:

SBCAG, as the Metropolitan Planning Organization (MPO) and a State Census Data Affiliate Center for Santa Barbara County, CA, is providing your agency with comments for the proposed Urban Area Criteria for the 2010 Census. As described in the Federal Register, Docket Number 100701026–0260–02 you are soliciting comments, suggestions, or recommendations concerning the proposed criteria. The proposed criteria have been reviewed by local jurisdictions of SBCAG and recommendations are the following;

- SBCAG supports reducing the urbanized area jump criteria distance from the existing 2.5 to 1.5 miles.

There are two Urbanized Areas within Santa Barbara County that cross the county boundary to adjacent Ventura or San Luis Obispo Counties under the existing criteria.

The portion of Santa Barbara urbanized area currently lying in Ventura County is a low density, narrow strip of coastline with many gaps between housing enclaves over 11 miles. This adjacent area will not be developed due to constraints from steep unstable slopes and the Pacific Ocean. This is not an area that fits the urbanized area definition in attempting to link outlying densely settled territory with the urbanized area core; this is simply a long, narrow, very low density, unincorporated territory separating two urban places, Carpinteria (Santa Barbara County) and Ventura (Ventura County) by 14 miles. It makes more sense to exclude this remote strip from the SB UZA since it is governed by the Ventura County Board of Supervisors, there are no political subdivisions of any kind (e.g., municipal governments, special districts) in Santa Barbara County that cross the county line to include this area, residents in this area have no representation by elected or appointed officials in the SB UZA, there are no transportation funds from the SB UZA allocated to this area, and the housing markets and demographic characteristics are significantly different.

Including the San Luis Obispo County’s Nipomo Census Place in the Santa Maria Urbanized Area of Santa Barbara County adds additional administrative burden to coordinate allocation of transportation funds with the adjacent County with minimal supplemental funding benefit. SBCAG supports reducing the jump criteria to 1.5 miles to eliminate Nipomo from the Santa Maria Urbanized Area and Santa Barbara County to simplify the transportation funding allocations with the neighboring MPO. The Nipomo Census Place is separated from the rest of the Santa Maria UZA by the county line and by a major waterway—the Santa Maria River.
In addition, by reducing the jump distance from the existing 2.5 to the proposed 1.5 miles Santa Barbara Urbanized Area would likely separate from the Los Angeles, Riverside, San Bernardino Urban Area “agglomeration” by eliminating an approximately 14 miles of very low density intermittent coastal development in the adjacent Ventura County. The change would detach the strip of development within Ventura County from the Santa Barbara Urbanized Area and the Santa Barbara Urbanized Area would likely be excluded from the proposed “agglomeration” and lie in its entirety, in Santa Barbara County.

- SBCAG does not support the proposal to exclude water areas in the jump criteria distance calculation.

The portion of the Santa Maria Urbanized Area lying in San Luis Obispo County (Nipomo) is separated by the Santa Maria River. The proposed 2010 criteria suggest eliminating rivers and water areas from the jump distance calculation. SBCAG does not support this proposal since it would revise the current criteria that accounts for undevelopable territory over water features particularly when these features are wide rivers, such as the Santa Maria River, or in other areas, estuaries or other expansive water features that clearly separate urban areas by long distances.

- SBCAG supports the Census Bureau proposal to apply the 1,000,000 person minimum population threshold.

SBCAG recommends the Census Bureau apply the 1,000,000 person minimum population threshold to identify agglomerations that would be split into smaller Metropolitan Statistical Areas. The proposed criteria requires splitting the urban agglomerations into smaller urbanized areas when the total agglomeration population is over 1 million (The LA, Riv., San Bernardino is estimated at 15 million). SBCAG recommends the Census Bureau apply the 1,000,000 person minimum population threshold to split the agglomeration and separate Santa Barbara Urbanized Area, using the Santa Barbara MSA boundary, from the proposed Los Angeles, Riverside, San Bernardino Urban Agglomeration.

Santa Barbara County has limited ties to the Los Angeles Region, few of our residents work there, our economic base is different, Santa Barbara County is separated from the LA region geographically by a narrow coastal strip, among other factors. It would not be advantageous to the SBCAG member agencies if the Santa Barbara Urbanized Area were the only urbanized area within the “agglomeration” in the Southern California Association of Governments (SCAG) region represented by an MPO (SBCAG) outside the SCAG region. SBCAG recommends that the Santa Barbara Urbanized Area not be included within a greater Urbanized Agglomeration of the Los Angeles, Riverside, San Bernardino Urban Area due to separation of geography, economics, journey to work patterns, among other features.

Thank you for the opportunity to comment.

Sincerely,

Jim Kemp
Executive Director
Attachment 2, MTD Board Report

BOARD OF DIRECTORS REPORT

MEETING DATE: OCTOBER 19, 2010
TYPE: ACTION
PREPARED BY: JERRY ESTRADA
REVIEWED BY: GENERAL MANAGER

AGENDA ITEM #:

SUBJECT: 2010 US DECENNIAL CENSUS – POTENTIAL IMPACT ON URBANIZED AREA DELINIATIONS & FEDERAL FUNDING

DISCUSSION:
The 2010 US Decennial Census presents a number of potential issues for the MTD. The two topics of immediate concern are as follows:

- The Department of Commerce – Bureau of the Census, proposed criteria and request for public comment
- The possibility that the Santa Barbara Urbanized Area (SB UZA) will exceed 200,000 in population

This staff report is divided into the two aforementioned subjects each with their own recommendation.

Department of Commerce – Bureau of the Census
The Bureau of the Census is proposing criteria that will likely change the way urbanized areas throughout the country are delineated. The relevance of this change to MTD is due to the fact that many federal programs, including the Federal Transit Administration (FTA), rely on the information to administer their programs. In summary, below is a list of issues that may present themselves as a result of the 2010 US Decennial Census:

- The specific boundaries of the SB UZA
- The potential merger of the SB UZA into an “agglomeration” of existing UZA’s (Los Angeles-Riverside-San Bernardino-Ventura County)

1 The Santa Barbara Urbanized Area (SB UZA) extends from the Winchester Canyon area through the southern portion of Santa Barbara County. Also, a small strip of homes along the 101 Highway in Ventura County is considered a part of the SB UZA.
SB UZA Boundaries

Currently, the SB UZA boundaries and those of the MTD closely match. One important difference is that the SB UZA extends into Ventura County along the 101 Highway. This distinction is at the heart of the matter. To date, the fact that the strip of homes is currently included in the SB UZA has not been a cause for concern. However, the Bureau of the Census is proposing changes to certain criterion that may result in the exclusion of the strip of homes along the 101 Highway from the SB UZA. Specific information regarding those changes is discussed later in this report.

“Agglomeration” of SB UZA with Los Angeles-Riverside-San Bernardino and Ventura County UZA’s

In 2000, the US Decennial Census did not officially consider the creation of “agglomerations”. As such, the SB UZA remained a part of the Transportation Management Area (TMA) for which the Santa Barbara County Association of Governments (SBCAG) serves as the Metropolitan Planning Organization (MPO) and Designated Recipient (DR). TMAs are further discussed below, as related to UZAs that are over 200,000 in population.

If the Bureau of the Census’ proposal to create “agglomerations” is enacted, the tiny strip of development along the 101 Highway appears to link the SB UZA with UZAs from Ventura County as well as Los Angeles-Riverside-San Bernardino. It is not believed that the SB UZA would dissolve as a result of the “agglomeration”, simply that it would be grouped with other UZA’s from the aforementioned counties. SBCAG staff has had conversations with Bureau of the Census personnel which support this position.

At this point staff has not found anything that would suggest that the creation of the aforementioned “agglomeration” would result in a change in MPOs. However, the possibility that the SB UZA would be the only UZA within the “agglomeration” not served by the Southern California Association of Governments (SCAG) as its MPO is a bit disconcerting. Below is information from the FTA web site regarding the selection of an MPO:

FTA

“Pursuant to 49 U.S.C. Section 5303(d) an MPO is designated by agreement of the Governor and local elected officials that together represent at least 75 percent of the affected population (including the largest incorporated city based on population) or in accordance with State or local law, is the forum for cooperative decision-making.”

As a means of preparing the board for future discussions regarding these matters, the chart presented below attempts to highlight current roles and responsibilities and unveil the potential impact of the proposed changes.
Current Configuration of FTA Responsible Agencies (within SB County):

MPO
(SBCAG)

Role:
"the MPO is responsible for the development and adoption of the long range transportation plan and the shorter term transportation improvement program (TIP)"

Designated Recipient (DR)
(SBCAG)

Role:
"the DR has the primary responsibility to develop the Program of Projects for the Section 5307 funds apportioned to its TMA for inclusion in the TIP"

in Santa Barbara County, current procedures approved by the SBCAG Board of Directors delegates the creation of the Program of Projects for Section 5307 funds to the cities of Santa Maria, Lompoc and MTD. The SBCAG Board approves the Program of Projects as recommended by each local jurisdiction or rejects the package and recommends changes.

Future Configuration of FTA Responsible Agencies (within SB UZA):

MPO
(MTD)
(SCAG unlikely)

Comment:
If the SB UZA is merged into an "agglomeration" with UZA’s from the South staff has found any information that indicates that a change of MPO’s would be required.

Status:
Staff is cautiously optimistic that SCAG would continue to serve as MPO of the SB UZA. The basis for the optimism is that FTA information clearly states that the MPO is designated by the Governor, local elected officials that represent 75% of the affected population...

Nevertheless, the potential for merger with much larger UZA’s is cause for concern.

Designated Recipient (DR)
(MTD)
(SBCAG)
(VCTC)

Comment:
If the SB UZA is merged into an "agglomeration" with UZA’s from the South which agency would best serve the SB UZA as designated recipient?

MTD serves the SB UZA as its FTA Grantee and is currently delegated the responsibility of developing the “Program of Projects” for section 5307 funds. It would not be unheard of for MTD to serve as the DR.

Noteworthy:
Currently, Ventura County Transportation Commission serves as the DR for the four UZA’s in Ventura County. SCAG (the MPO) passes through the apportioned amounts for each UZA to VCTC. The structure for an Agreement with SCAG to forward the apportioned funds from the SB UZA to the DR appear to be in place in Ventura County. This is a positive but unlikely scenario.

FTA Grantee
(MTD)
(City of Santa Maria)
(City of Lompoc)

Role:
The recipient of federal assistance for the purpose of planning, implementing and delivering public transportation projects within the UZA

Recommendation: (Department of Commerce – Bureau of the Census)

SBCAG is seeking input from local agencies that it intends to forward to the Bureau of the Census prior to the November 22, 2010 deadline. The comments should be limited to the methodology and criteria, from which, the Bureau of the Census is proposing to base their decision.

The best opportunity for the SB UZA to separate itself from the proposed “agglomeration” and ensure that SBCAG remains as MPO would be to support the Bureau of the Census’ proposal to change the “Jumps” criterion from 2.5 miles over undeveloped areas to 1.5 miles. The change would likely detach the strip of development within Ventura County.
from the SB UZA. In doing so, the SB UZA would likely be excluded from the proposed "agglomeration".

**Santa Barbara Urbanized Area Exceeding 200,000 in Population**

It is probable that the SB UZA will exceed 200,000 in population as of the completion of the 2010 US Decennial Census. The ramifications of that distinction are significant as it pertains to MTD's operating budget. The issues that arise extend beyond monetary concerns but also to compliance. For the time being staff will focus on the following issues:

- Use of Section 5307 Funds if the 200,000 population threshold is crossed
- Amount of Funding Available to MTD if the 200,000 population threshold is crossed

In 1992, SBCAG arranged for the Santa Barbara, Lompoc, and Santa Maria UZAs to be designated by U.S. DOT as a "Transportation Management Area" (TMA), with SBCAG as the Designated Recipient of FTA Section 5307 funds (the Designated Recipient is the entity selected to receive the Section 5307 funds made available to an urbanized area). The SBCAG TMA is currently the only TMA in the country that does not include an urbanized area greater than 200,000 in population.

UZAs that are over 200,000 in population are automatically designated as TMAs. Thus, if the SB UZA crossed that population threshold in the 2010 Census, and if the SB UZA were not already part of the SBCAG TMA, the SB UZA would then become its own TMA. Under that scenario, the UZA could then select the appropriate FTA Designated Recipient.

**Use of Section 5307 Funds if the 200,000 Population Threshold is Crossed**

In fiscal year 2010-11, the MTD was allocated approximately $4.4 million in federal Section 5307 funds for the delivery of public transit service within the South Coast of Santa Barbara County. The funds were budgeted as operating assistance and constitute 20.5% of MTD's operating budget.

UZAs with populations in excess of 200,000 are only allowed to use federal Section 5307 funds for capital. There are a few exceptions. Please see the information below from the FTA and National Transit Database regarding this matter:

FTA

"All preventive maintenance and some Americans with Disabilities Act complimentary paratransit service costs are considered capital costs."

National Transit Database

"All the activities, supplies, materials, labor, services, and associated costs required to preserve or extend the functionality and serviceability of the asset in a cost effective manner. up to and
including the current state of the art for maintaining such asset. These capital maintenance expenses are eligible to use FTA formula funding programs for these functions:

It appears that MTD will be able to allocate a good deal of federal Section 5307 toward what it considers operating expenses via the capital exceptions clause. Nonetheless, MTD should consider requesting legislation that specifically grandfathers the use of federal Section 5307 funds for operating expenses. This has been done in the past by other agencies throughout the country.

Amount of Available Funds

Staff is still researching this item and has not been able to estimate the amount of federal Section 5307 funds that would be available to the MTD should the 200,000 population threshold be crossed. Nevertheless, it is important to understand the manner in which the apportionment will be calculated as the formulas differ significantly by classification.

For purpose of distributing federal Section 5307 apportionments the FTA classifies UZA’s into two groups. UZA’s with populations of less than 200,000, as of the 2000 US Decennial Census and those above that threshold. Currently, the SB UZA is grouped with the smaller UZAs.

9.32% of the funds are apportioned to the smaller UZA’s based on population and population x population density.

90.68% of the funds are apportioned to the larger UZA’s on a more complicated formula that considers bus revenue miles, population, population x population density as well as other factors. It also has a special tier for “Fixed Guideway” services.

As you can see, MTD is currently a big fish in a small pond and has benefited significantly from this distinction. The move to a much larger group of UZAs will force it to compete with much larger UZAs. However, MTD’s performance and service levels compare favorably with larger transit agencies and it is possible that the move could generate additional federal subsidy. It is still uncertain at this time and could just as easily result in a cut.

Recommendation – Santa Barbara UZA Exceeding 200,000 in population

MTD should prepare legislative language similar to that approved on behalf of other transit operators seeking a grandfather clause that will allow it to continue to use federal Section 5307 funds for operations in the future.
November 5, 2010

MEMO TO: VENTURA COUNTY TRANSPORTATION COMMISSION

FROM: PETER DE HAAN, PROGRAMMING MANAGER

SUBJECT: UNITED STATES CENSUS BUREAU URBAN AREA BOUNDARIES

RECOMMENDATION:

- Approve attached letter commenting on a Census Bureau notice regarding Urban Area definition criteria.

BACKGROUND:

As was reported at last month’s Commission meeting, every ten years the United States Census Bureau reviews and redefines the Urban Areas based on the results of the census, and considers changes to the way Urban Areas are designated. Although the Bureau considers its Urban Area definition function as a purely demographic exercise, under Federal law the configuration of these areas determines the apportionment for much of the Federal Transit Administration (FTA) funding, including Section 5307 Urban Area Formula funds, Section 5309 Fixed Guideway Modernization funds, Section 5316 Jobs Access and New Freedom funds, and Section 5317 New Freedom funds. The Bureau has now released proposed criteria for redefining and modifying the Urban Areas based on the 2010 census data, and provided an opportunity to comment through November 22nd. VCTC staff has continued to communicate with local agencies regarding this issue.

Based on the 2000 Census, Ventura County is divided into four Urban Areas, consisting of Oxnard/Ventura/Port Hueneme/Ojai, Thousand Oaks/Moorpark, Simi Valley, and Camarillo. At the October meeting, staff proposed the following priorities for the 2010 Urban Area definition criteria (in priority order):

1. Maintain separation between Ventura County and Los Angeles County, so that Ventura County does not have to share in the apportionment for Los Angeles-area transit agencies.
2. Maintain separation between Ventura County and the Santa Barbara area, so that Ventura County and the Santa Barbara area do not have to share an apportionment.
3. Provide separation between areas within Ventura County, so that as much of the County as possible can qualify to use FTA funds for operations. Simi Valley and Camarillo currently use FTA funds for operations but it will be difficult to retain this eligibility given the Census Bureau’s intent to join areas having only short gaps between development.
Since the last meeting, there has been a significant additional issue raised, related to the impact of the Urban Area definitions on the federal transit funding formula. The FTA has issued a separate notice proposing to revise the transit funding formula, effectively eliminating funds generated by regional transit services that pass through small urban and rural areas. Comments on this notice are due to FTA by December 6th, and staff anticipates coming to the December meeting with a recommendation to strongly oppose this proposal. Staff is awaiting more detailed data from Metrolink staff, but at this time it appears the FTA proposal would result in a $2 – 3 million loss to the FTA formula revenue generated from VISTA and Metrolink services passing through Simi Valley and Camarillo, should these areas remain separate small areas. In addition, the proposal would cause a loss of several hundred thousand dollars for VISTA bus services in rural areas including Fillmore, Santa Paula, and California State University at Channel Islands. FTA has stated that this proposal is based on a revised interpretation of federal law governing the funding formula.

Although the FTA formula issue is different than the Urban Area definitions, the potential for FTA to eliminate a significant amount of VISTA and Metrolink funding associated with small urban areas raises the question of whether VCTC should still support maintaining Simi Valley and Camarillo as separate areas. On the other hand, the financial impact on local transit funding in Simi Valley and Camarillo, if combined with the large areas, must be recognized. Nevertheless, in view of the potential significant countywide loss of funds should the revised FTA funding formula be adopted while Simi Valley and Camarillo remain separate areas, staff recommends that VCTC take no position at this time on the issue of the smaller urban areas, but focus its comments solely on maintaining separation from Los Angeles and Santa Barbara. Instead, the attached comment proposes that the Census Bureau extend the comment period after providing additional information, as was done when the 2000 Census Urban Area Definition Criteria were proposed. Should the Census Bureau agree to a second comment period at a later date, the FTA could by that time have made a decision regarding the funding formula. Should that occur, it will then be possible to comment on the urban area definition while having a better understanding of the funding implications.
November 5, 2010

Mr. Timothy Trainor, Chief
Geography Division
United States Census Bureau
Washington, DC 20233-7400

RE: Urban Area Definition Criteria

Dear Mr. Trainor:

The Ventura County Transportation Commission (VCTC) appreciates this opportunity to comment on the proposed Urban Area Definition Criteria proposed in your agency’s August 24, 2010 Federal Register Notice. Our comments at this time focus on the criteria for splitting large urban agglomerations. The VCTC supports using existing jurisdictional boundaries as the basis for splitting urban agglomerations. As suggested in the Notice, delineation of the new Urban Areas along existing jurisdictional boundaries will increase the usefulness of Urban Area data. In addition, use of the existing jurisdictional boundaries will simplify the local administration of transportation funds that under federal law are apportioned to Urban Areas. The VCTC’s understanding is that the proposed criteria would use the current Metropolitan Statistical Area boundaries as split locations, and since the current Statistical Area boundaries for Ventura County are identical to the county boundaries, this proposal would address the VCTC’s concern.

The VCTC also supports the proposed population threshold of 1 million to trigger the splitting of urban agglomerations. In the case of Ventura County, a lower threshold could lead to the further splitting of the county. There is a long history of Ventura County being addressed as a single, separate statistical area, and therefore the urban area data would be most useful if it incorporates all of the Ventura County urban area without including any of the adjacent counties.

One specific example of the benefit of splitting along the Ventura County boundaries is the portion of the current Santa Barbara urbanized area that is within Ventura County. This area is a low density, narrow strip of coastline of over 11 miles, with many gaps between housing enclaves. The area does not fit the urbanized area definition in attempting to link outlying densely settled territory with the urbanized area core, but is rather a long, narrow, very low density, unincorporated territory separating two urban places, Carpinteria (Santa Barbara County) and Ventura (Ventura County) by 14 miles. VCTC does not believe this area should be used to connect urban agglomerations, but should either be considered rural or part of the Ventura County (Oxnard) urbanized area.

Without further information, the VCTC is uncertain how to comment on the overall Urban Area criteria. It would be helpful if the Census Bureau would extend the comment period and provide additional information, including possible real-world examples of how the proposed criteria would affect the Urban Area definitions. For example, the VCTC has been unable to determine the extent to which the proposed criteria would continue to create the “sawtooths” and “fingers” in the Urban Area shapes, or whether the
Mr. Timothy Trainor  
Page 2

change from Blocks to Tracks as the initial analysis units, or the changes in “hop” and “jump” criteria, will lead to greater merging together of Urban Areas. The VCTC recognizes that the Bureau has limited time available to complete the Urban Area designations, but if any additional information and time could be provided, it could lead to better comments on the proposal and ultimately to better and more accurate Urban Areas definitions.

Should you have any comments regarding this comment please contact Peter De Haan of my staff at (805) 642-1591, extension 106.

Sincerely,

Darren M. Kettle  
Executive Director