

# MTC Planning Committee / Congestion Management Agency Discussion

**April 9, 2010**



# Agenda

- 1. Welcome and Introductions**  
Jim Spering, MTC Planning Committee Chair
- 2. Consent Calendar**
- 3. Planning Committee/Congestion Management Agency (CMA) Discussion**
  - a. Working Together in Challenging Times
    - CMA Presentations on Program Delivery Challenges (5 minutes/CMA)
    - Commissioners' Perspectives (15 minutes)
  - b. Transportation Funding Challenges & Opportunities (30 minutes)
  - c. CMA Engagement in Sub-Regional Planning for Next Regional Transportation Plan/Sustainable Communities Strategy (15 minutes)
  - d. Ongoing MTC/CMA Engagement (15 minutes)



**Agenda Item #3a:**  
**Working Together in Challenging Times**

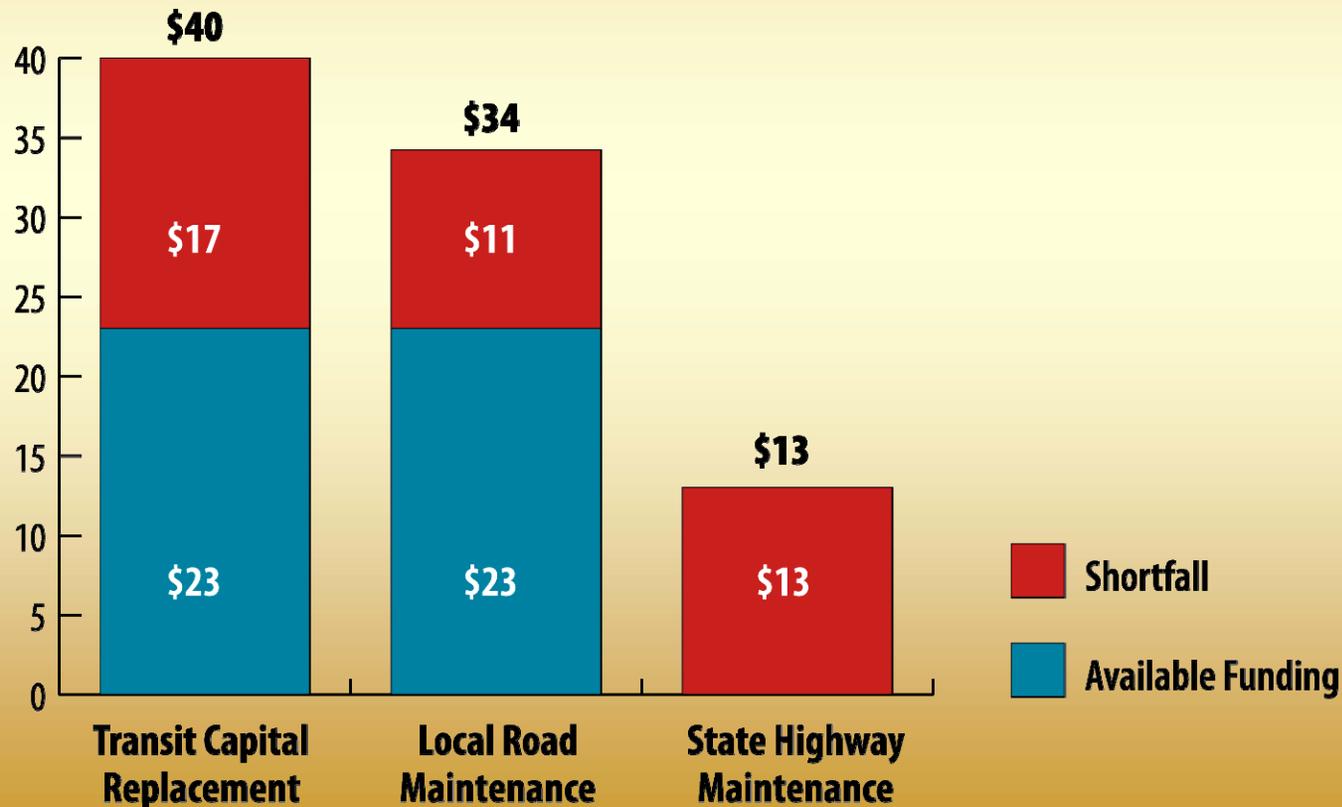


**Agenda Item #3b:**  
**Transportation Funding  
Challenges & Opportunities**



# Looking Forward - Needs Outpace Revenues

## Transportation 2035 (25-Year) Maintenance Needs, Funding, Shortfalls (In billions of escalated dollars)

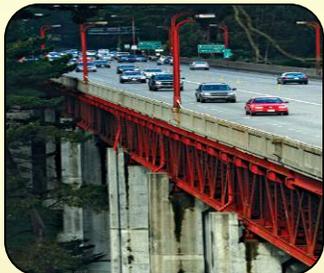


# Mixed Results From New Revenues



- **Big Gain:  
American Recovery and Reinvestment Act**

- \$663 million in regional ARRA funds
- \$267 million in state ARRA funds



- **Gains & Losses:  
State Transportation Funding**

- State Transportation Improvement Program (STIP) and Local Streets/Roads – expect modest gain
- State Highway Operation and Protection Program (SHOPP) likely held steady
- State Transit Assistance had small gain, more predictable, but still subject to potential legislative change
- Potential for Spillover windfall lost but was uncertain at best



# Regional Approach



- **System Efficiency**
  - Freeway Performance Initiative
  - Transit Sustainability Project



- **Performance**
  - Transportation 2035 Plan Scenario and Project Performance Assessments
  - Countywide Plan Project Evaluations
  - Climate Initiatives Program Evaluation



- **New Revenues**



# Regional Gas Fee: 2010 Senate Majority Proposal



- **Legislation proposed by Senator Steinberg (as part of the gas tax swap proposal) would have authorized metropolitan planning organizations to place on the ballot a motor vehicle fuel mitigation fee.**



- **Timing – Placed on ballot after adoption of Sustainable Communities Strategy: 2014 would be earliest election year for Bay Area.**



- **Project eligibility – As a “mitigation fee,” funds were restricted to projects that reduce air pollutants and greenhouse gas emissions.**
- **Only bicycle, pedestrian and public transit projects were specified as eligible expenditures.**



# Revenue Potential & Political Prospects



- **A 10-cent per gallon fee on gasoline generates approximately \$300 million per year for the nine-county region**

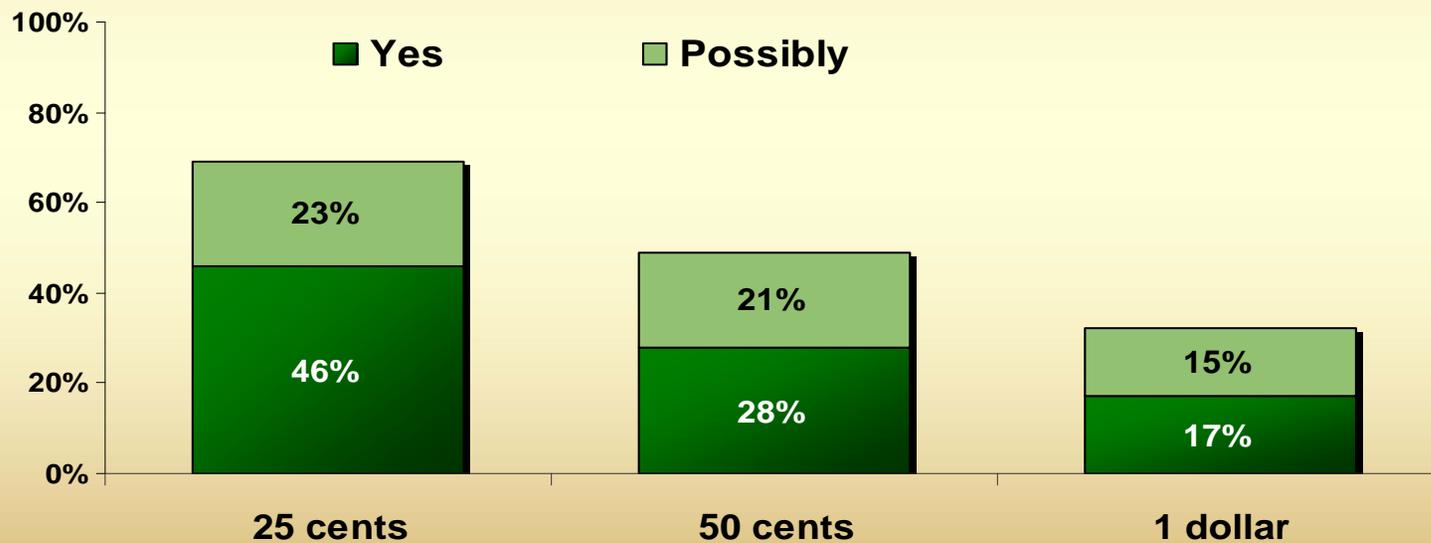


- **Requires a simple majority vote**
- **Prospects for success?**



# Willingness to Pay to Reduce GHGs

In 2007, prior to recession, 69% of Bay Area residents would consider paying 25 cents more for a gallon of gasoline if used to limit or reduce global warming

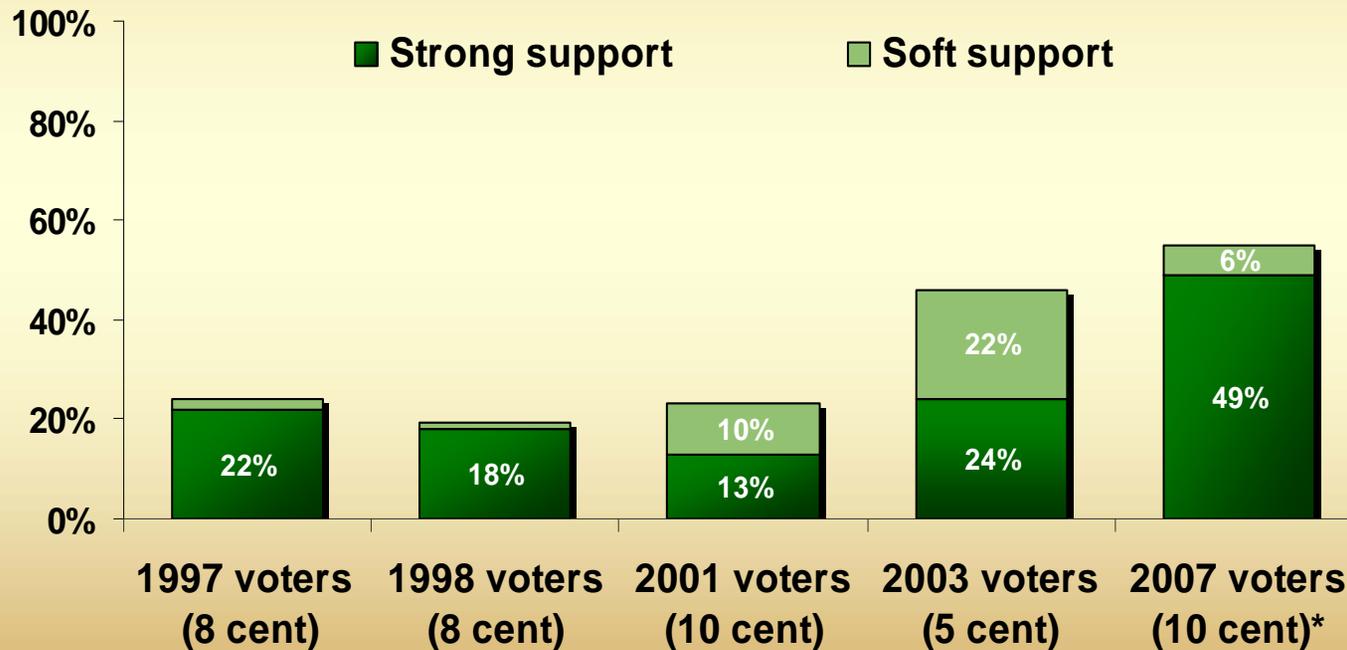


Source: MTC, BW Research (2007)



# Historical Support for a Regional Gas Tax

**Polling appears to show a growing receptivity to a regional fee on gasoline, depending upon the use of the proceeds**



Source: Bay Area Council / TALC

Please note that the amounts tested, the sampling methodologies, starting amounts, and justification for the tax increase were not consistent between surveys



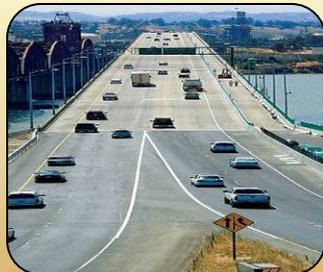
# Key Regional Policy Issues for Regional Gas Fee



- How would the expenditure plan be developed?
- What role would CMAs and transit agencies play?



- How would this process be linked to the RTP/SCS development?



- What types of projects should be eligible for funding?
- What role should performance measures play in expenditure plan development?



# A Regional Advocacy Strategy



- Given the revenue potential of this option, MTC supported a regional gas fee as a key element of the gas tax swap.



- Do CMAs support this authority as originally conceived?

- If not, what are the main areas of disagreement?



- Is there support for encouraging the Legislature to reintroduce the concept this year?

- If so, what are the next steps for a regional advocacy strategy?



# Vehicle Registration Fees (SB 83, Hancock)



- **Could generate \$61 million if imposed in all 9 counties.**



- **How far along are CMAs in developing expenditure plans?**

- **Are performance measures being used to pick projects and evaluate outcomes?**



- **Are the expenditure plans consistent with *Transportation 2035* Priorities?**

- **MTC supported this legislation. Can it provide any other assistance in implementation?**



# Federal Authorization vs. Jobs Bill



- **Where should we (MTC and CMAs) be focusing our advocacy efforts in Washington, D.C.?**
- **Recent Senate climate change proposal includes carbon tax on transportation fuels with potential for revenue to benefit Highway Trust Fund.**
- **How do we prioritize our efforts between support for a long-term bill (not likely to happen until mid-2011) versus support for one-time stimulus funds that would likely come with strict expenditure requirements (e.g. 90 days to award)?**



## Agenda Item #3c:

CMA Engagement in Sub-Regional Planning  
for Next Regional Transportation Plan/  
Sustainable Communities Strategy



# SB 375 Basics



- **Uses the regional transportation planning process to help achieve reductions in GHG emissions consistent with AB 32**
  - Directs CARB to develop passenger vehicle GHG reduction targets for CA's 18 MPOs for 2020 and 2035
  - Adds Sustainable Community Strategy as new element to Regional Transportation Plans
- **Provides CEQA incentives to encourage projects that are consistent with a regional plan that achieves GHG emission reductions**
- **Coordinates the regional housing needs allocation process with the regional transportation process while maintaining local authority over land use decisions**



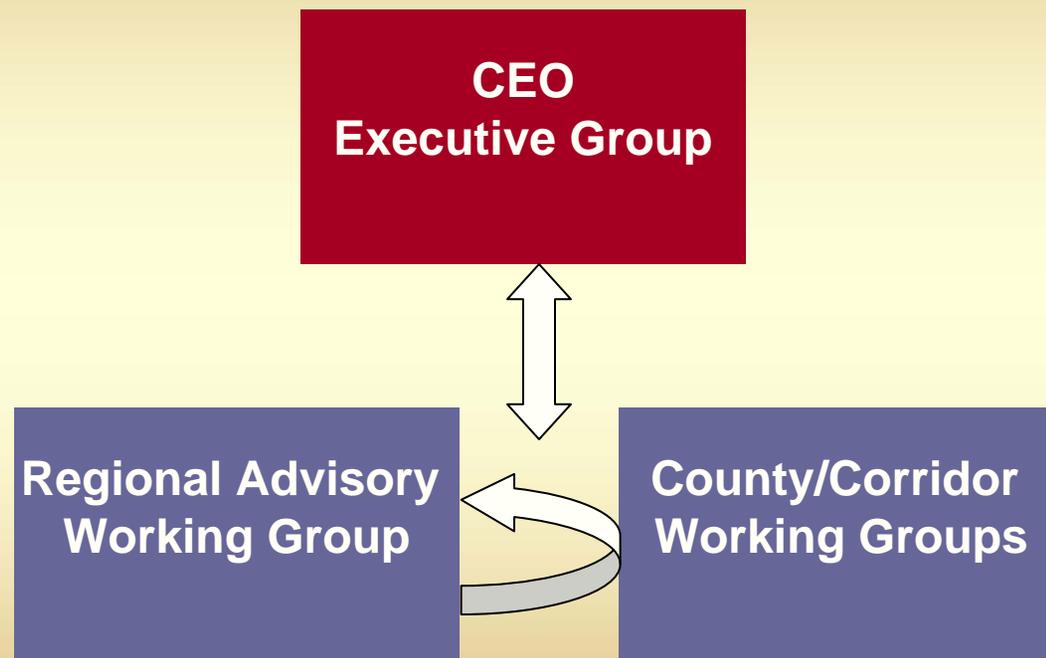
# Greater Collaboration



- **Developing SCS requires working together, greater collaboration among local, regional, and state agencies**
- **MTC and CMA traditionally take lead role in defining transportation policies and investments**
- **What role should CMAs have in the SCS effort (which includes housing allocations)?**
- **San Mateo C/CAG and local jurisdictions successfully collaborated on last Regional Housing Need Allocation (RHNA)**
- **Do other CMAs wish to follow San Mateo's approach or work at sub-regional level across county boundaries?**



# CMA Engagement in RTP/SCS



**Agenda Item #3d:**  
**Ongoing MTC/CMA Engagement**



# Key Discussion Points & Next Steps

- **Summary of Key Discussion Points & Next Steps - Jim Spering**
- **MTC commitment to host annual joint meetings**

