



CITY OF

NEWPORT BEACH

City Council Staff Report

January 14, 2020
Agenda Item No. 7

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Resolution No. 2020-5: Authorizing the Submittal of a Funding Application to the Orange County Transportation Authority for the Balboa Island/Corona del Mar Area Microtransit Feasibility Study

ABSTRACT:

At the request of the Balboa Island and Corona del Mar communities, staff reviewed potential local transit circulators, similar to the Balboa Peninsula Trolley or Free Rides Around Newport Center (FRANC) to enhance mobility and connectivity within the Balboa Island and Corona del Mar communities. Staff determined local transit circulators, or microtransit options, have been successful in other jurisdictions, but noted the emerging concept of neighborhood transit circulators warrants a feasibility study to determine if a program of this nature would benefit these communities. The topic was discussed at the September 24, 2019, City Council Study Session, with Council indicating there could be further interest in a pilot program, provided the requesting communities or organization fund the program or grant-funding match.

The Orange County Transportation Authority (OCTA) recently released a Measure M Program Call for Projects with the goal of providing funding to local agencies for community based transit circulators, including microtransit options. As an opportunity has arisen for grant funding to prepare a Feasibility Study, City staff submitted an application to study the feasibility of local transit options to increase mobility in and around the Balboa Island and Corona del Mar communities, including potential connection to Irvine Terrace and Newport Center, as well as, Balboa Village (via the Balboa Island Ferry).

Balboa Island Marketing, Inc. and Balboa Island Improvement Association support a study to review the feasibility of a local transit program and pledge to help pay the required ten percent grant Local Match.

RECOMMENDATION:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;

- b) Adopt Resolution No. 2020-5, *A Resolution of the City Council of the City of Newport Beach, California, Authorizing and Approving Submittal of a Funding Application for the Balboa Island/Corona del Mar Microtransit Feasibility Study Project to the Orange County Transportation Authority for Funding Under the Project V Community-Based Transit/ Circulators Program*; and
- c) Authorize the City Manager to accept contribution funds from the Balboa Island Marketing, Inc., the Balboa Island Improvement Association, as well as possible Districts 5 and 6 City Council Discretionary funds, for use as required Local Match funds upon award of Orange County Transportation Authority Project V grant.

FUNDING REQUIREMENTS:

There is no fiscal impact related to the adoption of Resolution to support the grant application. However, the OCTA Project V program requires a ten (10) percent Local Match of the estimated total project cost. Preparation of the Feasibility Study is estimated to cost \$65,000, which includes a requested grant allocation of \$58,500 and required Local Match of \$6,500.

To support the project and partner with the City, Balboa Island Marketing, Inc. and Balboa Island Improvement Association tentatively pledged to provide the required Local Match. District 5 Councilmember Herdman and District 6 Councilmember Brenner have also pledged to contribute Discretionary Council funds, if needed, to achieve the \$6,500 match. Upon OCTA notification of award of Project V funds, staff will acquire written commitment letters and funds prior to proceeding with the project.

DISCUSSION:

In October, the Orange County Transportation Authority (OCTA) released a Project V Program call for projects with the goal of providing funding to local agencies for community based transit circulators, including microtransit options. Project V affords an opportunity to receive Measure M funding to prepare a feasibility study to review local transit options within the Balboa Island and Corona del Mar communities, including potential connection to Irvine Terrace, Newport Center, as well as, Balboa Village (via the Balboa Island Ferry). To ensure the City is eligible for this funding, City staff prepared and submitted an application prior to the December 12, 2019, deadline.

The proposed feasibility study will determine the benefits and challenges of a transit operation within these communities, consider different types of service, demands and needs of the program, and provide an opportunity to engage the community through public outreach events.

If successful, award of OCTA Project V funding requires a ten (10) percent local match of the estimated total maximum project cost of \$65,000. The funding application requests a grant allocation of \$58,500 and required Local Match of \$6,500.

As supporters of the project and grant application, Balboa Marketing, Inc. and Balboa Island Improvement Association wish to partner with the City and have tentatively pledged to cover the required Local Match. Additionally, Councilmembers Herdman and Brenner support preparing a feasibility study for a community based transit circulator to increase mobility within these areas and, if necessary, have agreed to contribute a portion of their Discretionary Council funding toward the required match.

Staff requests adoption of a Resolution to support the funding application to comply with the OCTA grant guidelines and to allow the City Manager to accept funds from Balboa Island Marketing, Inc. and Balboa Island Improvement Association, upon grant award, to be used as the required Local Match.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Resolution No. 2020-5
Attachment B – Proposed Project Study Area