

Bay Area Partnership Board

January 6, 2020

Agenda Item 3a

Plan Bay Area 2050: Transportation Element Next Steps

Subject: Information on the approach to move forward with the transportation investment strategy and complementary strategies for the Draft Blueprint.

Background: The Plan Bay Area 2050 Blueprint will be comprised of four elements; Transportation, Housing, Economy, and Environment. Comprehensively, actions related to these four elements will strive to move the Bay Area towards a more affordable, connected, diverse, healthy, and vibrant region. The Blueprint's transportation element will build upon Horizon's nearly two years of exploratory analyses to identify a fiscally constrained investment strategy.

It is not feasible to include all of the proposed transportation investments within the region's forecasted revenues, even if new revenues become available. As a result, the investment strategy will strive to balance the forecasted revenues across strategies to maintain our existing transportation system—*road and transit infrastructure and run transit service*—and strategies to implement and build the region's next-generation transportation projects/programs.

The Blueprint will be crafted in two phases: the **Draft Blueprint** (analyzed in February 2020), and the **Final Blueprint** (analyzed in summer 2020). The Draft Blueprint will emphasize investments in regional strategies evaluated in Horizon to achieve PBA 2050's vision and state-mandated GHG emissions reduction goals. The Draft Blueprint will leave fiscal capacity for additional investments in strategies and to include other county priorities. The Final Blueprint will continue to refine the strategies and incorporate a more comprehensive yet fiscally constrained list of transportation investments. Both the Draft Blueprint and Final Blueprint will leverage work from the Project Performance Assessment to understand which projects are most effective and most equitable, given the financial constraints.

Issues: New to PBA 2050 is a more stringent per-capita GHG emissions reduction target set by the California Air Resources Board. Initial analysis shows that the region will fall short of the new target if the strategies from prior iterations of Plan Bay Area are advanced into PBA 2050. A more cohesive and comprehensive approach will be needed to meet PBA 2050's more stringent target, including consideration of more aggressive strategies. If PBA 2050 were to fall short of the GHG target, the region would be at risk for not receiving future funding allocations from the Senate Bill 1 Solutions for Congested Corridors Program.

Also new to PBA 2050, the Blueprint will consider two revenue scenarios: a scenario with revenue in line with the traditional forecasting methodology, and a scenario with a sizeable influx of new revenues. These two scenarios, titled Blueprint *Basic* and Blueprint *Plus*, will prepare the region to meet its goals in two disparate funding scenarios. Blueprint *Plus* will result in additional fiscal capacity for increased levels of investment in regional strategies to create a more aspirational Plan.

From Compelling Case to Collaborative Space

In previous iterations of Plan Bay Area, the most cost-effective capital-intensive projects (“high-performers”) formed the backbone of the Plan’s investment strategy and low-performers were required to present a “compelling case” to the Commission prior to their inclusion into the Plan. Staff propose an alternative to the compelling case process that would rely on collaboration with CTAs, transit operators, or other project sponsors to identify mitigations to boost a project’s performance across one or more of the three assessment metrics—*B/C Ratio*, *Equity Score*, and *Guiding Principles Flags*—through project-level refinements or support of complementary strategies. Staff propose working collaboratively with CTAs to draw upon the Project Performance Assessment findings and identify avenues to improve the performance of projects, such as rescoping or adopting strategies to mitigate negative outcomes, as an alternative to the Compelling Case process of previous Plans. Staff proposes to set aside a share of the Plan’s revenues for the Final Blueprint, thereby leaving capacity to add projects that align with the Blueprint strategies and that mitigate performance concerns.

Outreach and Strategy Refinement

Between October and December 2019, MTC carried out three engagement campaigns to solicit feedback on proposed strategies in order to refine the strategies for inclusion in the Draft Blueprint. Two campaigns were aimed at members of the general public, one in person and one online, soliciting a combined 15,000 comments. In an effort to engage with expert stakeholders from around the region, a half-day workshop was held in mid-November to further refine the strategies and dive into the priorities for the investment strategy. **Attachment A** details the three efforts and their key takeaways.

Next Steps:

The ABAG Executive Board and MTC Commission will meet in January 2020 to discuss an initial set of regional strategies and investments to maintain our existing transportation system. In February 2020, MTC will prepare and present the Draft Blueprint’s investment framework, and in Spring 2020 MTC will present the Draft Blueprint’s preliminary analysis findings.

Attachments:

Attachment A: Presentation


Therese W. McMillan



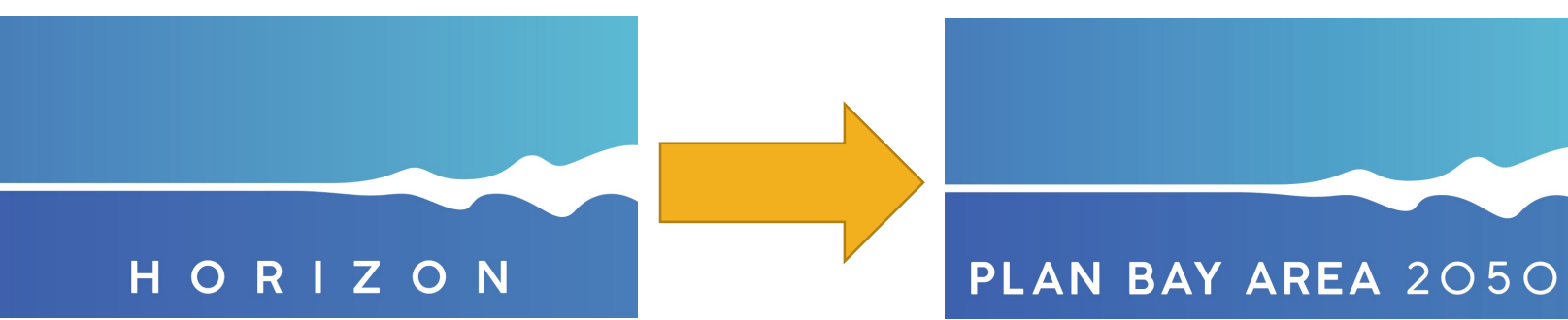
PLAN BAY AREA 2050

Plan Bay Area 2050 Draft Blueprint: Developing the Transportation Element

Bay Area Partnership Board

January 6, 2020

Adam Noelting and Raleigh McCoy



Similar to *Horizon*, ***Plan Bay Area 2050*** is integrating **four core topic areas**, as we work to create a long-range integrated regional vision for the next 30 years

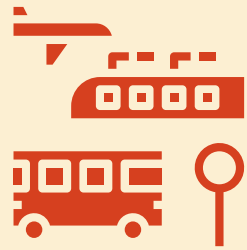
Cross-Cutting Issues



Equity



Resilience



Transportation



Housing

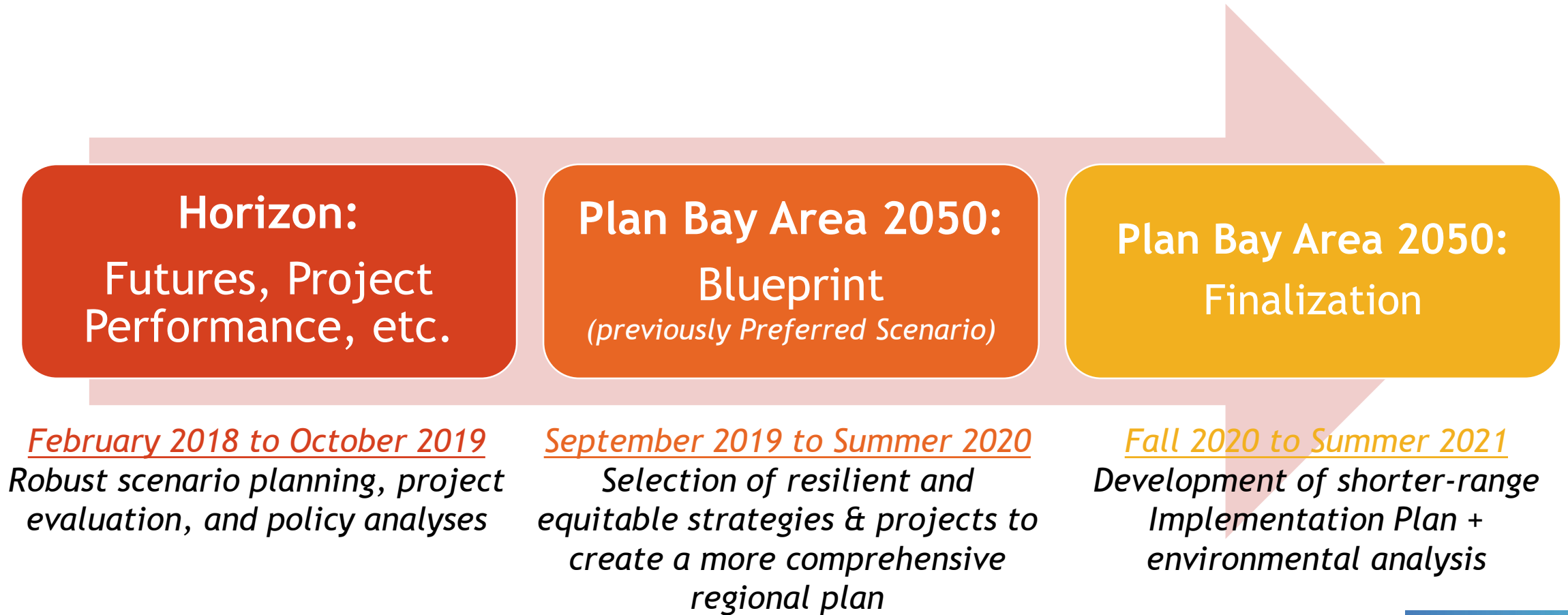


Environment

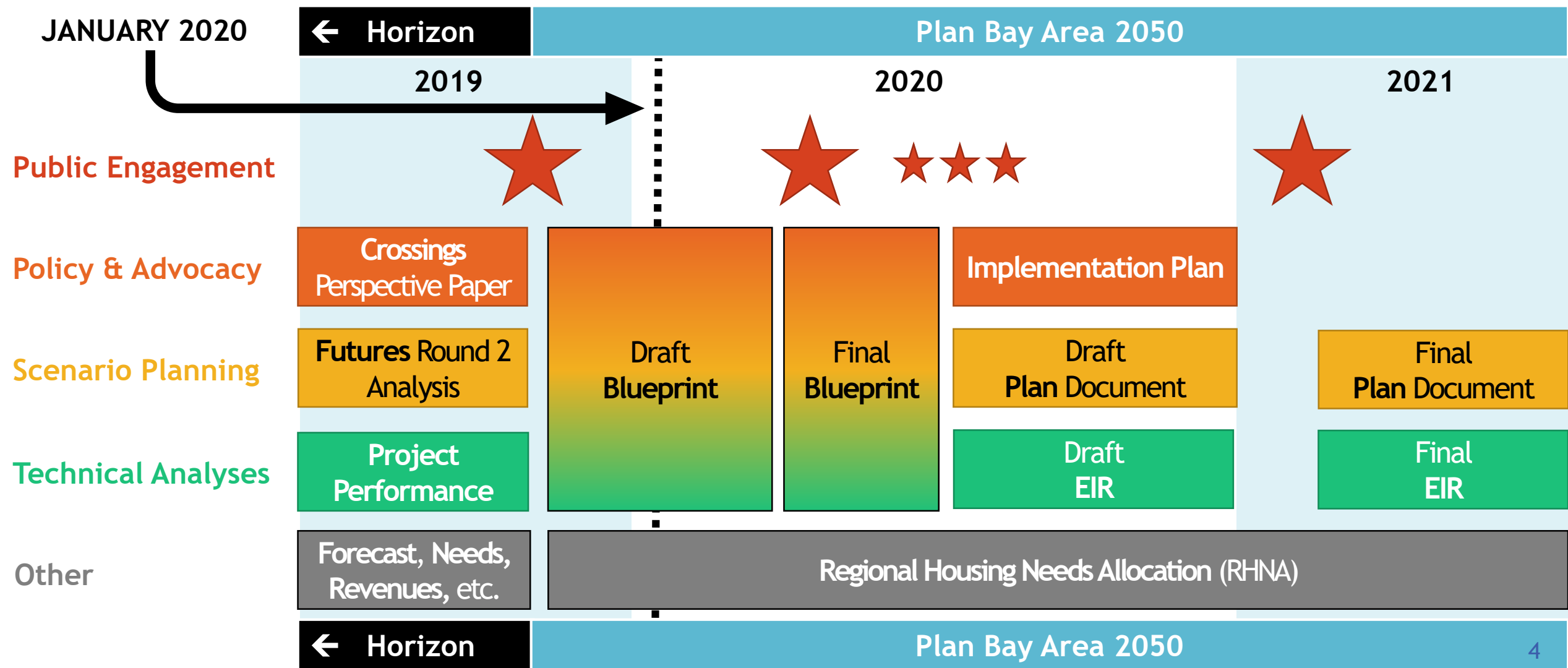


Economy

Plan Bay Area 2050 builds on Horizon



Plan Bay Area 2050 Schedule



The Draft Blueprint Will Integrate Complementary Strategies to Achieve Improved Regional Outcomes



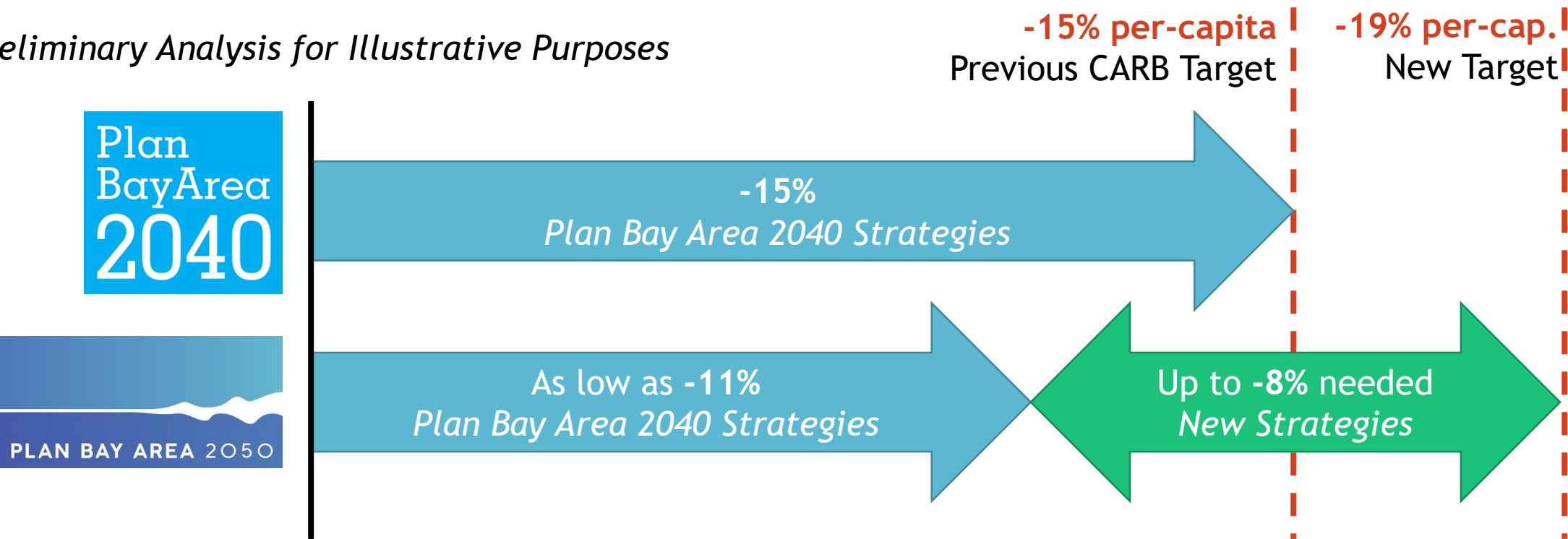
Plan Bay Area 2050 Blueprint

- **Transportation** Investments & Strategies
- **Housing** Geographies & Strategies
- **Economic** Geographies & Strategies
- **Environmental** Strategies

Cross-Cutting Issues	<div> <div>  Equity </div> <div>  Resilience </div> <div>  Adopted by MTC and ABAG Boards September 2019 </div> </div>		
Vision	To ensure by the year 2050 that the Bay Area is affordable, connected, diverse, healthy, and vibrant for all.		
Guiding Principles	 Affordable	All Bay Area residents and workers have sufficient housing options they can afford - households are economically secure.	
	 Connected	An expanded, well-functioning, safe and multimodal transportation system connects the Bay Area - fast, frequent and efficient intercity trips are complemented by a suite of local transportation options, connecting communities and creating a cohesive region.	
	 Diverse	The Bay Area is an inclusive region where people from all backgrounds, abilities, and ages can remain in place - with full access to the region's assets and resources.	
	 Healthy	The region's natural resources, open space, clean water and clean air are conserved - the region actively reduces its environmental footprint and protects residents from environmental impacts.	
	 Vibrant	The Bay Area region is an innovation leader, creating quality job opportunities for all and ample fiscal resources for communities.	

Plan Bay Area 2050 Must Meet a More Ambitious Greenhouse Gas Reduction Target Under SB 375

Preliminary Analysis for Illustrative Purposes



A More Cohesive, Comprehensive Approach Will be Needed to Meet this GHG Target

- Horizon provided the means to test transformative transportation and land use strategies for resilience to future uncertainty
- While previous plans have relied upon “high performer” projects and a focused growth strategy, our preliminary analysis suggests that this will not be sufficient to meet GHG goals
- Plan Bay Area 2050 will require a comprehensive approach to create a well-connected network of transportation investments, focused on complementary transportation and land use strategies that magnify the positive impacts of projects and mitigate negative externalities

The Role of “New Revenues”

Transportation



Housing



Economy



Environment



Plan Bay Area 2050 **Blueprint Basic**
Includes available revenues from Needs & Revenue assessments, but does not include New Revenues from future regional measures



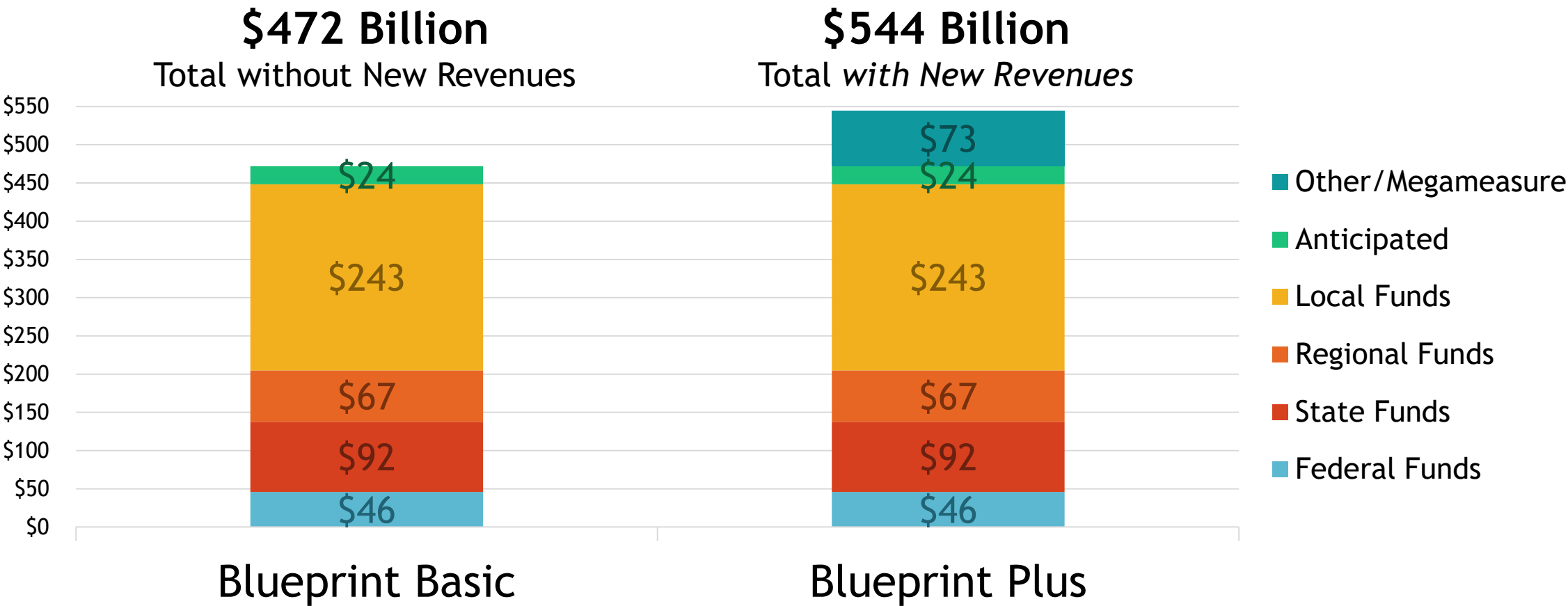
Plan Bay Area 2050 **Blueprint Plus**
Includes available revenues from Needs & Revenue assessments + additional New Revenues distributed to one or more topic areas of the Plan

This approach will provide more flexibility over the next year, should the MTC/ABAG boards wish to integrate new revenues to create a more aspirational Plan.

Either could be adopted as the Preferred Alternative in 2020 or 2021.

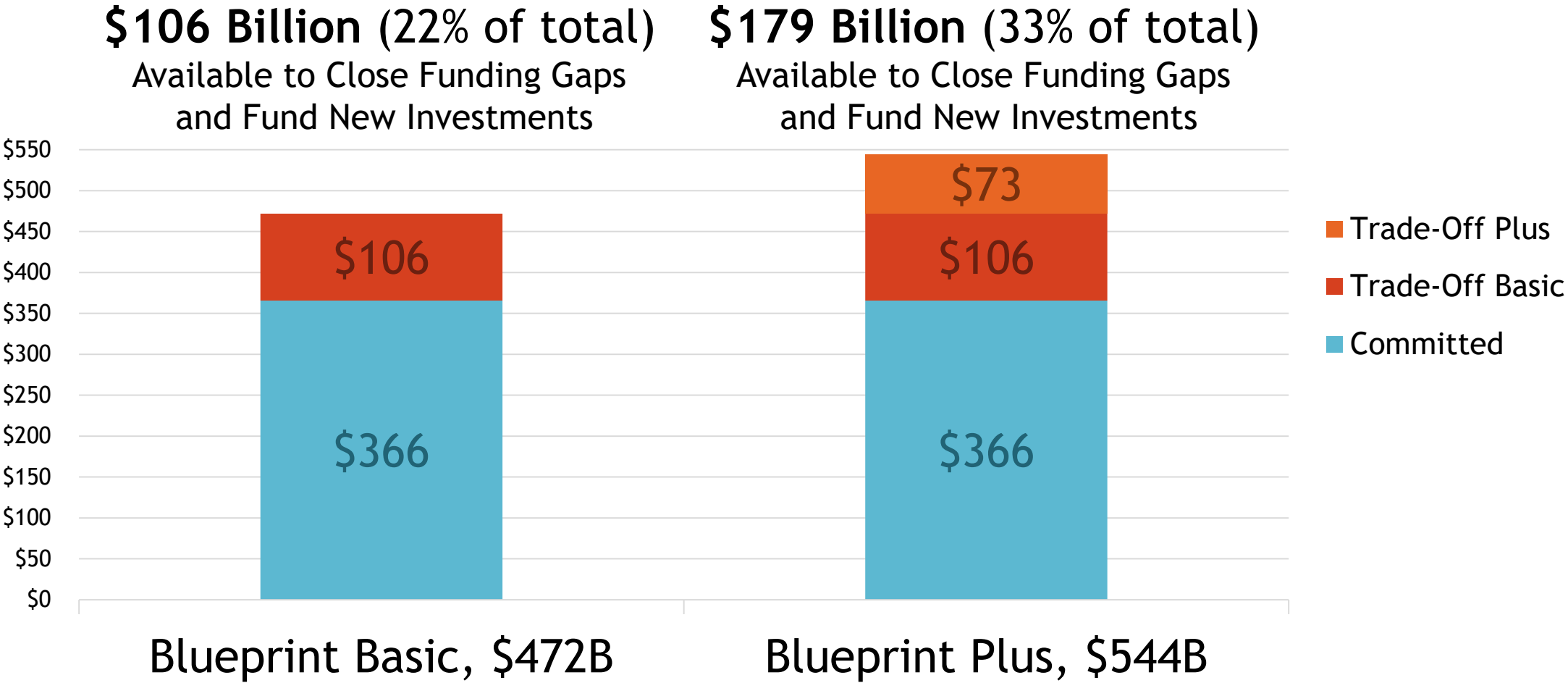
Sources of Transportation Revenues

30-Year (2021-2050) Revenue Forecast (in Billions of YOE\$)



30-Year (2021-2050) Revenue Forecast (in Billions of YOE\$)

Draft Transportation “Trade-Off” Revenues

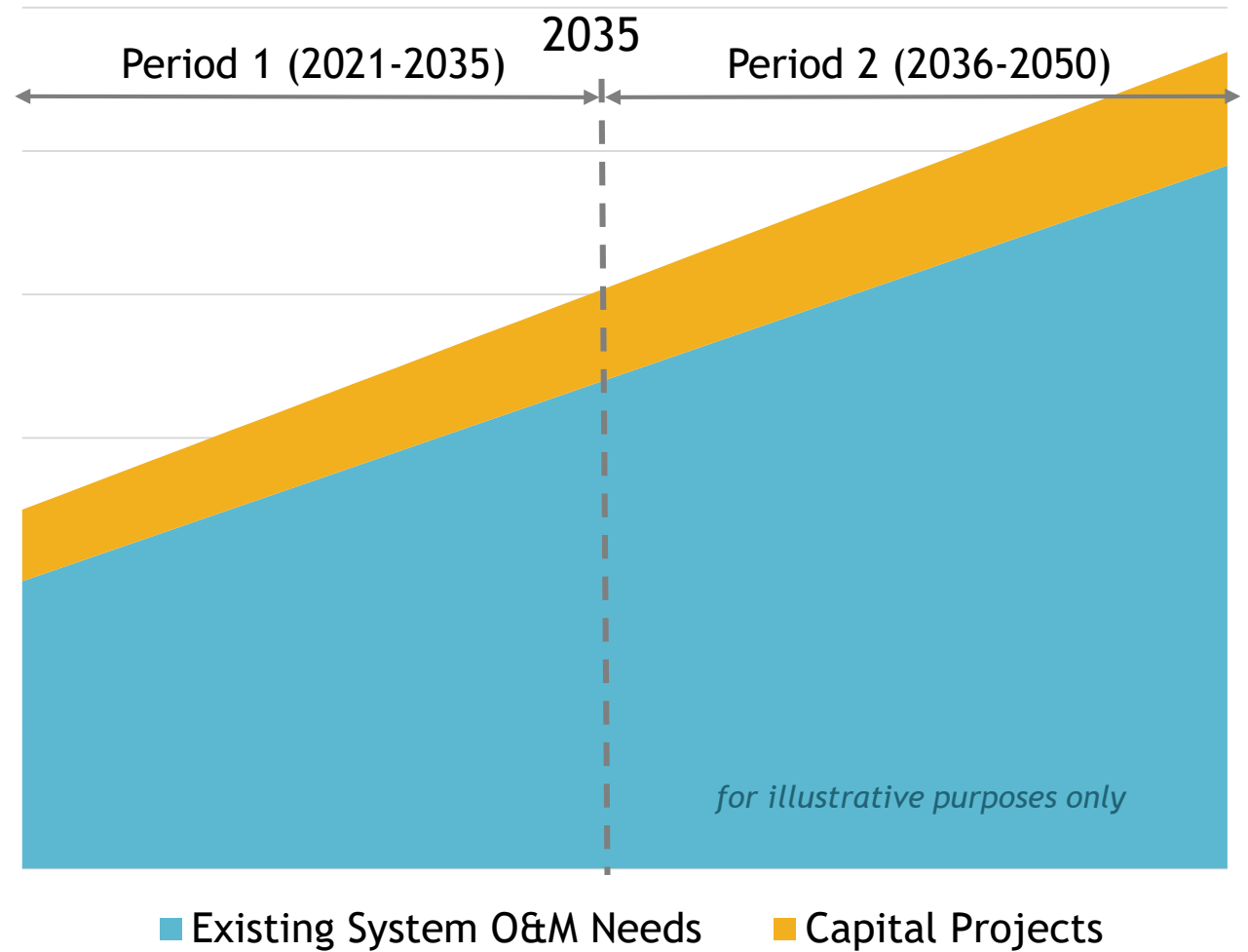


30-Year (2021-2050) Revenue Forecast (in Billions of YOE\$)

Transportation Revenues

PBA 2050's 30-year planning horizon will be divided into two 15-year periods.

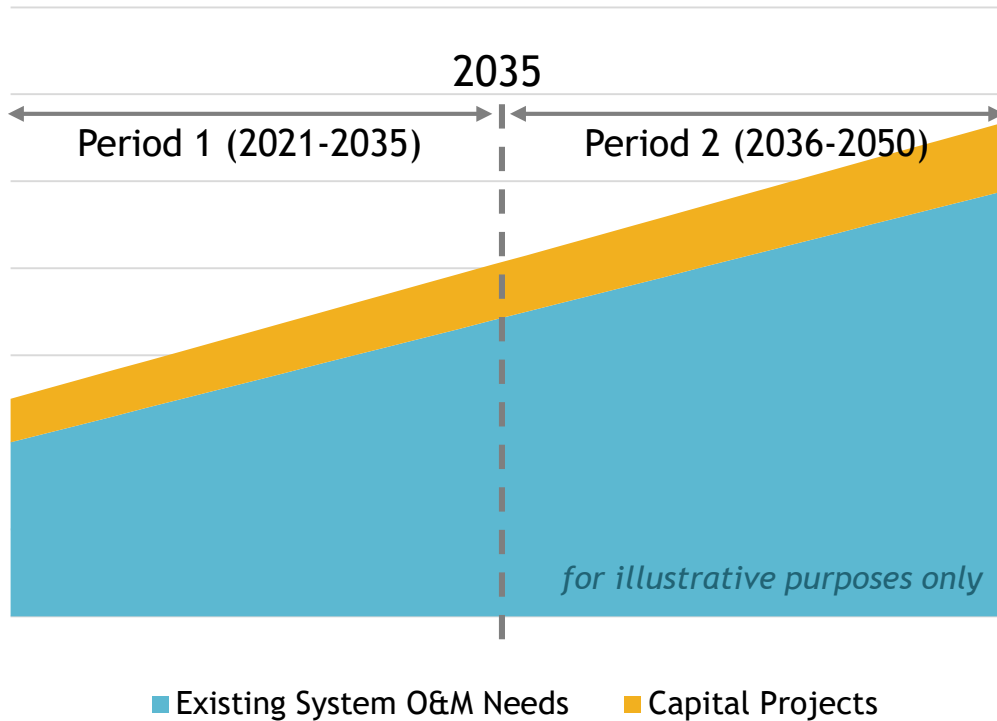
This will affect when we assume major capital projects will be delivered.



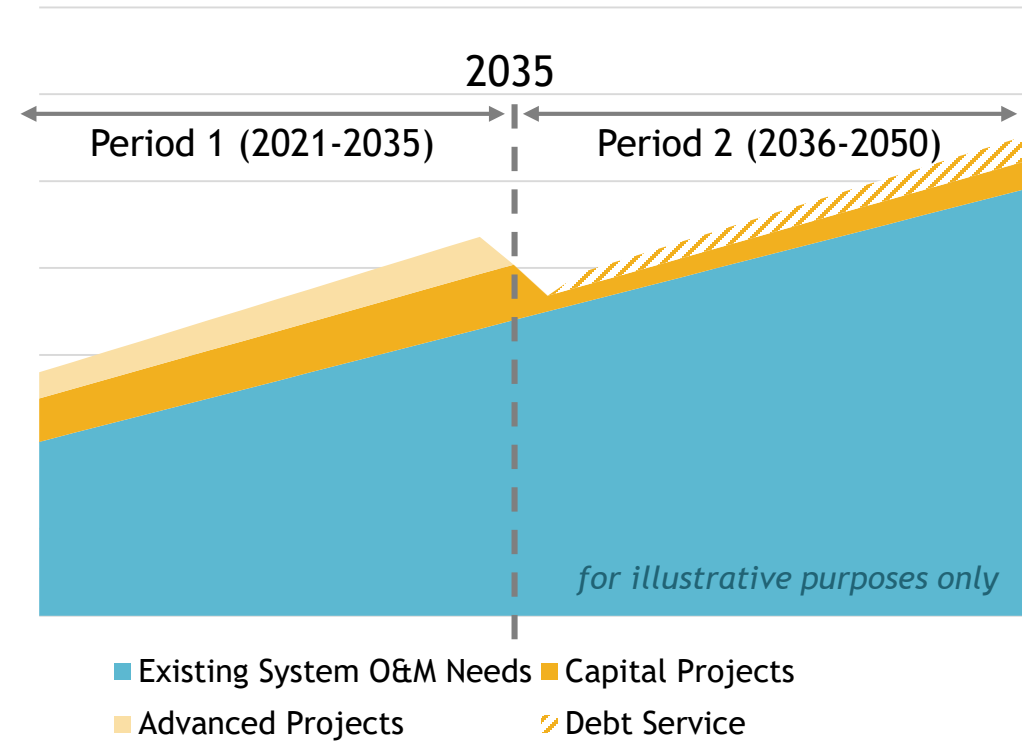
30-Year Revenue Forecast (in Billions of YOES\$)

Two Methods to Fiscally-Constrain Capital Projects in PBA 2050

Cashflow



Financing



Needs and Revenue Transportation Summary

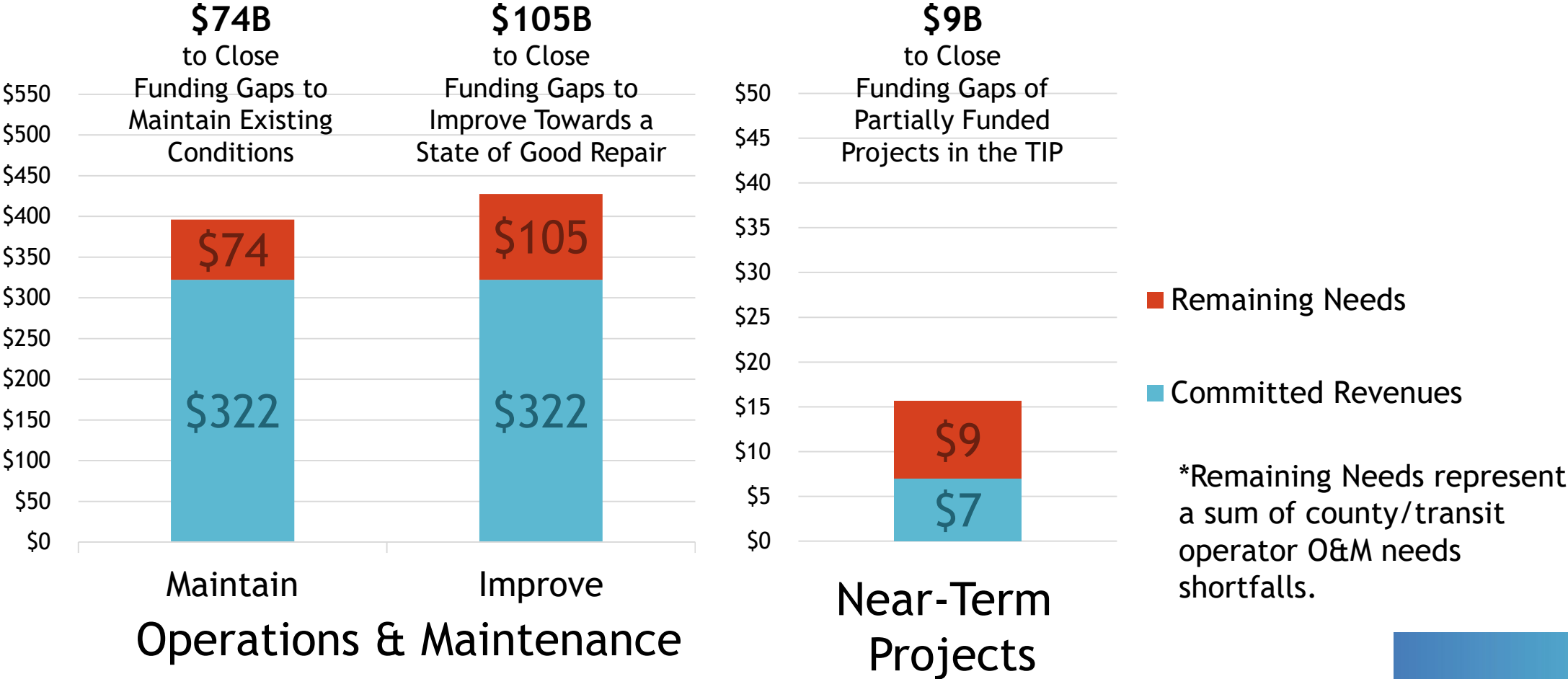
- \$423 billion to improve and maintain the system in a state of good repair
- \$392 billion to prevent further deterioration / maintain existing conditions

30-Year Transportation Operations and Capital Maintenance Needs (in Billions of YOES)

	Maintain Existing Conditions	State of Good Repair
Public Transit Operations	\$218 B	\$218 B
Public Transit State of Good Repair	\$63	\$88
Local Streets & Bridges State of Good Repair	\$64	\$71
Highways State of Good Repair	\$24	\$24
Bridges State of Good Repair	\$22	\$22
TOTAL	\$392 B	\$423 B

Note: Two condition scenarios could only be calculated for Local Streets, Roads, and Local Bridges, and Transit Capital

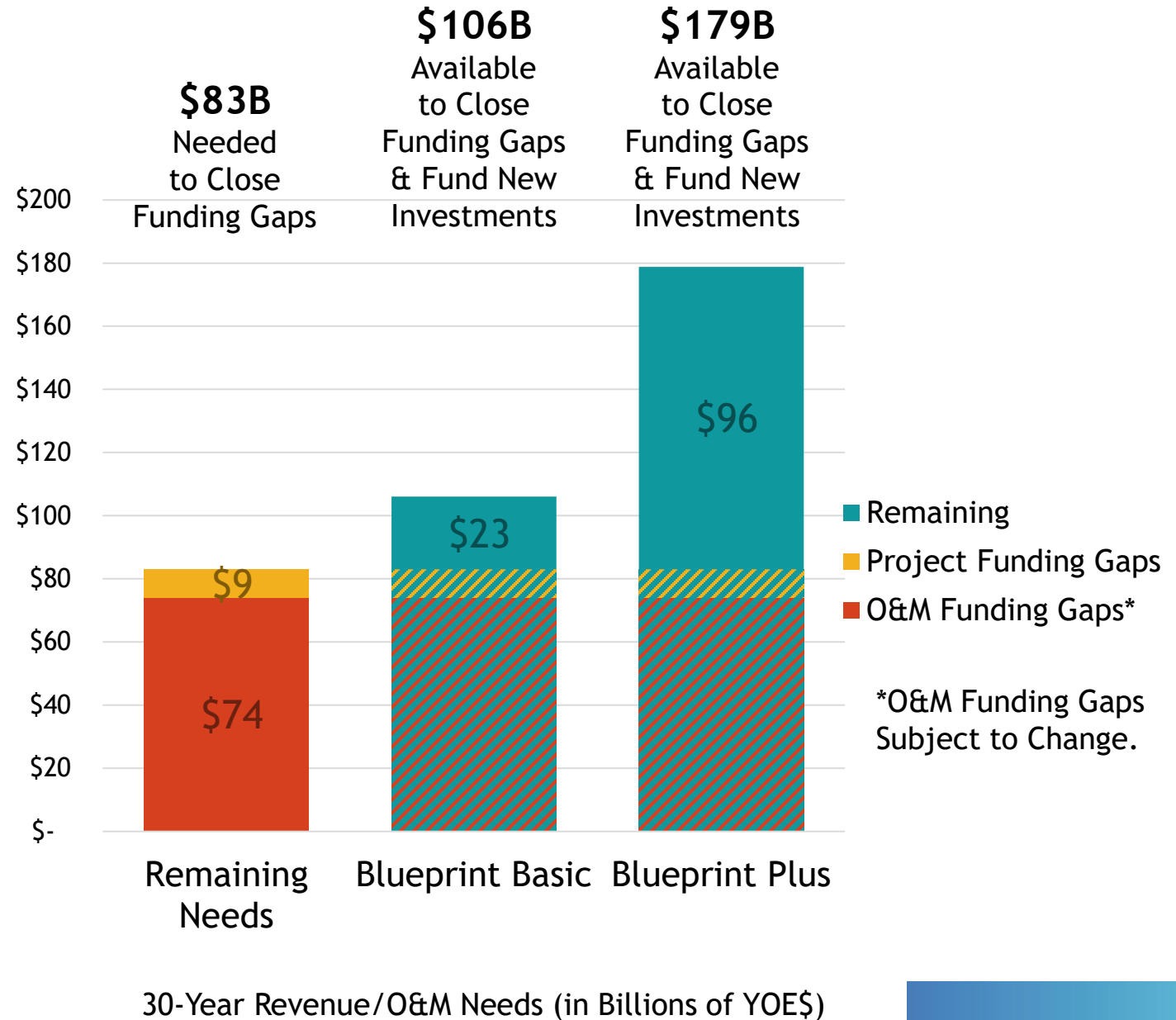
Unfunded Needs: Operations & Maintenance Needs and Near-Term Projects



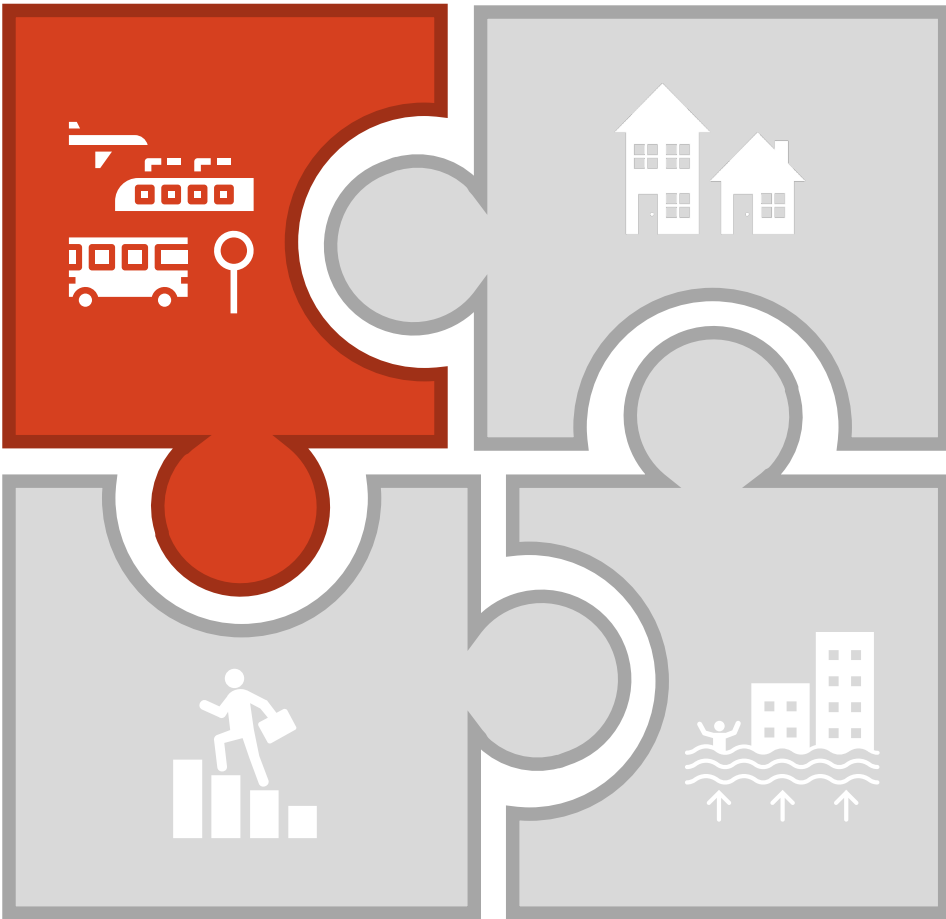
30-Year Revenue/O&M Needs (in Billions of YOES)

Trade-off Revenues Available for Strategies

- The **Draft Blueprint** will assign Trade-Off revenues to transportation strategies, some of which will be comprised of a subset of major transportation projects that performed well in the Project Performance Assessment.
- A share of the Trade-Off revenues will be set aside for the **Final Blueprint** to fund local priorities and major projects that align with the strategies and commit to mitigations to boost performance.
- The additional Trade-Off revenues in **Blueprint Plus** allow for increased investment in strategies, resulting in more projects inclusion in the Plan.



Plan Bay Area 2050 Blueprint: Transportation Element



Emerging Strategy Themes:

- Operate and Maintain the Existing System
- Create Healthy Streets
- Enhance Regional Transit
- Manage Freeway Demand

Plan Bay Area 2050 Blueprint: Transportation Element

Emerging Themes:



Create Healthy Streets

Incorporate into Draft Blueprint

- ✓ **Build a Complete Micromobility Network:** build out nearly 10,000 miles of new bicycle infrastructure, including protected bike lanes and trails.
- ✓ **Lower Speed Limits on Highways & Local Streets:** reduce local street speed limits in growth areas to 25 mph and reduce highway speed limits to 55 mph.
- ✓ **Build & Operate Lower Cost Transit Projects,** including Bus, BRT, and Ferry Projects.

Incorporate into Final Blueprint

- ❑ Provide Free Shared Bike & Shuttle Service

Plan Bay Area 2050 Blueprint: Transportation Element

Emerging Themes:



Enhance Regional Transit

Incorporate into Draft Blueprint

- ✓ **Complete Set of Plan Bay Area 2040 Transit Expansion Projects:** Construct projects including BART to Silicon Valley Phase 2, SMART to Windsor, and key rapid bus lines.
- ✓ **Build a New Transbay Rail Crossing*:** Invest in a new transbay rail crossing, enabling significant frequency boosts on rail systems in the East Bay and West Bay. This strategy will only be assumed in the Blueprint Plus.
- ✓ **Integrate Transit Fares Across the Region's Operators**

Incorporate into Final Blueprint

- ☐ **Create a Next-Generation Rail Network**
- ☐ **Build and Operate a Regional Express Bus Network**
- ☐ **Provide Free Transit to Lower-Income Residents**

Plan Bay Area 2050 Blueprint: Transportation Element

Emerging Themes:



Manage Freeway Demand

Incorporate into Draft Blueprint

- ✓ **Develop a Single Platform to Access and Pay for All Mobility Options:** Enable integrated trip planning and fare payment for all travel modes via smartphone.
- ✓ **Apply Tolls Based on Time of Day and Vehicle Occupancy on All Freeways:** Reduce traffic congestion by implementing tolls ranging from 5 cents to 15 cents per mile.

Incorporate into Final Blueprint

- ❑ **Build Express Lanes and Address Interchange Bottlenecks:** Will incorporate recommendations from the Bay Area Express Lanes 10-Year Strategic Implementation Plan.

What We've Been Hearing

Stakeholder Engagement: RAWG workshop

- **Investment Strategy: Priorities**
 - Participants dedicated funding to optimizing existing transit, reforming fare policy, and investing in micromobility infrastructure
 - With additional revenues, participants funded a new Transbay rail crossing, Express Lanes, and state of good repair
- **Strategies: Example Revisions**
 - **Fare Policy:** reorient to focus on fare integration instead of free transit
 - **Per-Mile Freeway Tolls:** roll out pilot projects on congested corridors with transit alternatives already in operation
 - **Micromobility Network:** increase the emphasis on amenities for pedestrians

Public Outreach: pop-ups and Mayor of Bayville “digital engagement”

- **Most Popular Strategies**
 - Modernize existing bus/rail
 - Micromobility network
- **Least Popular Strategies**
 - Lower speed limits for safety
 - Free shared bike and scooter service



Project Performance Assessment Results Will be Leveraged for Project Next Steps

Draft Blueprint

Will include:

- All committed transportation projects
- A fiscally-constrained subset of the Project Performance Assessment projects that:
 - Align with the Blueprint strategies
 - Performed well in the performance assessment
 - Are network improvements, advance equity, or reduce VMT (GHGs)

Final Blueprint

A share of Trade-off revenues will be set aside for the Final Blueprint.

Will incorporate:

- Projects that align with the Blueprint strategies and that commit to performance mitigations, and are network improvements, advance equity, or reduce VMT (GHGs)
- All other CTA priorities

From Compelling Case to Collaborative Space

What issues are causing projects to underperform:

- **Inequities** - project benefits skew through higher-income demographics
- **Increased GHG** - project leads to greater GHG and/or VMT
- **High costs** - project's costs are well in excess of project's benefits
- **Safety** - project leads to greater fatalities or injuries than baseline
- **Displacement** - project may displace homes or businesses

What mitigation actions can address these performance shortcomings:

- Through a revision of project scope, or...
- Through a new project- or local-level mitigation, or...
- Through support for a new regional mitigation strategy

What's Next?

January 2020

Answer key transportation questions in advance of the February committee meeting.

- Are these the right strategies to include in the Transportation element of the Plan Blueprint?
- How might we weave equity more substantially into the strategies?
- How might we fund these efforts?

February 2020

Finalize the strategies to test in the Draft Blueprint.

- At the February committee meeting, staff will present the full package of strategies proposed for the Draft Blueprint *Basic* and Draft Blueprint *Plus*.

Spring 2020

Share feedback on the Draft Blueprint results.

- Staff will present on the regional outcomes resulting from the Draft Blueprint *Basic* and Draft Blueprint *Plus* at committees and public workshops in spring 2020.
- Further refinements to all strategies can be made at this time in advance of the Final Blueprint, including integrating CTA's project priorities.