

Regional Measure 3 Independent Oversight Committee

March 4, 2024

Agenda Item 5b

Background on Regional Measure 3 and Expenditures to Date

Subject:

Brief history of Regional Measure 3 (RM3) and overview of 2023 MTC Annual Report to the Legislature.

Background:

The attached 2023 RM3 Annual Report to the Legislature, submitted in December 2023, contains updates on the following:

- Toll Implementation
- Resolution of Litigation
- Revenue Collection and Escrow
- Independent Oversight Committee
- Update of Policies and Procedures
- Letters of No Prejudice (LONPs)
- Allocations and Expenditures to Date

Today's committee item includes updates to revenue collection and escrow and allocations and expenditures to date.

Revenue Collection and Escrow

Through December 31, 2023, RM3 has generated \$760,014,125. For the second quarter of this fiscal year—October 1 through December 31, 2023, RM3 generated \$51,487,668. Additionally, SHC Section 30914.7(c) provides that, to the extent that funds made available for the ferry component of the RM3 operating program are not requested for expenditure by the San Francisco Bay Area Water Emergency Transportation Authority (“WETA”) in a given year, the funds will be held in a reserve account, until such time that WETA requests these funds for an operating or capital purpose. As of December 31, 2023, the WETA Operating Reserve amount was approximately is \$70 million.

Allocations and Expenditures to Date

The 2023 Annual Report noted allocations and expenditures through November 2023. In the time between the submission of that report and the drafting of this memo, the Commission has approved

further capital allocations in December 2023, January 2024, and February 2024. Additional operating allocations were made in January and February 2024.

While the RM3 operating program tends to be allocated across limited actions per fiscal year, capital allocations are made on a rolling basis. Attachment B, Capital Allocations and Expenditures, provides an overview of the capital allocations made to date. Each listed RM3 project receives its own MTC allocating resolution, and some sub-projects also receive their own allocating resolution. To date, staff tends to propose all capital allocations for a given month as one item to the MTC Programming and Allocations Committee, which considers such items before referring to the Commission for approval. Attachment C, Index of Commission Allocation Actions, breaks down the Commission meetings featuring RM3 allocations by month, and includes links to where the staff reports and allocating resolutions can be viewed.

As of February 2024, the RM3 capital program has made a total of \$911.4 million in allocations, and \$93.8 million has been reimbursed to project sponsors. The RM3 operating program has made a total of \$30.7 million in allocations and has disbursed \$24.8 million to project sponsors.

Issues:

None.

Recommendation:

Information only.

Attachments:

- Attachment A: RM3 Annual Report to the Legislature 2023
- Attachment B: Capital Allocations and Expenditures
- Attachment C: Index of Commission Allocation Actions



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