



METROPOLITAN  
TRANSPORTATION  
COMMISSION

**Agenda Item 7**

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***Memorandum***

TO: Policy Advisory Council

DATE: February 1, 2012

FR: Lisa Klein and Dave Vautin

RE: Guidance for Applying Project Performance Assessment to the Investment Strategy

This memorandum proposes guidelines for applying the results of the Project Performance Assessment to help inform the selection of projects for inclusion in the investment strategy in the preferred Sustainable Communities Strategy (SCS). Staff is in the process of reviewing these guidelines with members of the Partnership as well as with this Council. We will summarize your comments and ask the MTC Planning Committee/ABAG Administrative Committee to approve the guidelines at their joint meeting on February 17.

**Background**

All non-committed projects, as defined by the Commission in its Committed Funds and Projects Policy for Plan Bay Area (Resolution No. 4006) adopted in April 2011, are subject to the performance assessment. "Committed" projects are projects that have received environmental clearance and have full funding plans; all other projects are non-committed. Our intent is to assess the degree to which potential transportation projects and programs: (1) advance the ten performance targets adopted by MTC and ABAG in January 2011 (Resolution No. 3987) and (2) are cost-effective. The performance assessment allows comparison of projects on a consistent qualitative and quantitative basis to the extent possible and practical.

Staff released draft performance assessment results at the November 4, 2011 Planning Committee meeting. In January of this year, staff released revised results, which reflect updated assessment results for a number of projects in response to comments received from Commissioners, project sponsors, CMAs and other stakeholders. The staff presentation to this Council on February 8<sup>th</sup> will include a summary of the major revisions. In the interim, the revised results are posted on the Plan Bay Area web site at [http://www.onebayarea.org/plan\\_bay\\_area/transportation.htm](http://www.onebayarea.org/plan_bay_area/transportation.htm).

**Proposed Guidelines for Applying Results**

In March/April 2012, MTC and ABAG staff will recommend a preferred SCS that will include a preferred land use and transportation investment strategy. The Commission will use its policy discretion along with the performance assessment results to decide which projects and programs to include in the investment strategy. To this end, MTC staff proposes the following guidelines:

1. The analysis results should be used to identify outliers at both ends of the spectrum – the highest and lowest performing projects, as shown in Attachment 1 and described below.
2. The highest performing projects should be included in the preferred investment strategy subject to analysis of financial feasibility. The highest performing projects include those with:
  - High benefit-cost ratio ( $\geq 10$ ) and at least a moderate target score ( $\geq 2$ ); or

- High target score ( $\geq 6$ ) and at least a moderate benefit-cost ratio ( $\geq 5$ )
3. The lowest performing projects should be included only if the sponsor or CMA can make a compelling case. The lowest performing projects include those with:
    - Low benefit-cost ratio ( $< 1$ ), regardless of target score; or
    - Low target score ( $< -1$ ), regardless of benefit-cost ratio
  4. A county congestion management agency (CMA) and/or project sponsor must **make a compelling case in writing by February 29, 2012** and may be asked to present the case at the March 9 Planning Committee meeting.

A case may be made to include the project in the preferred SCS's transportation investment plan if the project falls under one of the categories listed below. The first category considers projects with benefits not fully captured in the regional travel forecast model. The second category considers projects that address federal requirements.

<b>Category 1: Benefits not Captured by the Travel Model</b>	<b>Category 2: Federal Requirements</b>
a) interregional or recreational corridor b) provides access to international airports c) project benefits accrue from reductions in weaving, transit vehicle crowding or other travel behaviors not well represented in the travel model	a) cost-effective means of reducing CO <sub>2</sub> , PM, or ozone precursor emission (on cost per ton basis) b) provides transportation mobility for communities of concern

### Next Steps

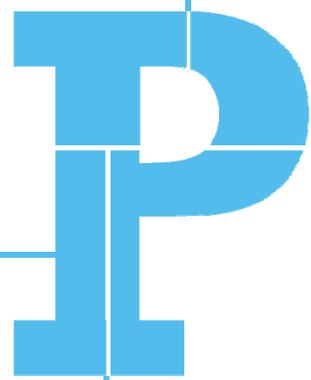
Based on direction from the MTC Planning Committee/ABAG Administrative Committee at their joint meeting in February, MTC staff will notify CMAs and sponsors of these guidelines. MTC staff will continue to work with CMAs and transit operators to fund the highest performing projects in the draft preferred investment strategy. Key, near-term milestones for Plan Bay Area include:

February 2012	<ul style="list-style-type: none"> <li>▪ Notify CMAs and project sponsors of the guidelines for applying the project performance assessment results</li> <li>▪ CMAs/sponsors submit compelling cases in writing by February 29</li> </ul>
March / April 2012	<ul style="list-style-type: none"> <li>▪ CMAs/sponsors present their cases at the March 9 joint MTC Planning Committee/ABAG Administrative Committee meeting</li> <li>▪ Release preliminary preferred scenario for Plan Bay Area (includes investment strategy)</li> <li>▪ <i>Release revised Draft Cycle 2 One Bay Area Grant proposal</i></li> </ul>
May 2012	<ul style="list-style-type: none"> <li>▪ <i>Commission Approves Cycle 2 One Bay Area Grant</i></li> <li>▪ MTC / ABAG approves preferred scenario for Plan Bay Area</li> </ul>

### Attachments:

#### 1. High and Low Performing Projects

J:\COMMITTEE\Policy Advisory Council\Meeting Packets\2012\02\_February\_2012\7a\_Plan Bay Area - Project Assessment.doc

The letter 'P' is rendered in a large, blue, blocky font. It is composed of several rectangular segments, with some segments being white and others blue, creating a grid-like or segmented appearance. The 'P' is positioned to the left of the main title.

# **BayArea** **Plan**

## **Proposed Guidance for Applying Project Performance Assessment to the Investment Strategy**

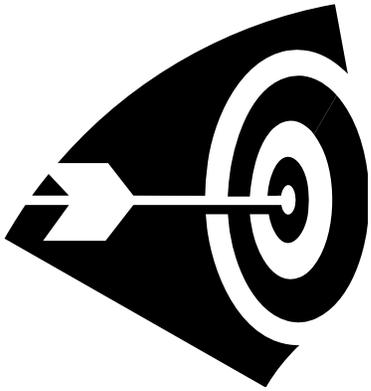
Policy Advisory Council  
February 8, 2012

# Project Performance Assessment

- Evaluate all non-committed projects
- Identify projects that stand out with respect to levels of target support and cost-effectiveness
- Establish a level playing field for project comparisons
- Build on approach from Transportation 2035 Plan

November 2011 – Draft Results  
January 2012 – Revised Results

# Two Types of Assessment



## TARGETS ASSESSMENT

*Determine impact on  
targets adopted by  
MTC and ABAG*



## BENEFIT-COST (B/C) ASSESSMENT

*Compare benefits & costs*

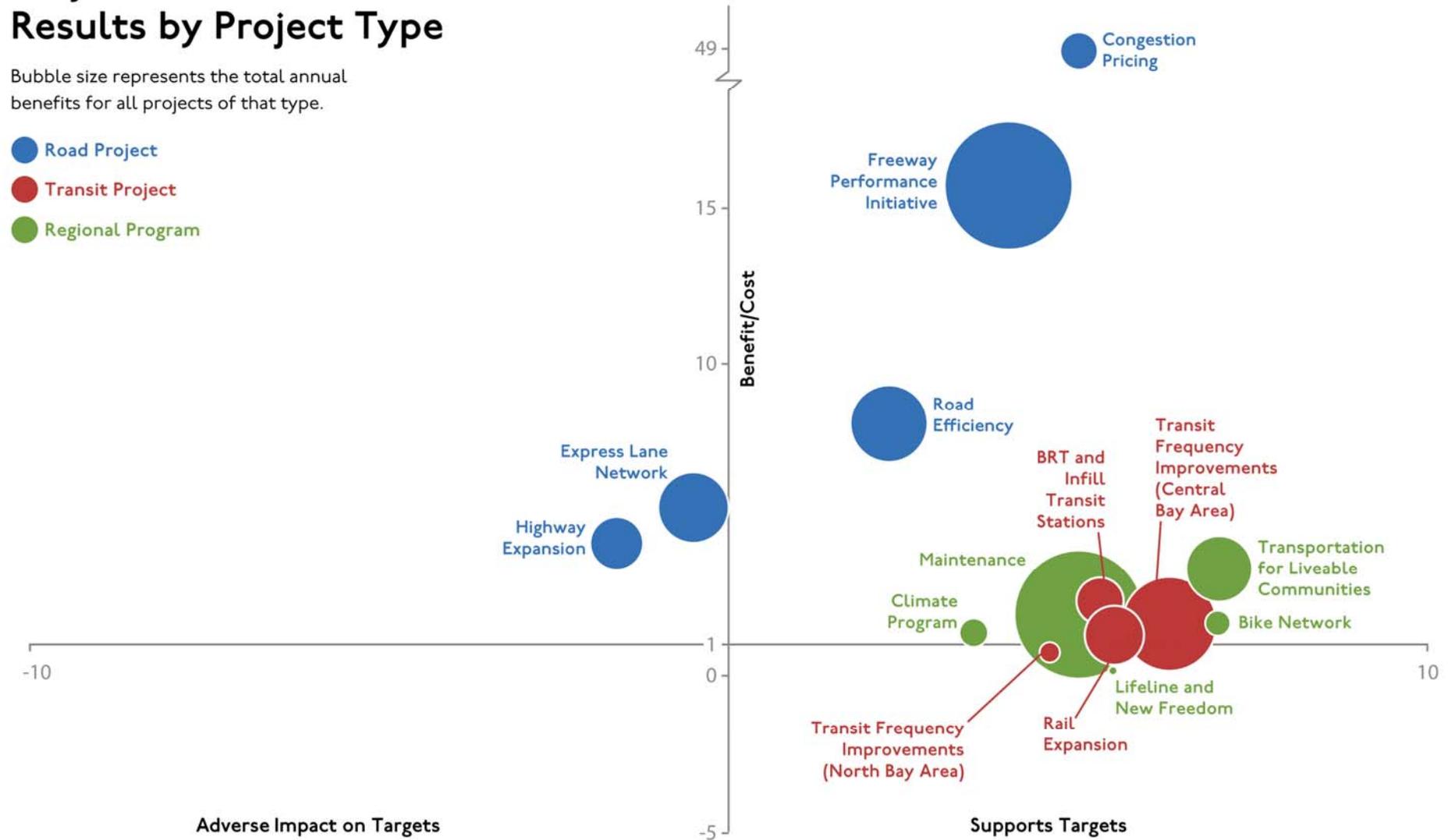
# Revisions to Project Performance Assessment

- **Modest effect on outlier projects (high/low performers) overall**
- **Changes**
  - **B/C RATIOS:** revised with updated costs or corrected estimate of benefits (9 projects)
  - **TARGETS SCORES:** revised based on better project definition or consistency with similar projects (12 projects)
  - **ADEQUATE HOUSING TARGET:** revised to address support for total housing growth potential and for affordable housing
  - **LOW-INCOME EXPENDITURES ON HOUSING & TRANSPORTATION TARGET:** revised to reflect the number of low-income transit riders served

# Project Performance Assessment: Results by Project Type

Bubble size represents the total annual benefits for all projects of that type.

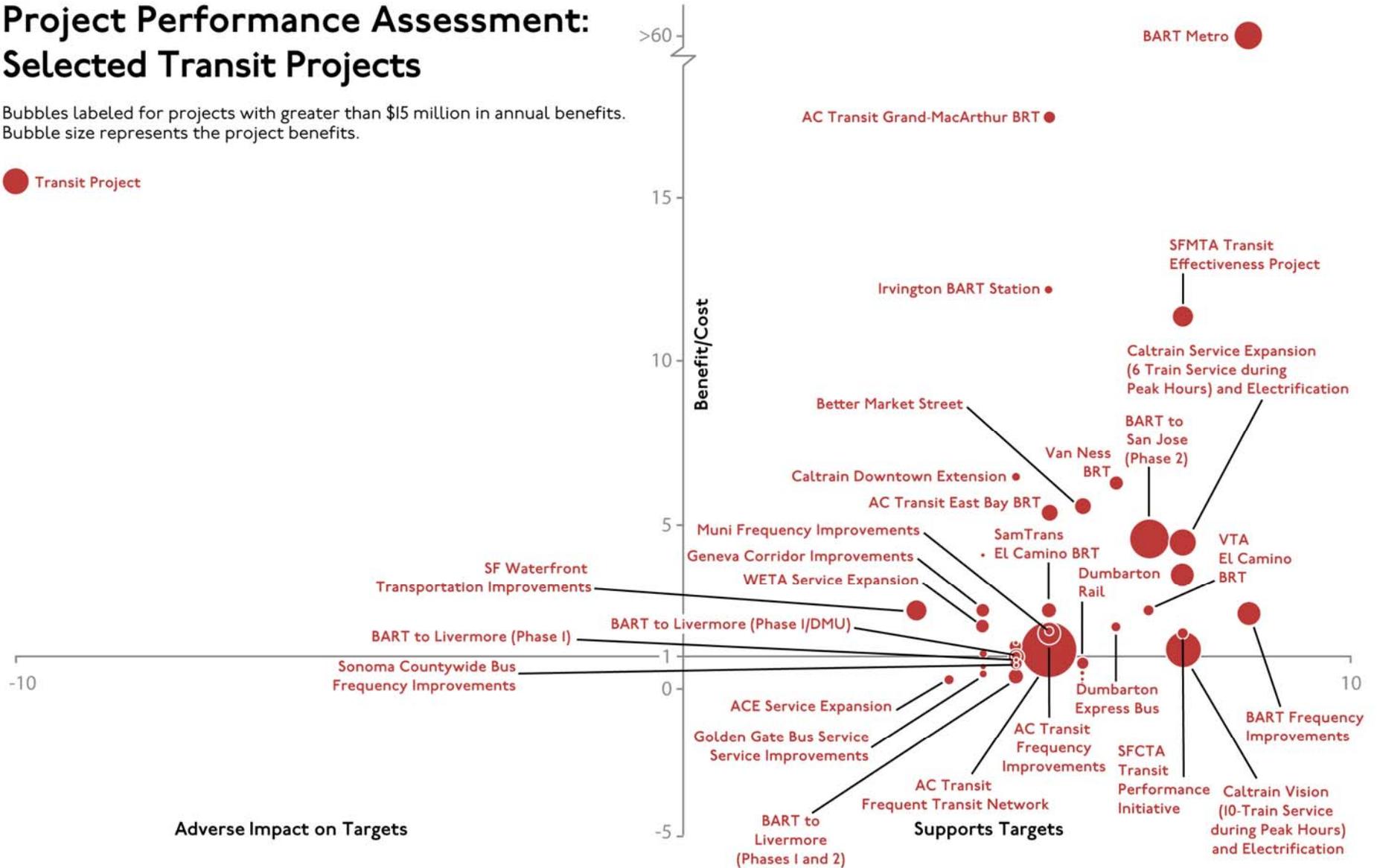
- Road Project
- Transit Project
- Regional Program



# Project Performance Assessment: Selected Transit Projects

Bubbles labeled for projects with greater than \$15 million in annual benefits. Bubble size represents the project benefits.

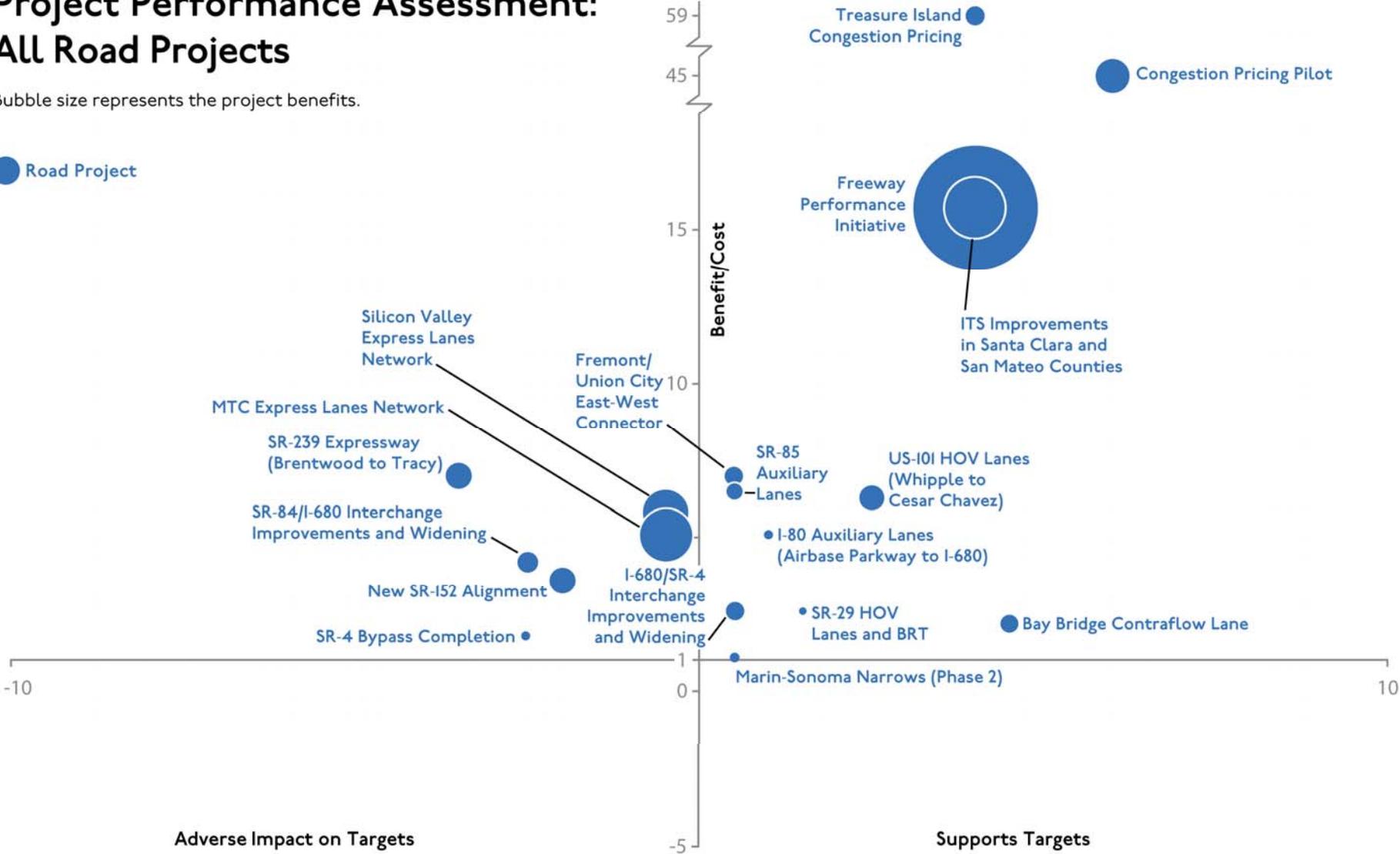
● Transit Project



# Project Performance Assessment: All Road Projects

Bubble size represents the project benefits.

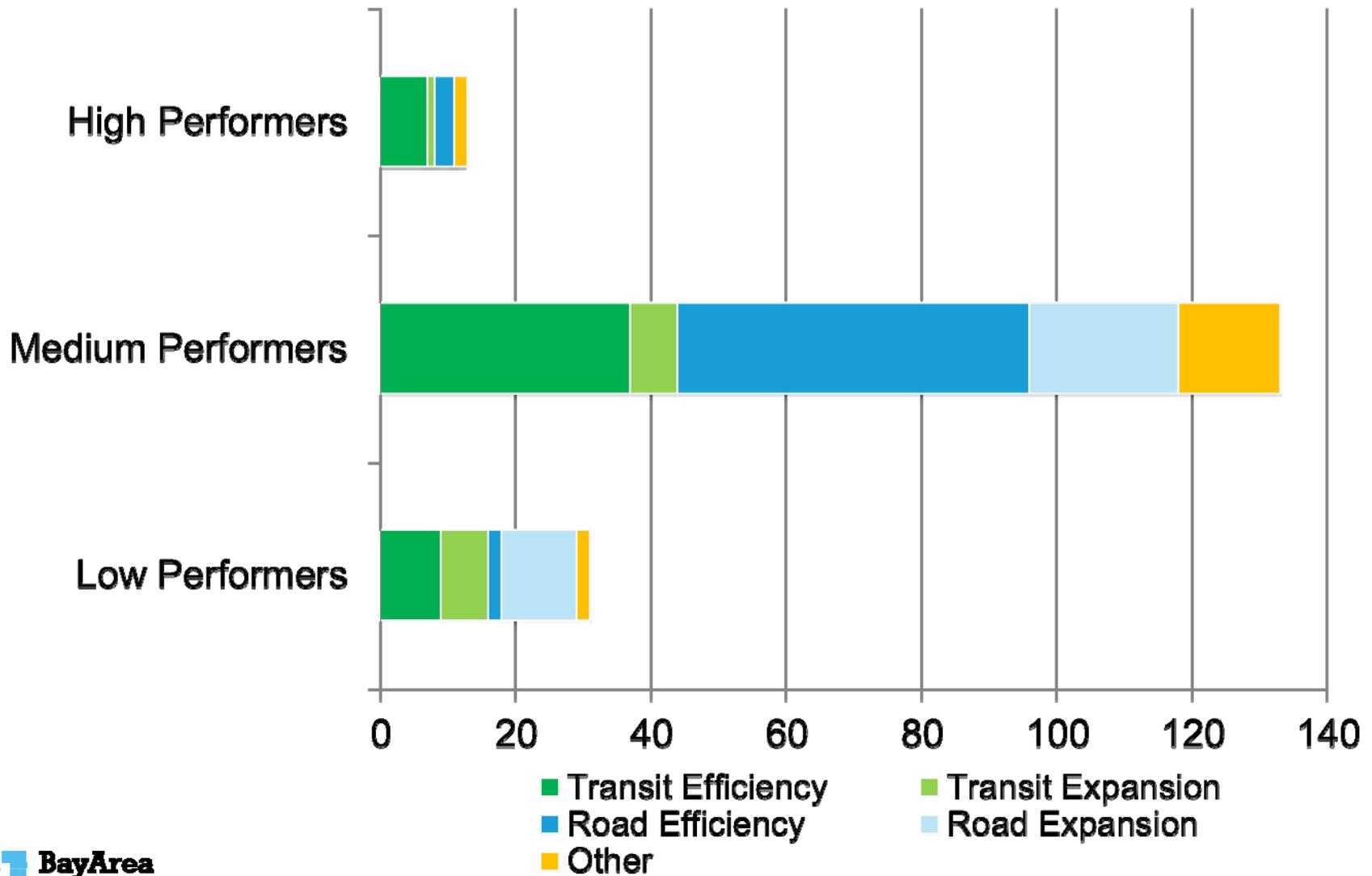
● Road Project



# Proposed Guidelines for Applying the Analysis Results

- 1. Project performance assessment results should be used to identify the highest and lowest performing projects**
- 2. The highest performing projects should be included in the preferred SCS investment strategy, subject to financial feasibility.**
  - High B/C ( $\geq 10$ ) and moderate target score ( $\geq 2$ ); or
  - High target score ( $\geq 6$ ) and moderate B/C ( $\geq 5$ )
- 3. The lowest performing projects should be considered if the sponsor or CMA can make a compelling case.**
  - Low B/C ( $< 1$ ), regardless of target score; or
  - Low target score ( $< -1$ ), regardless of B/C

# Project Performance by Type



# Proposed Guidelines, cont.

## 4. The compelling case may be made if the project falls into one of two categories:

Category 1: Benefits not Captured by the Travel Model	Category 2: Federal Requirements
a) interregional or recreational corridor b) provides access to international airports c) project benefits accrue from reductions in weaving, transit vehicle crowding or other travel behaviors not well represented in the travel model	a) cost-effective means of reducing CO <sub>2</sub> , PM, or ozone precursor emissions b) improves transportation mobility/reduces air toxics and PM emissions in communities of concern

**CMAs/sponsors should submit compelling cases in writing by February 29, 2012 and may be asked to present the case at the March 9 Planning Committee meeting.**

# Timeline

## February 2012

**MTC Planning Committee / ABAG Administrative Committee approval of guidelines for applying project assessment results**

**CMAs/sponsors submit compelling cases by February 29**

## March/April 2012

**Present compelling cases on March 9**

**MTC/ABAG release preliminary preferred scenario for Plan Bay Area**

## May 2012

**MTC/ABAG approve preferred scenario for Plan Bay Area**

RTPID	Project Name	County	B/C Ratio	Overall Targets Score	Project Capital Costs*	Project Description	
<b>HIGH-PERFORMING PROJECTS**: HIGH B/C (&gt;=10) and MODERATE Targets Score (&gt;=2) OR HIGH Targets Score (&gt;=6) and MODERATE B/C (between 5 and 10)</b>							
240182	BART Metro Program (including Bay Fair Connection & Civic Center Turnback)	Multi-County	>60	8.5	650	Increases the efficiency of BART in the urban core by constructing new turnbacks and providing new express train service.	HIGH B/C (>=10)
240694	Treasure Island Congestion Pricing	San Francisco	59	4.0	59	Charges a \$5 toll for residents to enter/exit Treasure Island during peak hours; net revenues designated for transit service.	
240522	Congestion Pricing Pilot	San Francisco	45	6.0	102	Charges a \$3 toll to enter/exit the northeast quadrant of San Francisco during peak hours; net revenues designated for transit service.	
22780	AC Transit Grand-MacArthur BRT	Alameda/ 3434	18	5.5	36	Constructs a BRT line along the Grand & MacArthur corridors in Oakland, providing faster service for AC Transit Line NR.	
230419	Freeway Performance Initiative	Regional	16	4.0	2,991	Maximizes the efficiency of the roadway network through arterial signal coordination and freeway ramp metering.	
22274	ITS Improvements in San Mateo County	#N/A	16	4.0	66	Maximizes the efficiency of the roadway network through arterial signal coordination and freeway ramp metering.	
240494	ITS Improvements in Santa Clara County	Santa Clara	16	4.0	320	Maximizes the efficiency of the roadway network through arterial signal coordination and freeway ramp metering.	
22062	Irvington BART Station	Alameda	12	5.5	123	Constructs a new infill BART station in the Irvington district of Fremont.	
240171	SFMTA Transit Effectiveness Project	San Francisco	11	7.5	157	Improves reliability and reduces travel times on key Muni bus corridors through signal prioritization and bus lanes.	
240134, 21627	Caltrain Service Frequency Improvements (6-Train Service during Peak Hours) + Electrification (SF to Tamien)	Multi-County	5	7.5	848	Electrifies the Caltrain line and purchases additional train vehicles to provide more frequent service during peak hours.	HIGH Targets (>=6) and MEDIUM-HIGH B/C (>=5)
240375	BART to San Jose/Santa Clara (Phase 2: Berryessa to Santa Clara)	Santa Clara/ 3434	5	7.0	4,094	Extends BART from the Phase 1 terminus in Berryessa (North San Jose) through a new BART subway to Santa Clara, via downtown San Jose.	
230161	Van Ness Avenue BRT	San Francisco/ 3434	6	6.5	140	Constructs a BRT line with dedicated lanes along the Van Ness corridor in San Francisco (from Lombard to Mission).	
240155	Better Market Street	San Francisco	6	6.0	200	Increases transit speeds along San Francisco's Market Street between the Embarcadero & Octavia by restricting auto traffic on the corridor.	

\* = shown in millions of 2013 dollars

\*\* = thresholds for high- and low-performers reflect staff proposals for February 2012 Planning Committee; refer to cover memo for more details.

RTPID	Project Name	County	B/C Ratio	Overall Targets Score	Project Capital Costs*	Project Description
<b>LOW-PERFORMING PROJECTS**: LOW B/C (&lt;1) OR LOW Targets Score (&lt;-1)</b>						
22415	Historic Streetcar Expansion Program	San Francisco	0.9	5.0	66	Expands streetcar service with the new Muni E-line, connecting Fort Mason to Caltrain.
240216	Dumbarton Rail	Multi-County/ 3434	0.8	6.0	755	Offers new rail service on the Dumbarton corridor between Union City & Redwood City.
240650	Sonoma Countywide Bus Service Frequency Improvements	Sonoma	0.8	5.0	428	Increases bus service frequencies in Sonoma County by 50%.
240589	EV Solar Installation [BAAQMD program]	Regional	0.8	1.0	25	Installs solar panels at electric vehicle charging stations to offset emissions.
240676, 240675, 240677	SMART (Phase 2: Extensions to Cloverdale & Larkspur + IOS Cost Deferrals)	Multi-County/ 3434	0.7	5.0	283	Constructs extensions to SMART's Initial Operating Segment, connecting Cloverdale to Larkspur and building deferred stations.
230252	Marin Countywide Bus Service Frequency Improvements	Marin	0.7	4.5	0	Increases bus service frequencies on higher-demand Marin Transit routes.
230219, 230314	Golden Gate Bus Service Frequency Improvements	Multi-County	0.5	4.5	143	Increases bus service frequencies on higher-demand Golden Gate bus routes.
22956	Capitol Expressway Light Rail Extension (Phase 2: to Eastridge Transit Center)	Santa Clara	0.5	6.0	276	Extends VTA light rail in East San Jose from Alum Rock to Eastridge Transit Center.
230547	Monterey Highway BRT	Santa Clara	0.4	5.5	140	Constructs a BRT line along Monterey Highway, connecting downtown San Jose to points south.
22667	BART to Livermore (Phases 1 & 2: Rail Extension)	Alameda	0.4	5.0	4,177	Extends BART from Dublin/Pleasanton to Vasco Road via downtown Livermore.
22019	Downtown East Valley (Phase 2: LRT)	Santa Clara/ 3434	0.3	6.0	307	Constructs a new light rail line along Santa Clara Avenue in San Jose, from downtown to Alum Rock.
98139	ACE Service Expansion	Multi-County/ 3434	0.3	4.0	600	Provides hourly bidirectional train service between Stockton and San Jose.
230554	Sunnyvale-Cupertino BRT	Santa Clara	0.2	5.0	100	Constructs a BRT line between Sunnyvale and Cupertino.
22978	Capitol Expressway Light Rail Extension (Phases 2 & 3: to Nieman)	Santa Clara	0.2	6.0	435	Extends VTA light rail in East San Jose from Alum Rock to Nieman Boulevard.
240690	Lifeline Transportation Program	Regional	0.1	6.0	n/a	Funds programs to address transportation gaps for low-income communities.
22009	Capitol Corridor Service Frequency Improvements (Oakland to San Jose)	Multi-County/ 3434	0.1	5.5	509	Doubles the frequency of Capitol Corridor service between Oakland and San Jose.
98119	Vasona Light Rail Extension (Phase 2)	Santa Clara	0.0	5.5	176	Extends VTA light rail from Campbell to Vasona Junction in Los Gatos.
230101	Union City Commuter Rail Station + Dumbarton Rail Segment G Improvements	Alameda/ 3434	0.0	5.0	180	Constructs a commuter rail station in Union City to serve Capitol Corridor & Dumbarton Rail.

LOW B/C (<1)

\* = shown in millions of 2013 dollars

\*\* = thresholds for high- and low-performers reflect staff proposals for February 2012 Planning Committee; refer to cover memo for more details.

RTPID	Project Name	County	B/C Ratio	Overall Targets Score	Project Capital Costs*	Project Description
<b>LOW-PERFORMING PROJECTS**: LOW B/C (&lt;1) OR LOW Targets Score (&lt;-1)</b>						
21998	SR-116 Widening & Rehabilitation (Elphick Road to Redwood Drive)	Sonoma	N/A	-1.5	90	Widens SR-116 in Sebastopol and Cotati to add turn lanes and shoulders.
230294	New SR-152 Alignment	Santa Clara	4	-2.0	776	Realigns SR-152 on a new, wider corridor east of Gilroy to accommodate greater traffic volumes.
21884	Petaluma Cross-Town Connector/Interchange	Sonoma	N/A	-2.0	62	Constructs a new interchange on US-101 in Petaluma and provides a new east-west arterial.
240062, 22776	SR-84/I-680 Interchange Improvements + SR-84 Widening (Jack London to I-680)	Alameda	4	-2.5	381	Builds aux lanes on I-680 and widens SR-84 from the I-680 interchange to Livermore.
22981	SR-4 Widening (Marsh Creek Road to San Joaquin County line)	Contra Costa	N/A	-2.5	110	Widens SR-4 to four lanes from Brentwood to the San Joaquin County line.
22605	SR-4 Bypass Completion (SR-160 to Walnut Avenue)	Contra Costa	2	-2.5	150	Constructs the remaining phases of the SR-4 Bypass freeway in Brentwood.
22207	Farmers Lane Extension (Bellevue Avenue to SR-12)	Sonoma	N/A	-2.5	54	Builds a new arterial roadway in southeastern Santa Rosa.
98133	Pacheco Boulevard Widening (Blum Road to Arthur Road)	Contra Costa	N/A	-3.0	52	Widens Pacheco Boulevard in Martinez to 4 lanes.
230477	SR-12 Widening (SR-29 to Sacramento County line)	Solano	N/A	-3.0	50	Widens SR-12 throughout Solano County to increase safety and provide additional capacity.
22400	SR-239 Expressway Construction (Brentwood to Tracy)	Contra Costa	7	-3.5	373	Constructs a new 4-lane expressway from SR-4 Bypass in Brentwood to I-205 in Tracy.
21714	US-101 Widening (Monterey Street to SR-129)	Santa Clara	N/A	-4.0	246	Widens US-101 south of Gilroy to 6 lanes to accommodate greater traffic volumes.
94050	SR-4 Upgrade to Full Freeway (Phase 2: Cummings Skyway to I-80)	Contra Costa	N/A	-4.5	78	Improves SR-4 between Hercules & Martinez by upgrading an expressway to freeway standards.
240053	Whipple Road Widening (Mission Boulevard to I-880)	Alameda	N/A	-5.0	100	Widens Whipple Road to 4 lanes between Union City and Hayward.

LOW Target Score (<-1)

\* = shown in millions of 2013 dollars

\*\* = thresholds for high- and low-performers reflect staff proposals for February 2012 Planning Committee; refer to cover memo for more details.