

**Metropolitan Transportation Commission
Operations Committee**

December 11, 2020

Agenda Item 6a

Bay Area Express Lanes Strategic Plan – Strategic Investment Principles

Subject: Staff proposes investment principles based on regional goals as part of the Bay Area Express Lanes Strategic Plan. MTC may use these principles to inform decisions related to future competitive funding opportunities.

Background: A working group of Bay Area Express Lane providers and Caltrans regularly meets to work on the Bay Area Express Lanes Strategic Plan (Strategic Plan). In December 2019, staff presented to this Committee a two-track effort to advance the express lane network. Using agreed upon program goals, Track 1 recommended projects for MTC to endorse for the California Transportation Commission’s 2020 Senate Bill 1 (SB1) competitive funding programs. In addition, this work informed the initial programming of the Regional Measure 3 Express Lanes Program presented to the Programming and Allocations Committee in May 2020 in connection with the adoption of MTC Resolution No. 4411, Revised.

Track 2 was originally planned as a 10-year implementation strategy for express lane projects. Due to express lane project deficiencies identified in Plan Bay Area 2050’s Project Performance Assessment, staff pivoted Track 2 to address:

1. An express lane network to be built over 30 years that reflects key policies and goals of Plan Bay Area 2050. Staff presented the recommended Regional Express Lane Network to this Committee in June 2020; and
2. A Strategic Plan that sets forth agreed upon goals, policies, and strategies to address deficiencies and guide implementation of the network.

The Strategic Plan involves additional research on several topics that have emerged as important focus areas in Plan Bay Area 2050. These include: ways to reduce greenhouse gas emissions/vehicle miles traveled; approaches to complement express buses; express lane network financing strategies; strategic investment principles for the program; consistent tolling policies; and relation of express lanes to a future all-lane tolling study. Staff presented to this Committee the Greenhouse Gas (GHG)/Vehicle Miles Traveled (VMT) white paper in October 2020. At the December Operations Committee meeting, staff will present draft investment principles for inclusion in the Strategic Plan, to be presented in early 2021 for Committee adoption.

Staff has worked with the express lane partner agencies to articulate six goals for the Region’s Express Lane Network:

- Manage congestion and bring reliability to the traveling public;
- Increase person throughput by creating a seamless network that incentivizes the use of transit, vanpools, and carpools;
- Deliver Bay Area Express Lanes in a timely manner;
- Be responsible in the use of public funds;
- Minimize greenhouse gas impacts; and
- Focus on equity to improve transportation access and affordability, especially for communities of concern.

To translate express lane program goals into strategic investment principles, staff suggests structuring the principles into two simplified groups: project merit and project readiness. This structure affords flexibility to consider merit separately from readiness when projects meet other critical principles.

Project Merit

Project merit describes what the project does in meeting key regional priorities and how well these goals are achieved. Merit should be a first tier consideration to ensure projects meet regional goals. Staff proposes three principles addressing merit:

- Connected Mobility - Project advances the regional vision of seamless travel, reduced congestion and increased vehicle occupancy; is consistent with broader corridor/regional strategies; and has support from regional/corridor partners;
- Benefits and Costs - Project demonstrates fiscal and social responsibility in use of public funds and measurably advances regional goals, including greenhouse gas reduction; and
- Equity - Project focuses on equity to improve transportation access and affordability.

Project Readiness

In addition to merit, readiness remains an important consideration. There is value to delivering benefits sooner rather than later because construction costs typically increase over time and because certain competitive funding sources emphasize readiness. Where there is discretion, readiness may be de-emphasized for projects shown to contribute to other principles.

Readiness considers progress towards the various steps required to construct or implement a project, including completion of environmental review and design; whether the express lane project has secured state authorization; and the degree of funding secured.

Staff recommends inclusion into the Regional Express Lane Strategic Plan the strategic investment principles described above for use when future funding sources become available. This framework will aid in ensuring projects adhere to regional goals while allowing enough flexibility to emphasize or deemphasize certain aspects, depending on the requirements of specific funding sources.

Attachments:

Attachment A: Presentation: Bay Area Express Lanes Strategic Investment Principles


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Bay Area Express Lanes Strategic Investment Principles Operations Committee Meeting

December 11, 2020



METROPOLITAN TRANSPORTATION COMMISSION

Strategic Investment Principles White Paper

GOAL

Articulate a set of principles that reflect the Express Lanes Strategic Plan goals and policy goals of Plan Bay Area 2050

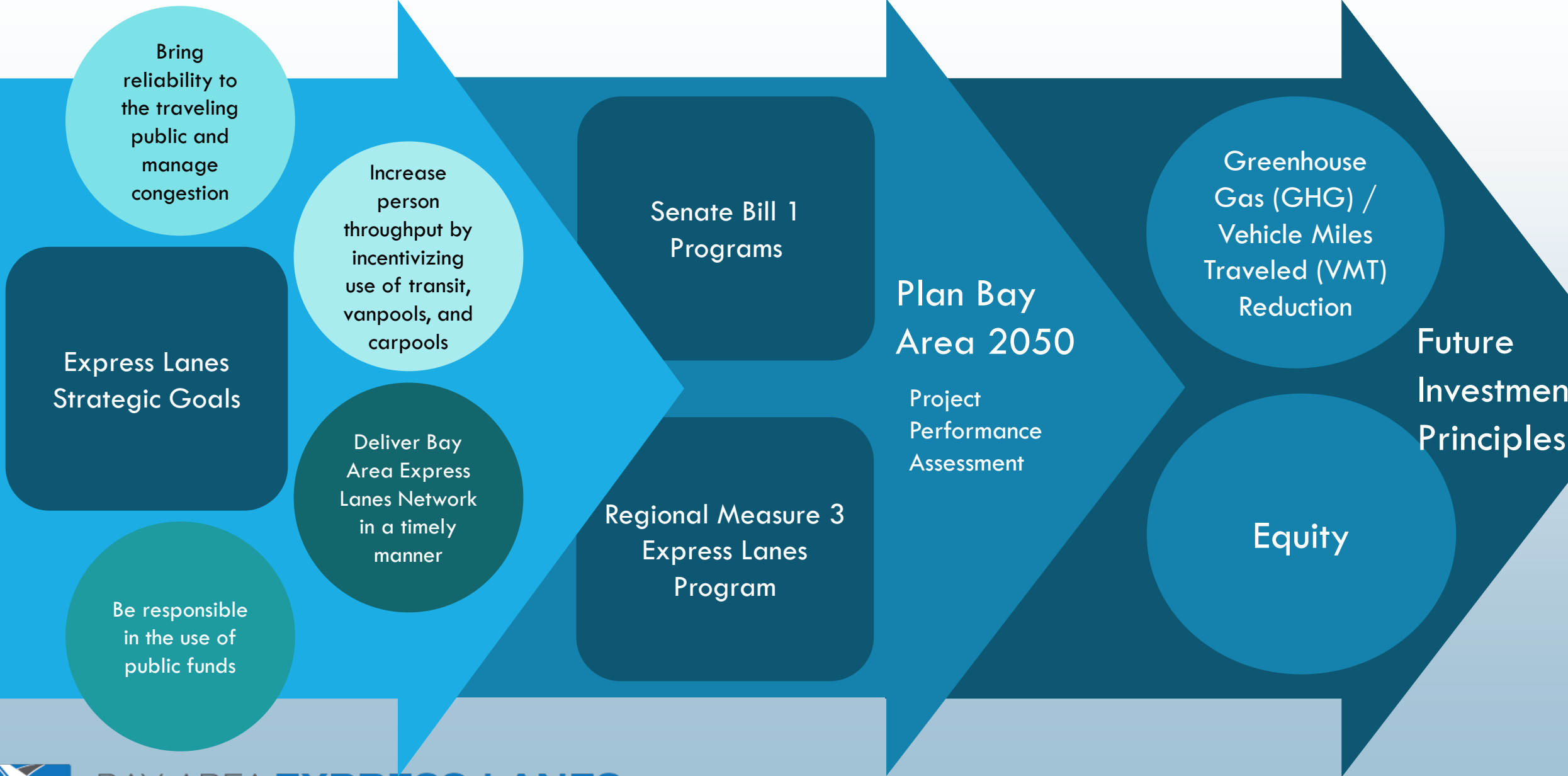
PURPOSE

- Provide principles to inform investment recommendations
- For funding sources with their own criteria, the principles can be an overlay to determine how projects support regional goals

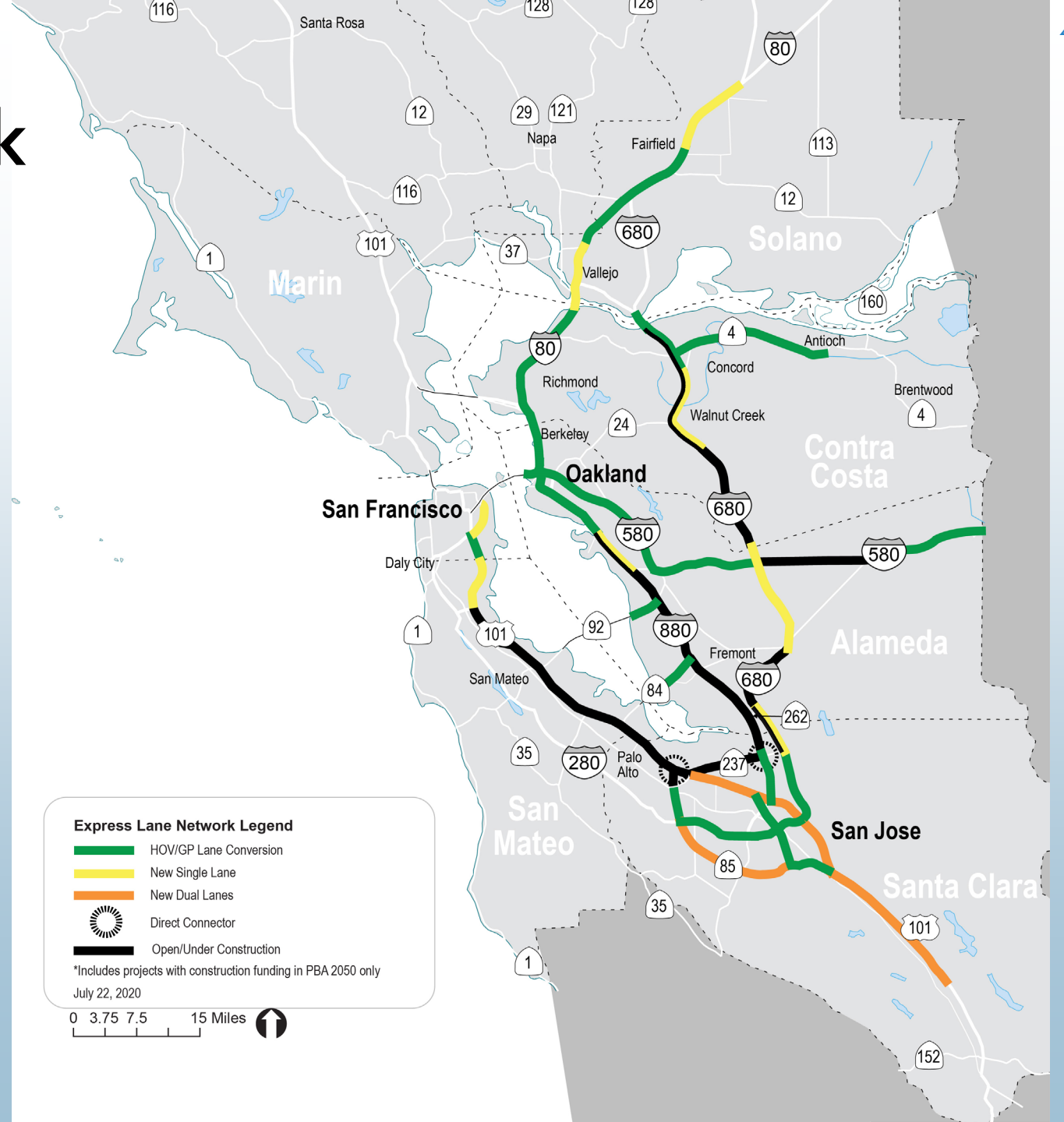
CENTRAL QUESTION

As future funds become available, how can MTC best incentivize projects that align with regional strategic goals?

Background: Timeline



Express Lanes Network for Plan Bay Area 2050



Strategic Investment Principles, Examples

Used by Working Group to
prioritize express lanes for
2020 funding

Express Lanes
Strategic Goals

Bring
reliability to
the traveling
public and
manage
congestion

Increase
person
throughput by
incentivizing
use of transit,
vanpools, and
carpools

Be responsible
in the use of
public funds

Deliver Bay
Area Express
Lanes Network
in a timely
manner

SB1 Solutions for Congested Corridors

(Nov 2019, MTC Res. No 4130)

- Projects listed in SB1 legislation
- Addresses mobility in congested corridors
- Reduces GHG emissions
- Deliverability by FY22-23
- Fully funded (not including grant award)
- Regional support (Caltrans, CalSTA, CTA support or joint-nomination)

RM3 Express Lanes Initial Programming

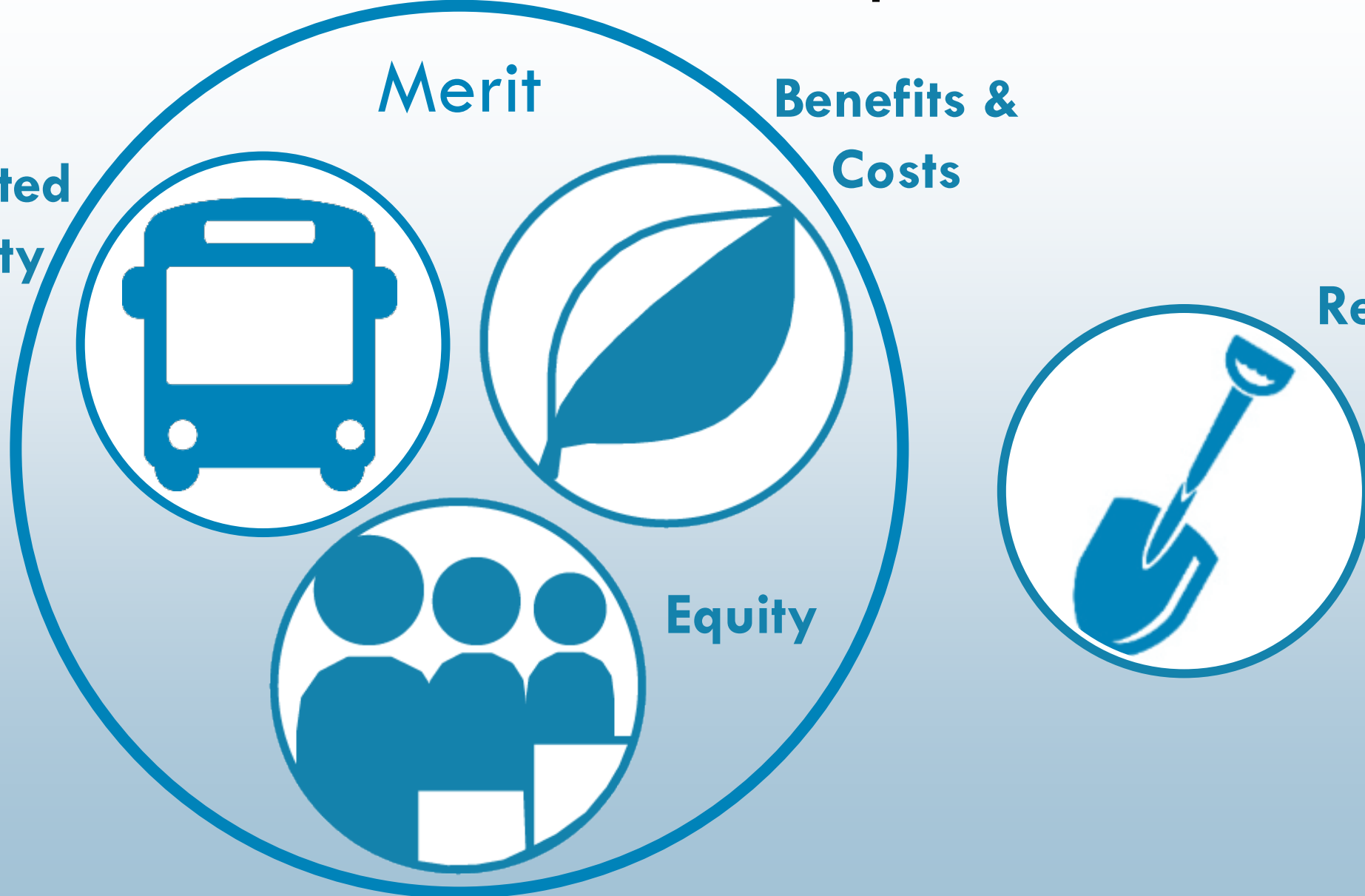
(May 2020, MTC Res. No. 4411)

- Deliver seamless system to Bay Area commuters sooner
- Put funds to work; get ready projects fully funded and constructed in each express lane's corridor group
- Maximize opportunity to secure SB1 funding
- Meet commitments by making regional funds available when needed
- RM3 funds returned to reserve in projects fail to secure funding or meeting other requirements to start construction

Potential Future Applications

Potential Funding Source	MTC Role
Senate Bill 1 (future rounds) Solutions for Congested Corridors Trade Corridors Enhancement Program	MTC nominates projects MTC compiles nominations
Regional Measure 3 Express Lanes Program (\$60M remaining if initial programming requirements met)	MTC programs projects
Federal stimulus	TBD
Competitive federal programs (subject to reauthorization)	TBD

Recommended Investment Principles



**Connected
Mobility**

Merit

**Benefits &
Costs**

Readiness

Equity

Connected Mobility



Project has regional / corridor support and supports the regional vision of connected mobility, reduced congestion, and increased vehicle occupancy

What is the main idea?

- Regional / corridor support is important for project viability
- Project should also demonstrate support of a regional network and vision for seamless connectivity in the Bay Area

What are some examples?

Project provides connectivity; closes gaps; or completes local, multi-county, or interregional corridors

Project integrates multi-modal strategies to increase person throughput, e.g. carpooling, express bus, and mobility hubs

Recipients agree to follow regional tolling and operating policies

Project participates in a regional program to support a strategic goal, like equity, GHG reduction, etc.



Benefits & Costs



Project demonstrates fiscal and social responsibility in use of public funds and measurably advances regional goals

What is the main idea?

- Strong benefit-cost ratios remain important to demonstrate good use of public funds
- Some positive or negative externalities provide costs and benefits that we want to measure directly, e.g. GHG/VMT, equity and safety impacts

What are some examples?

- Project has strong benefit-cost performance
- Project demonstrates public benefits, e.g. reduced traffic congestion, enhanced equity, or transit
- Project does not generate negative externalities like GHG emissions, safety issues, or adverse community impacts

Equity



Project focuses on equity to improve transportation access and affordability

What is the main idea?

- Equity is a regional priority, and tolled facilities require special consideration
- There are a variety of approaches that can promote equity on the network

What are some examples?

Project demonstrates benefits and does not negatively impact Communities of Concern

Increases accessibility by increasing connectivity to multiple modes, including non-auto & active modes

Net toll revenue is pledged to fund local or regional equity programs, e.g. means-based toll discounts

Project addresses needs identified through community participation



Readiness



Project is ready

What is the main idea?

- Many funding opportunities emphasize readiness
- Where there is discretion, readiness may be de-emphasized for projects shown to contribute to other principles

What are some examples?

Near-term deliverability may continue to be emphasized for funding sources, including:

- Able to be delivered within the next few years e.g. environmental complete, CTC approval
- Fully funded (besides current request) e.g. through sales tax measures, other grants



Recommended Investment Principles



**Connected
Mobility**



**Benefits &
Costs**



Equity



Readiness

