

Metropolitan Transportation Commission Programming and Allocations Committee

March 11, 2020

Agenda Item 3a.ii.

MTC Resolution No. 4411.

Regional Measure 3: Goods Movement and Mitigation Programming

Subject: Regional Measure 3 (RM3) project programming 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.

Staff proposes a framework for the Goods Movement and Mitigation programmatic category. Programming action is required to address upcoming competitive funding rounds and to address immediate cost increases. 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. Staff intends to return to this committee to discuss framework options and program projects for other programmatic categories in the future, via amendment to MTC Resolution No. 4411.

Goods Movement and Mitigation (RM3 Project 3)

RM3 includes \$160 million in toll funds to "reduce truck traffic congestion and mitigate its environmental effects." As identified in statute, MTC staff consulted and coordinated with the Alameda County Transportation Commission (ACTC) to identify a framework for programming these funds. ACTC is expected to adopt the same framework at its meeting on March 26. Staff will also share the recommendations with the regional Goods Movement Executive Team on March 24, and expects future opportunities to re-evaluate the framework over time, as necessary.

Proposed Goods Movement Programming Framework

To align the RM3 programmatic category with MTC's Goods Movement Investment Strategy, MTC's Equity Platform, and with ACTC's Countywide Goods Movement Plan, staff proposes dividing the Goods Movement and Mitigation programmatic category as follows and illustrated on Chart 1 on the following page:

- 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, to be held in reserve until such time MTC and ACTC gather additional stakeholder input on goods movement project priorities.

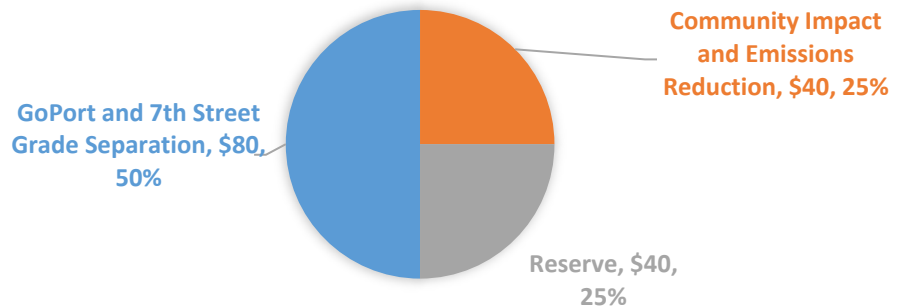


Chart 1. *RM3 Goods Movement Programmatic Category Proposal (\$M)*

7th Street Grade Separation Project


ACTC notified MTC of a substantial cost estimate increase on the 7th Street Grade Separation (East) project, and requests RM3 funds partially cover this shortfall. ACTC has applied for an Infrastructure for Rebuilding America (INFRA) program grant for the GoPort project. If awarded, the INFRA funds, rather than the RM3 funds, will cover the cost estimate increase.

Although RM3 funds are not available at this time, ACTC will request a Letter of No Prejudice (LONP) next month and intends to front local sales tax monies to award the 7th Street Grade Separation (East) project later this year, with a portion of sales tax monies paid back with RM3 funds subject to RM3 legal clearance and following an allocation by the Commission. Pursuant to RM3's Policies and Procedures (MTC Resolution No. 4404), adopted in December 2019, LONPs are only allowed for named RM3 projects, or for projects adopted by the sponsor of a programmatic category.

Recommendation: Refer MTC Resolution No. 4411 to the Commission for Approval.

Attachments:

1. MTC Resolution No. 4411
2. Presentation slides attached to item 3a.i


Therese W. McMillan

Date: March 25, 2020

Referred by: PAC

ABSTRACT

MTC Resolution No. 4411

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

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.

Date: March 25, 2020
W.I.:
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) is expected to adopt a program of projects consistent with the list below at its March 26, 2020 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	Other Rail Crossing Safety and Emissions Reduction Projects	\$40
Program Reserve	TBD	\$40
Total		\$160

*Alameda CTC has applied for an INFRA (Infrastructure for Rebuilding America) program grant for the GoPort project. If successful, the INFRA funds, rather than RM3 funds, will go toward the cost increase of the 7th Street Grade Separation East project.