

New Federal Surface Transportation Act Cycle 1 STP/CMAQ



**Metropolitan
Transportation
Commission**

**Minority Citizens Advisory Committee
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New Surface Transportation Act

- **SAFETEA expires on September 30, 2009**
- **New legislation approval expected within two years**
- **Pending new legislation, current programs will be extended**
 - Surface Transportation Program Funds (STP)
 - Congestion Mitigation Air Quality (CMAQ)
- **Regional Transportation Plan Transportation 2035 adopted last April**

Programming Considerations

- **Recent American Recovery and Reinvestment Act funding (ARRA)**
- **Transportation 2035 Core Programs**
- **Strategic programming to address unforeseen transportation needs**

Fund Estimate

- **Money available for programming (\$1.14 billion)**
 - STP/CMAQ assumed at 4% increase each year (\$1.03 billion)
 - ARRA Backfill (\$113 million)
 - 6 year period– two 3-year programming cycles
 - Cycle 1 to be approved by the Commission; remaining Cycle 2 will be addressed after the New Surface Transportation Act is enacted, in approximately two years

Programming Principles

- **Maintain critical on-going programs**
 - Pavement Technical Assistance Program, Federal-Aid secondary, Obligation authority payback Investments, Regional Programs (TransLink, 511, Freeway Service Patrol)
 - Advance to Cycle 1
- **Seize Opportunity to deliver system-wide improvements**
- **Fund core Transportation 2035 categories**
- **Direct some ARRA backfill capacity to strategic investments and regional commitments**

Proposed Program Summary

Programs	Committed ARRA Programming	ARRA Backfill & STP/ CMAQ Total
Annual Programs (less PTAP/FAS)		274
Freeway Performance Initiative	19	222
Climate Initiatives/Regional Bicycle/TLC	10	279
Rehabilitation Needs (incl. PTAP/FAS)	432	278
ARRA Strategic Investments	201	91
TOTAL	662	1144

Policy Issues

◆ Accelerate FPI ◆

- **Highly cost effective program, reducing congestion and air quality emissions**
- **Effectively manages costly highway capacity**
- **Advance program to have investments in place, meeting future traffic growth**
- **Tradeoff: partial delay of rehabilitation projects**
 - ARRA provided significant funding to rehabilitation needs
 - Gas tax subventions cut by State. Impacts are largely on staff costs and operations rather than rehabilitation projects
 - Transit vehicle replacement shortfalls take place during Cycle 2

◆ Spread out the Climate Initiative Program ◆ Funding Commitment

- **Transportation 2035 earmarks \$400M assuming front loading the campaign in the initial 5 years.**
 - Would use 30% of funding capacity, leaving fewer resources for other programs
- **Recommended programming approach**
 - More gradual ramping up or the Climate Initiative campaign to better address all around needs.

◆Project Delivery ◆

- **Economic crisis is straining ability of project sponsors to maintain current staffing levels**
- **Sequencing of funding commitments should reflect the ability of projects to be delivered**
- **Climate Initiative Program is new and will need time to ramp up**

◆ Direct ARRA Backfill Funds to Strategic Investments ◆

- While supporting Transportation 2035 core programs, programming should also be strategic, responding to opportunities and unforeseen needs
- Examples include critical projects that might be postponed during budget crises
- Address important and pressing transportation problems in the Bay Area consistent with broader T2035 objectives

◆ Priority Development Area Priorities ◆

- **Alignment of programming transportation investments and “focused growth” land use principles**
- **As part of ARRA program adoption, the Commission directed staff to begin developing a priority development area (PDA) investment strategy in advance of a completed Authorization.**
- **Project selection to be dependent on its location in a planned or proposed PDA and based on proposed development intensity.**
 - Transportation for Livable Communities, Climate Change
 - Current transit; and streets & roads rehabilitation distribution formula policies align with PDAs

Program Administration

- **MTC proposes to administer programs with a regional scope or with “network” impacts**
- **Congestion management agencies would administer programs with a local/community focus.**
- **“PDA block grants”**
 - Flexibility to bundle funding programs to address strategic PDA project delivery
 - Goal is larger, multi-modal, and more effective projects

Schedule

- **Discussions with Advisors and the Partnership regarding draft investment proposal and policies during July**
- **Programming Allocations Committee review and Commission approval in September, or October if needed.**