



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 4

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Memorandum

TO: Bay Area Partnership Board

DATE: December 14, 2017

FR: Kenneth Kao, Principal Transportation Planner

RE: Senate Bill 1 (SB 1) Funding Program Update

Senate Bill 1 (SB1) provided additional money to existing competitive programs, as well as created new competitive programs. MTC will present the regional program of applications or endorsements for three competitive programs (Solutions for Congested Corridors, Trade Corridor Enhancement Program, and Transit and Intercity Rail Capital Program) at the January 10, 2018 Programming and Allocations Committee meeting, for MTC Commission consideration on January 24, 2018.

Updates and pending program schedules are provided below.

Trade Corridor Enhancement Program (TCEP). SB 1 provides \$300 million per year to the TCEP, which will also include federal freight formula funds. The California Transportation Commission (CTC) approved the TCEP Guidelines on October 18, 2017. The first program will cover three years (Fiscal Year (FY) 17-18 through FY 19-20). The TCEP includes a statewide target for the California Department of Transportation (Caltrans) of \$536 million, and a target for the Bay Area/Central Valley of \$217 million. A 30% match is required for projects not funded through the Caltrans target. Any public agency is eligible to apply; however, MTC must submit the region's nominations to CTC to ensure consistency with regional plans. Of interest, the guidelines provide that any cost savings generated within a corridor will be returned to that corridor for reprogramming. The approved guidelines are at: [http://www.catc.ca.gov/programs/SB_1/101817_Final_TCEP_Guidelines\(2\).pdf](http://www.catc.ca.gov/programs/SB_1/101817_Final_TCEP_Guidelines(2).pdf)

Key program dates:

- Nominations due to MTC: December 15, 2017
- MTC Commission concurrence of nominations: January 24, 2018
- Applications due to CTC: January 30, 2018
- Program adoption: May 16, 2018.

MTC is coordinating with Caltrans and CMAs on which projects to put forward in a regional program, and with our neighboring Metropolitan Planning Organizations (MPOs) to understand what projects they may be submitting for the Northern California share. In general, regional projects nominated are to be consistent with the region's Goods Movement Plan, deliverable in the program timeframe, and reasonably within the amount of funding available.

Solutions for Congested Corridors (SCC). SB 1 provides \$250 million per year to the SCC, which aims to fund congestion relief projects included in a multimodal comprehensive corridor plan. CTC approved the SCC guidelines on December 6, 2017. The first program will cover four years (FY 17-18 through FY 20-21). Statute lists two projects in the Bay Area by name: 1) Emerging solutions for the Route 101 and Caltrain corridor connecting Silicon Valley with San Francisco, and 2) Multimodal approaches for the Route 101 and Sonoma-Marín Area Rail Transit (SMART) rail corridor between the Counties of Marin and Sonoma. According to SB 1, only MTC and Caltrans may apply for SCC; however, the implementing/ sponsoring agency may be any public agency. MTC is working with Caltrans and with potential project sponsors to determine which projects may be nominated. For SCC, MTC will likely focus on projects that are expressly mentioned in the SB1 statute, those that are deliverable in the very near term, or projects that address congestion in the region's most congested corridors. Similar to the TCEP, MTC will also likely consider the project's funding request compared to the amount of available funding.

Of interest, the guidelines do not require a match, but match or leveraged funds will be an evaluation criteria, and no regional targets are included. The final guidelines are at:

http://www.catc.ca.gov/programs/SB_1/Congested_Corridors/Final-Adopted_2018_SCC_Guidelines.pdf

Key program dates:

- MTC Commission concurrence of nominations: January 24, 2018
- Applications due to CTC: February 16, 2018
- Program adoption: May 16, 2018.

Transit and Intercity Rail Capital Program (TIRCP). SB1 includes funds for the TIRCP, aimed at funding projects that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems. California State Transportation Agency (CalSTA) administers TIRCP and released a call for projects on October 13 for a 5-year TIRCP program (FY18-19 through FY22-23). The program blends SB1 funds with Cap and Trade auction proceeds. The total amount available for this 5-year program is anticipated to be \$2.4 billion, with an estimated \$1.4 billion coming from SB1 revenues and \$1 billion from Cap and Trade auctions.

MTC previously adopted a framework (MTC Resolution No. 4123) to guide the region's applications for TIRCP funds, identifying priority projects and programs. The region's success in past cycles of the program has been somewhat mixed, and MTC staff is currently evaluating what approach to take for supporting projects applying in the current cycle.

Key program dates:

- Project applications due to Caltrans: January 12, 2018
- MTC Commission endorsement of projects: January 24, 2018
- Anticipated award announcement: April 30, 2018
- Anticipated presentation of project list to CTC: May 2018

Resources:

- Program webpage: <http://www.dot.ca.gov/drm/sptircp.html>
- Call for Projects: <http://www.dot.ca.gov/drm/docs/sptircp/2018call4projects.pdf>
- Program guidelines: <http://www.dot.ca.gov/drm/docs/sptircp/2018finalgl.pdf>

Local Partnership Program (LPP). SB 1 provides \$200 million per year to the LPP. CTC approved the LPP Guidelines on October 18, 2017, which evenly divides the LPP into formula and competitive programs. The first program will cover two years of formula funds (FY 17-18 and FY 18-19) and three years of competitive funds (FY 17-18 through FY 19-20). A 1:1 match is required for LPP projects. Only authorities with a voter-approved tax dedicated solely to transportation are eligible to receive formula funds, and those agencies that have imposed fees for transportation are eligible to compete in the competitive program. Of interest, the revised guidelines create an incentive program for new and renewed voter-approved taxes, tolls, and fees (coming from the competitive program), and any cost savings generated within the formula program will be returned to that jurisdiction for reprogramming. The approved guidelines are at:

http://www.catc.ca.gov/programs/SB_1/102017_Final_LPP_Guidelines.pdf

Key program dates:

- Applications due for the formula program: December 15, 2017
- Formula program adoption: January 31, 2018
- Applications due for the competitive program: January 30, 2018
- Competitive program adoption: May 16, 2018.

MTC will receive about \$5.1 million per year in LPP formula funds due to Regional Measures 1 and 2. MTC proposes to program these funds to two bridge-related projects: Express Lanes and Operational Improvements at the San Mateo and Dumbarton Bridge approaches, and Improved Bicycle and Pedestrian Access to the East Span of the San Francisco-Oakland Bay Bridge.

Sustainable Communities (SC) and Adaptation Planning (AP) Grants. SB1 augments the funding for Caltrans Planning Grants, and creates two new subprograms: SC and AP. SC grants are further divided into a competitive program and a formula program for Metropolitan Planning Organizations (MPOs). For the first round of funding, \$12.4 million is available in each of the Sustainable Communities subprograms, and \$7 million is available in the AP grant.

Caltrans received 127 applications seeking \$34 million for the SC grant program, and 30 applications seeking \$10 million for the AP grant program. MTC submitted three SC grant applications, and two AP grant applications:

- The Future of Mobility: Ride Hailing Data Collection and Analysis, \$1 million (not awarded)
- Integrating Disability Voices in Sustainable Communities and Climate Resiliency Initiatives, \$500,000 (not awarded)
- Coordinating Economic Forecasting and Transportation Investment Analysis in the Megaregion, \$276,000 (not awarded)
- Accelerating Implementation of Local and Regional Resilience to Climate Change, \$1 million (awarded \$307,950)
- East Palo Alto and Dumbarton Bridge Resiliency Study, \$200,000 (awarded \$200,000)

Other successful applicants in the region include the Cities of Alameda, Concord, and Santa Clara, San Francisco MTA, Solano TA, Sonoma Co. Regional Parks, West Contra Costa Transit Authority, BART, and the Counties of Marin and San Mateo. The full list of recommended awardees are available at:

- Sustainable Communities: http://www.catc.ca.gov/meetings/agenda/2017Agenda/2017-12/Yellows/Tab_22_4.11_Attachment.pdf

- Adaptation Planning: http://www.catc.ca.gov/meetings/agenda/2017Agenda/2017-12/Yellows/Tab_22_4.11_Attachment2.pdf

The next round of Caltrans Planning Grants will begin in early 2018; see below for key dates.

Key program dates:

- Program Guides Released and Call for Projects: January 2, 2018
- Applications Due: February 23, 2018
- Anticipated Grant Award Announcements: May 2018

Resources:

- Program webpage: <http://www.dot.ca.gov/hq/tpp/grants.html>

Please provide input to Kenneth Kao at kkao@bayareametro.gov / 415-778-6768.

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