

**Metropolitan Transportation Commission
Programming and Allocations Committee**

November 9, 2022

Agenda Item 3a - 22-1465

**MTC Resolution No. 4411, Revised. Regional Measure 3: Goods Movement and Mitigation
Program Amendment**

Subject:

Regional Measure 3 (RM3) project programming amendment within the Goods Movement and Mitigation programmatic category.

Background:

Bay Area voters approved Regional Measure 3 (RM3) on June 5, 2018. RM3, as authorized by Senate Bill 595 (Beall, 2017), includes a comprehensive traffic relief program of projects funded by toll increases on the seven state-owned toll bridges in the Bay Area. RM3's expenditure plan includes 35 named capital projects, six of which are programmatic categories sponsored by MTC or the Bay Area Toll Authority (BATA). These programmatic categories do not have specific subprojects listed in statute and are subject to further programming by MTC/BATA and other listed project sponsors.

In March 2020, MTC adopted the framework for the Goods Movement and Mitigation programmatic category, discussed below. RM3 is currently under litigation and collected RM3 revenue is being held in an escrow account. No allocations of RM3 funds are anticipated until and unless litigation is resolved in favor of RM3.

Goods Movement and Mitigation (RM3 Project 3)

RM3 includes \$160 million in toll funds to "reduce truck traffic congestion and mitigate its environmental effects." In March 2020, MTC, in consultation with the Alameda County Transportation Commission (ACTC), adopted a framework for programming these funds. The adopted framework divides the \$160 million as follows:

- 50%, or \$80 million, for the GoPort suite of projects at the Port of Oakland, which includes the 7th Street Grade Separation project.
- 25%, or \$40 million, for community impact reduction and emissions reduction, including ACTC's railroad grade crossing safety program.
- 25%, or \$40 million, held in reserve.

Proposed Amendment to Framework

Upon further consultation and coordination with ACTC, MTC staff propose amending the above framework for the Goods Movement and Mitigation category to fully program the RM3 funds as follows:

- \$80 million, unchanged for the GoPort suite of projects at the Port of Oakland. ACTC is the project sponsor;
- \$25 million, for ACTC's railroad grade crossing safety enhancement program, which contributes to community impact reduction from the Port of Oakland. ACTC is the project sponsor
- \$55 million, for neighborhood and railroad safety improvements near the Port of Oakland which contribute to community impact reduction and more efficient truck operations. City of Oakland is the project sponsor.

The proposed program of projects listed above fully meets the intent of the RM3 enabling statute for the Goods Movement and Mitigation programmatic category: the GoPort project will "reduce truck traffic congestion" and the latter two projects "mitigate its environmental effects." All projects have a link to the Port of Oakland, which is specifically identified in the RM3 enabling statute. Staff recommends programming the last two projects, among other reasons, to allow these projects to apply for highly competitive state and federal grants, using the RM3 funds as "at risk" leverage pending final court action.

Partner Actions

ACTC and MTC are named sponsors for the Goods Movement and Mitigation programmatic category, and statute dictates that "MTC shall consult and coordinate with ACTC to select projects for the program." ACTC will bring a similar action programming these RM3 funds to the above projects to its Programs and Projects Committee (PPC) on November 14, and to the full ACTC Commission on December 1. Further, MTC and ACTC staff consulted with the Port of Oakland on the proposed programming amendment and the Port is supportive and has transmitted a letter of support which is attached to this memo. The City of Oakland would be the

project sponsor and implementing agency of the \$55 million for neighborhood and railroad safety improvements near the Port of Oakland.

Issues:

Since both MTC and ACTC are named sponsors, both policy boards must approve the programming amendment action. Further, this programming action does not authorize expenditure of funds; only an allocation or Letter of No Prejudice authorizes expenditure of funds. The specific project sponsor would be the responsible entity for any Letter of No Prejudice and/or allocation requests at a future date.

Recommendations:

Refer MTC Resolution No. 4411, Revised, to the Commission for approval.

Attachments:

- MTC Resolution No. 4411, Revised.
- Letter from Port of Oakland, dated October 25, 2022



Therese W. McMillan

Date: March 25, 2020
W.I.: 1258
Referred by: PAC
Revised: 05/27/20-C 06/23/21-C
07/28/21-C 11/16/22-C

ABSTRACT

MTC Resolution No. 4411, Revised

This resolution establishes programming for Regional Measure 3 (RM3) capital projects sponsored or co-sponsored by MTC or BATA.

This resolution includes the following attachments:

Attachment A – Goods Movement and Mitigation Program of Projects

Attachment B – Bay Area Corridor Express Lanes Program of Projects

Attachment C – North Bay Transit Access Improvements Program of Projects

This resolution was revised on May 27, 2020 by Commission Action to add Attachment B – Bay Area Corridor Express Lanes Program of Projects.

This resolution was revised on June 23, 2021 by Commission Action to add Attachment C – North Bay Transit Access Improvements Program of Projects.

This resolution was revised on July 28, 2021 by Commission Action to amend Attachment B – Bay Area Corridor Express Lanes Program of Projects.

This resolution was revised on November 16, 2022 by Commission Action to amend Attachment A – Goods Movement and Mitigation Program of Projects.

Additional discussion of this allocation is contained in the Executive Director’s memorandum and MTC Programming and Allocations Committee Summary sheet dated March 11, 2020, May 13, 2020, June 9, 2021, July 14, 2021, and November 9, 2022.

Date: March 25, 2020
W.I.: 1258
Referred by: PAC

Re: Programming of Regional Measure 3 Capital Projects Sponsored or Co-Sponsored by MTC or BATA

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION No. 4411

WHEREAS, pursuant to Government Code Section 66500 *et seq.*, the Metropolitan Transportation Commission (“MTC”) is the regional transportation planning agency for the San Francisco Bay Area; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority (“BATA”) which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, on June 5, 2018, a special election was held in the City and County of San Francisco, and the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma (individually, each a “County” and, collectively, the “Counties”) to approve a toll increase of three dollars (\$3.00) phased in over time, including a one dollar (\$1.00) toll increase on January 1, 2019, a one dollar (\$1.00) toll increase on January 1, 2022, and a one dollar (\$1.00) toll increase on January 1, 2025, for vehicles traveling on the state-owned bridges located in the San Francisco Bay Area (“Regional Measure 3”); and

WHEREAS, on September 26, 2018, the Bay Area Toll Authority (“Authority”) adopted Resolution No. 126 accepting certified statements from the Registrar of Voters of the City and County of San Francisco and each of the Counties and observing that a majority of all voters voting on Regional Measure 3 (“RM3”) at such special election voted affirmatively for RM3; and

WHEREAS, on December 19, 2018, the Authority adopted Resolution No. 128 adopting a toll schedule phasing in the toll increase approved pursuant to RM3, effective on January 1, 2019; and

WHEREAS, RM3 establishes the RM3 Expenditure Plan and identifies specific capital projects and programs and operating programs eligible to receive RM3 funding as identified in Sections 30914.7(a) and (c) of the California Streets and Highways Code; and

WHEREAS, BATA shall fund the projects of the RM3 Expenditure Plan by bonding or transfers to MTC; and

WHEREAS, MTC adopted RM3 Policies and Procedures for the implementation of the RM3 Expenditure Plan, specifying the allocation criteria and project compliance requirements for RM3 funding (MTC Resolution No. 4404); and

WHEREAS, the RM3 Expenditure Plan gives certain responsibilities to MTC or BATA for specific projects, including project sponsorship or co-sponsorship, making funds available for projects, providing funding for competitive grant programs, allocating funding to an agency designated to build a project, or consulting with entities to determine a project sponsor, as identified in Sections 30914.7(a) and (c) of the California Streets and Highways Code; and

WHEREAS, pursuant to Section 30914.7(a) of the California Streets and Highways Code, other entities are joint project sponsors of certain RM3 capital projects or otherwise listed in determining the project sponsor;

WHEREAS, the Attachments to this resolution, attached hereto and incorporated herein as though set forth at length, list project programming determinations for specific projects pursuant as Section 30914.7(a) of the California Streets and Highways Code; now, therefore, be it

RESOLVED, that MTC approves the programs of projects as set forth in the Attachments; and be it further

RESOLVED, that MTC may take further action to issue RM3 Letters of No Prejudice based on the programs of projects as set forth in the Attachments; and, be it further

RESOLVED, that further MTC action in the form of approved allocations are required to expend RM3 funds; and, be it further

RESOLVED, that MTC will meet all obligations for these projects regarding joint sponsors and other entities pursuant to Section 30914.7(a) of the California Streets and Highways Code; and be it further

RESOLVED, that a certified copy of this resolution and applicable attachments shall be forwarded to any applicable project sponsor, co-sponsor, or implementing agency.

METROPOLITAN TRANSPORTATION COMMISSION



Scott Haggerty, Chair

The above resolution was entered into
by the Metropolitan Transportation
Commission at the regular meeting
of the Commission held in San Francisco,
California, on March 25, 2020.

Goods Movement and Mitigation

RM3 Project No.	3
Project Title	Goods Movement and Mitigation
Funding Amount	\$160,000,000
Statute Project Description	
Provide funding to reduce truck traffic congestion and mitigate its environmental effects. Eligible projects include, but are not limited to, improvements in the County of Alameda to enable more goods to be shipped by rail, access improvements on Interstate 580, Interstate 80, and Interstate 880, and improved access to the Port of Oakland.	
Statute Project Sponsor Description	
The Metropolitan Transportation Commission shall consult and coordinate with the Alameda County Transportation Commission to select projects for the program. Eligible applicants include cities, counties, countywide transportation agencies, rail operators, and the Port of Oakland. The project sponsor is the Metropolitan Transportation Commission and the Alameda County Transportation Commission.	
Other Project Sponsor Action Required for Programming	
Alameda County Transportation Commission (Alameda CTC) adopted its initial program of projects consistent with MTC’s March 2020 programming action at its March 26, 2020 meeting. Alameda CTC will adopt an amendment to the program of project consistent with the list below at its December 1, 2022 meeting.	

Program of Projects

Project Sponsor	Project Title	RM3 Amount (\$ millions)
Alameda County Transportation Commission	GoPort Suite of Projects at the Port of Oakland, including the 7 th Street Grade Separation (East and West) Project	\$80
Alameda County Transportation Commission	Railroad Safety Enhancement Program (RSEP)	\$25
City of Oakland	Neighborhood and Railroad Safety Improvements Near the Port of Oakland	\$55
Total		\$160



October 25, 2022

Therese McMillan
Executive Director
Metropolitan Transportation Commission
375 Beale Street
San Francisco, CA 94105

RE: Support for Regional Measure 3 Programming Action for the City of Oakland

Dear Ms. McMillan:

On behalf of the Port of Oakland (Port), I am pleased to support an upcoming programming action totaling \$55 million that will be under consideration by the Metropolitan Transportation Commission related to neighborhood and rail safety improvements near the Port. The City of Oakland is the project sponsor and seeks to initiate and secure funding for projects which will contribute to community impact reductions related to freight and create opportunities for transportation efficiency and safety upgrades in and around the Oakland seaport.

The Port and its stakeholders have embarked on a wide range of improvements that have facilitated enhanced freight and passenger access in and around the seaport and we continue to invest in capital infrastructure and Intelligent Transportation System initiatives that promote the efficient and safe movement of goods and people. We are also committed to the continued introduction of zero-emissions and sustainable transportation initiatives to reduce the local health and global climate change impacts of freight activities.

The City and Port of Oakland have identified several infrastructure programs and projects that will accelerate these initiatives and provide additional benefits to both residents and freight stakeholders, and we continue to work in tandem to deliver these projects expeditiously.

Thank you in advance for your consideration of the Port's support for this programming action.

Sincerely,

Kristi McKenney

Kristi McKenney
Chief Operating Officer