

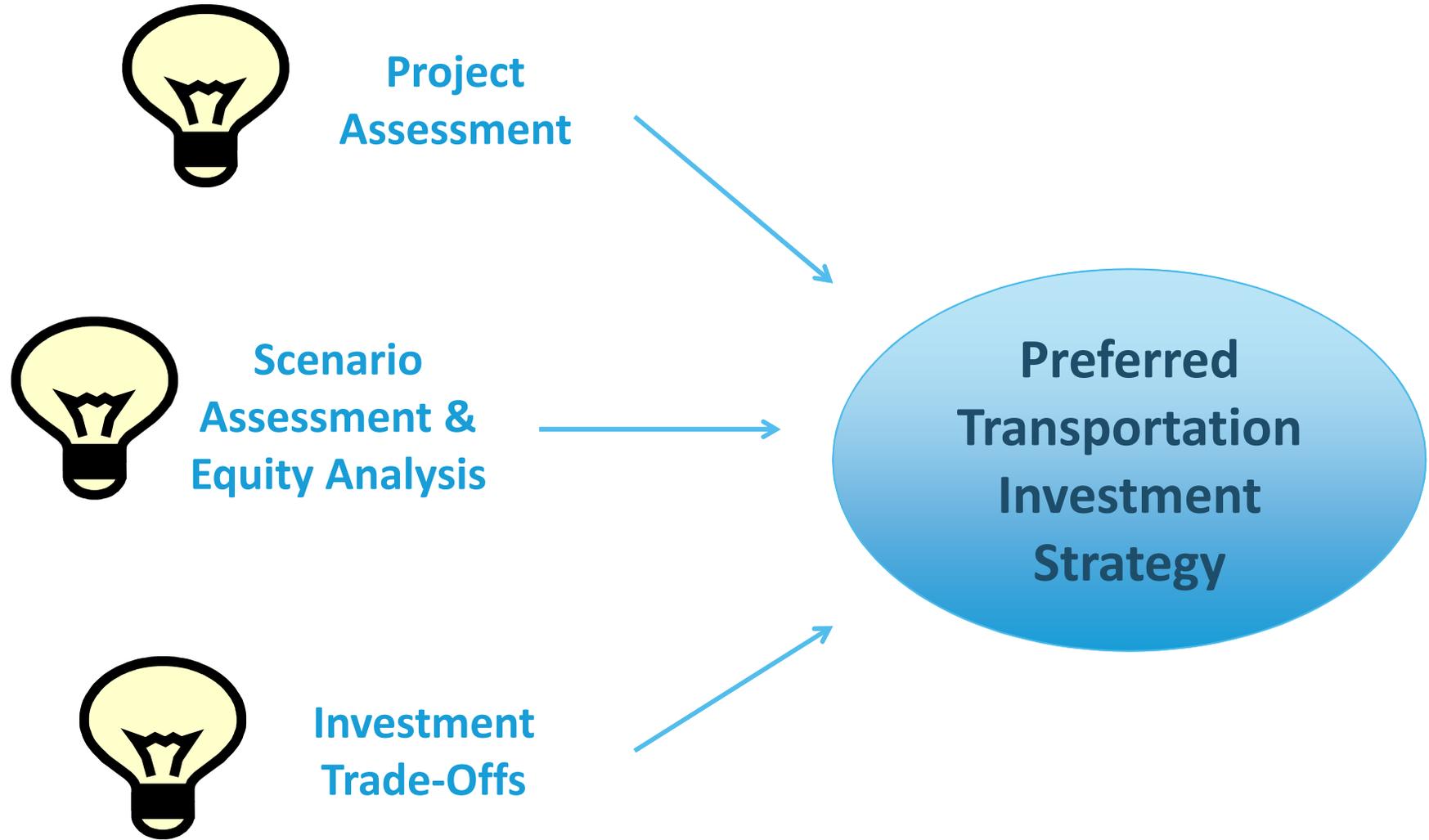


P1 Plan BayArea

Revised Project Performance Assessment Results - and - Proposed Guidance for Applying Assessment Results to the Transportation Investment Strategy

MTC Planning Committee & ABAG Administrative Committee
February 17, 2012 - Revised

The Big Picture

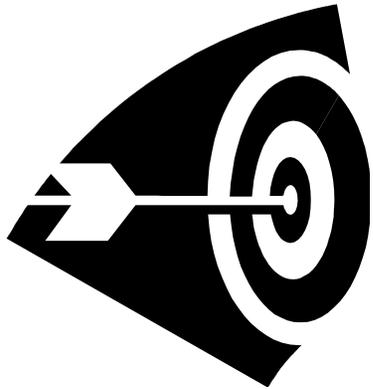


Project Performance Assessment

- Evaluate all non-committed projects
- Identify outlier projects 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



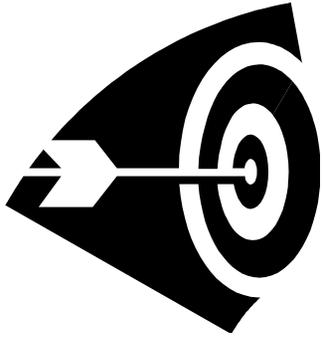
TARGETS ASSESSMENT

*Determine impact on
targets adopted by
MTC and ABAG*



BENEFIT-COST (B/C) ASSESSMENT

Compare benefits & costs



TARGETS

- **Targets adopted by MTC & ABAG**
- **Larger projects (cost >\$50 million) subject to individual assessment**
- **Smaller projects assessed by type**

Adopted Targets

1. CO₂ emissions reduction
2. Adequate housing
- 3 a. PM_{2.5} emissions reduction
b. PM₁₀ emissions reduction
c. PM emissions reduction in CARE communities
4. Injury and fatality collision reduction
5. Increase in minutes of active transportation (walking/biking)
6. Open space and agricultural preservation
7. Decrease in low-income expenditures on transportation
8. Economic vitality
- 9 a. Decrease in per-trip non-auto travel time or increase in non-auto mode share
b. VMT reduction
10. State of good repair



BENEFIT-COST

- Evaluate projects with cost > \$50 million or regional impacts
- Benefits based on MTC regional travel model
- Cost submitted by project sponsors
- Builds on T-2035 project evaluation approach

Benefits include:

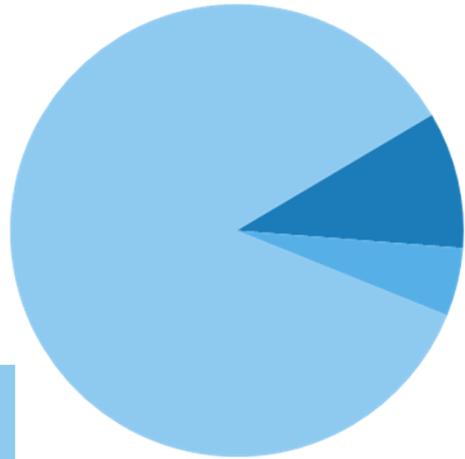
- Travel time
- Emissions (CO₂, PM_{2.5}, PM₁₀, ROG, NOx)
- Health costs due to level of physical activity
- Collisions causing injuries, fatalities, or property damage
- Direct user costs (vehicle operating/ownership)
- Noise

Costs include:

- Capital expenditures
- Net operating & maintenance expenditures

Projects Analyzed

**900 Projects Total
(\$180 billion)**



100 Large Projects (\$150 billion) B/C & Targets Assessment

- Transit Efficiency (40)
- Transit Expansion (20)
- Roadway Efficiency & Express Lanes (20)
- Roadway Expansion (10)
- Regional programs (10)

80 Other Large Projects (\$20 billion)

Targets Assessment Only

- Transit Efficiency, Station & Access (10)
- Roadway Efficiency - Interchanges & Other (35)
- Roadway Expansion (20)
- Maintenance, safety, other (10)
- Goods movement (5)

700 Small Projects (\$10 billion) Targets Only, by type

- Local roadway (230)
- Freeways (120)
- Transit (80)
- Bike/Pedestrian (110)
- Other (40)

Costs in 2013\$, approximate

Some projects were eventually bundled for analysis

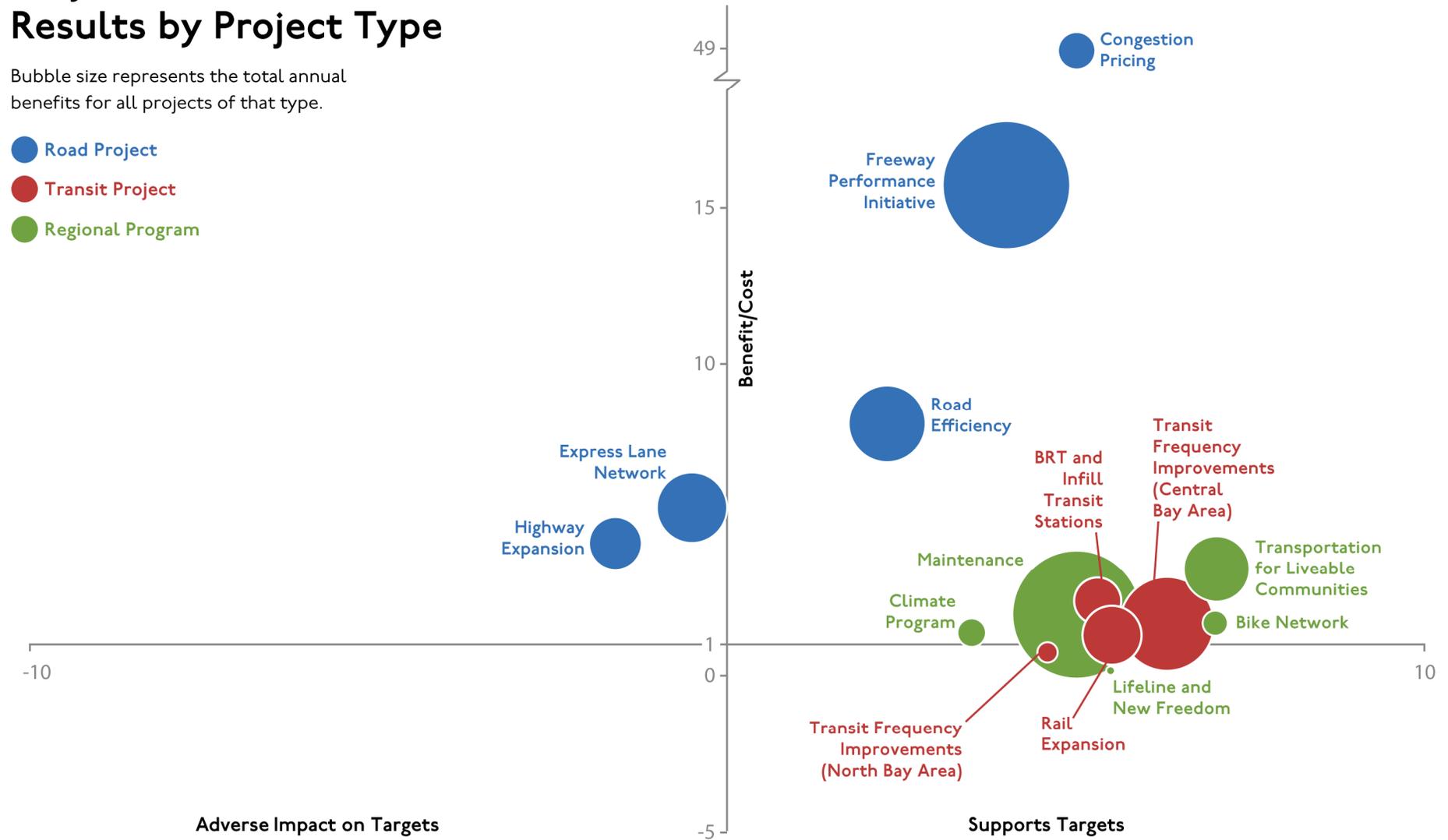
Revisions to Project Performance Assessment (since November draft release)

- 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.

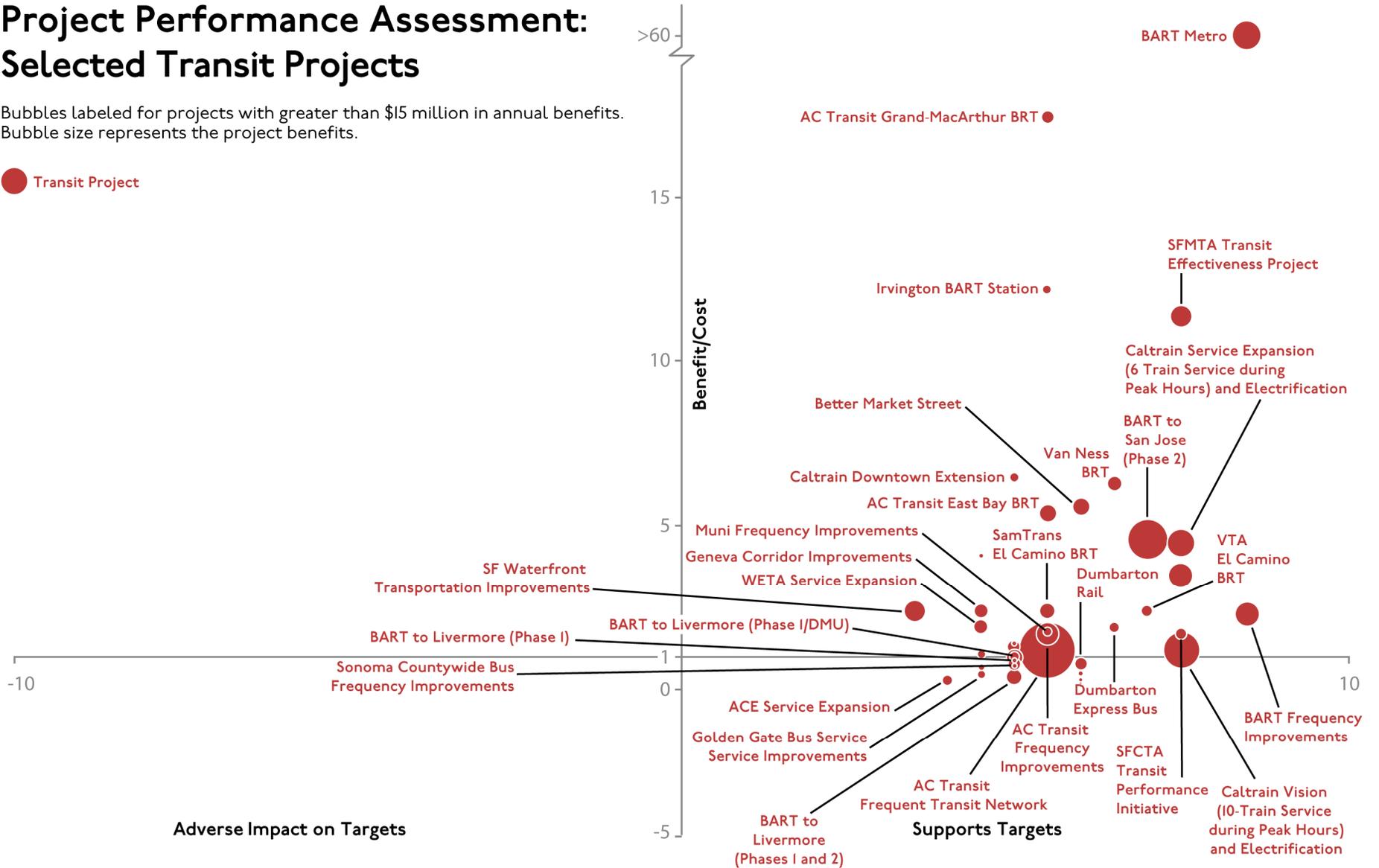
- Road Project
- Transit Project
- Regional Program



Project Performance Assessment: Selected Transit Projects

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

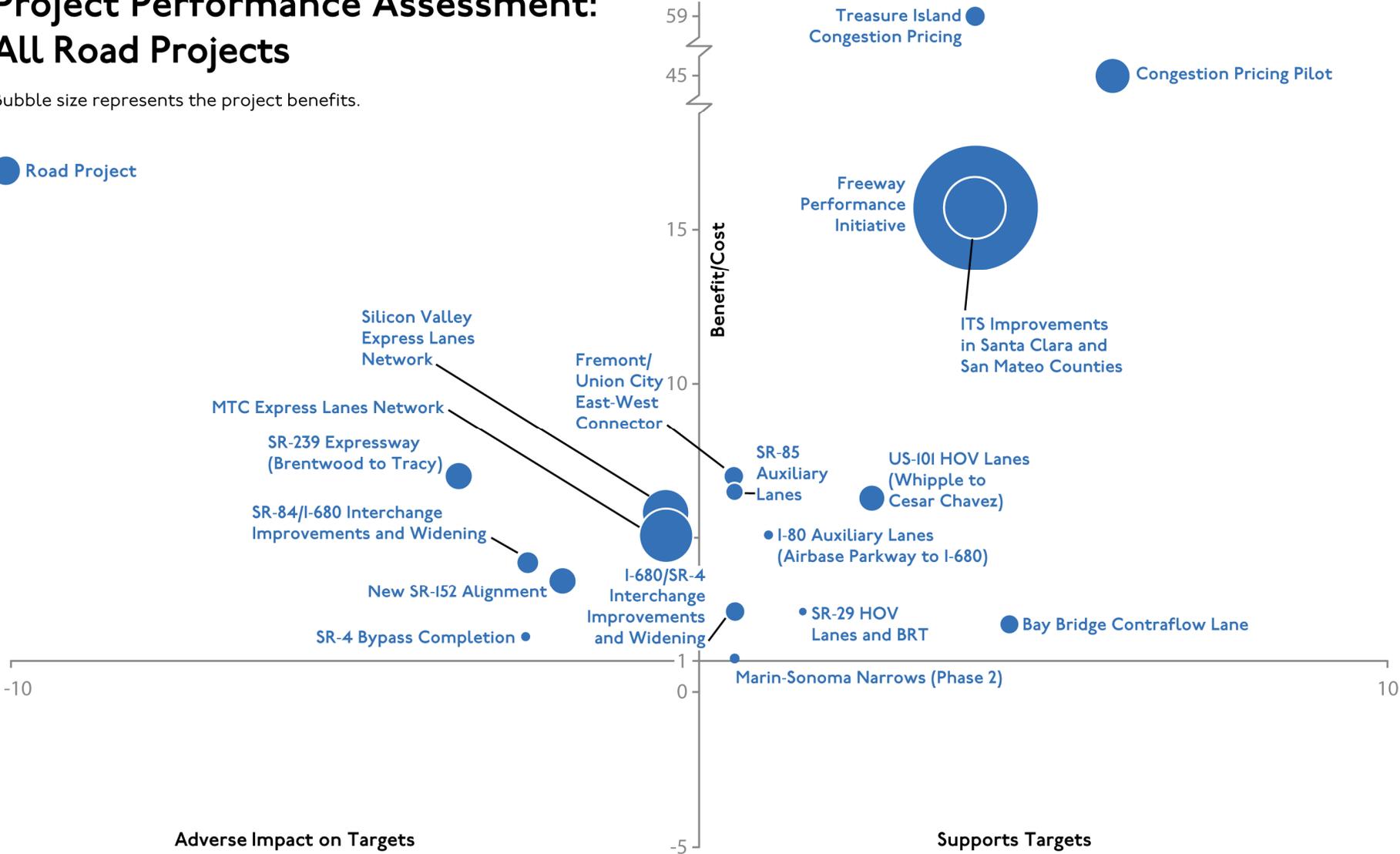
● Transit Project



Project Performance Assessment: All Road Projects

Bubble size represents the project benefits.

● Road Project



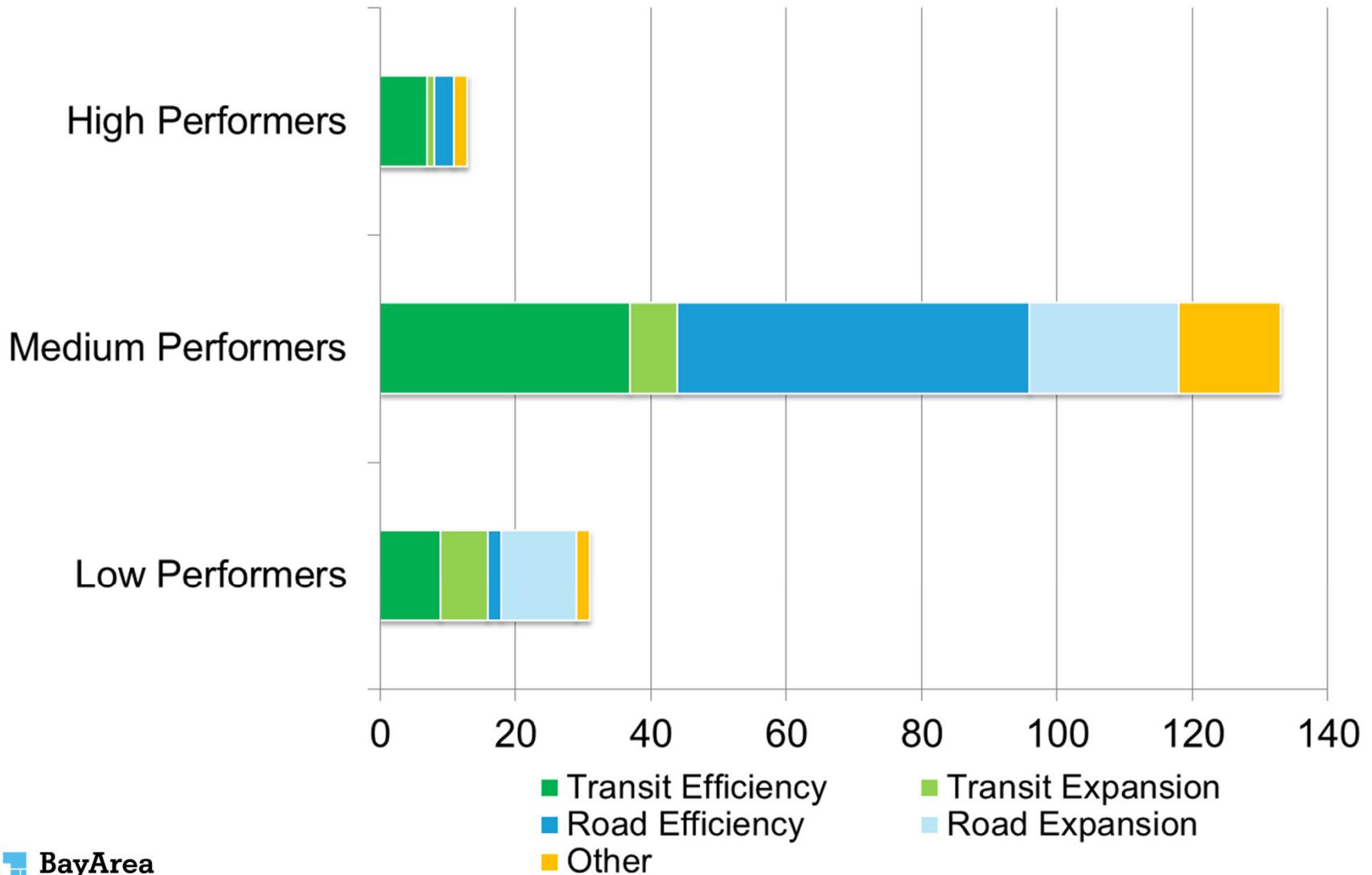
Top Observations - Summary

- 1. The best performers are pricing projects and transit and road efficiency projects in the central Bay Area.**
- 2. Transit expansion projects achieve the highest target ratings but many have benefit-cost less than 1.**
 - Results are mixed for projects included in Resolution No. 3434.
 - Many projects have high operating costs.
 - Many have significant benefits but also have very large costs.
- 3. Roadway expansion projects are rated medium for benefit-cost but rate lowest for targets.**

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 (≥ 10) and moderate target score (≥ 2); or
 - High target score (≥ 6) and moderate B/C (≥ 5)
3. The lowest performing projects may be considered if the sponsor or CMA can make a compelling case and the project has a realistic funding plan.
 - Low B/C (< 1), regardless of target score; or
 - Low target score (< -1), regardless of B/C

Project Performance by Type



Making a Compelling Case

A 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 ₂ , PM, or ozone precursor emissions b) improves transportation mobility/reduces air toxics and PM emissions in communities of concern

Responses to Other Suggested Criteria

Suggestion	Responses
1. Add criteria for projects included in Resolution 3434 or voter-approved measures (e.g., RM2, local sales tax).	This criterion conflicts with the Commission’s adopted policy defining “committed” projects, by which the Commission agreed these projects should be subject to evaluation.
2. For projects with low benefit-cost ratios, give greater emphasis to high targets scores.	Targets score should not override benefit-cost ratios, given the limited budget for transportation investments.
3. Add criteria to consider projects that provide access to jobs.	The benefit-cost ratio captures from improved access to jobs.

Responses to Other Suggested Criteria, cont.

Suggestion

Responses

- | | |
|--|--|
| 4. Under Category 1, Benefits not Captured by Model, acknowledge that model does not capture the cumulative impacts of a package of new projects to be implemented together. | Staff recommend this criteria be added to Category 1 to give consideration to projects that can demonstrate enhanced performance based on complementary new investments. |
| 5. Under Category 1, Benefits not Captured by Model, the model does not reflect changes in demand due to improvements to existing transit centers. | The model captures changes in ridership due to improvements to transfers at existing transit centers. |
| 6. Add criteria to consider projects that are in or seek to advance to the project development stage. | The compelling case criteria apply to construction and operation phases only. Project development and environmental stages may be included without a compelling case. |

Timeline

February 2012

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

CMAs/sponsors submit compelling cases for low-performing projects by February 29

March/April 2012

CMAs/sponsors present compelling cases at March 9 MTC Planning Committee / ABAG Administrative Committee

MTC/ABAG release preliminary preferred scenario for Plan Bay Area, including investment strategy

May 2012

MTC/ABAG approve preferred scenario for Plan Bay Area