



### Agenda Item #3

METROPOLITAN  
TRANSPORTATION  
COMMISSION

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## Memorandum

TO: Partnership Board

DATE: Oct. 20, 2006

FR: Alix Bockelman

RE: Proposition 1B: Schedule & Policy Issues

Proposition 1B, if approved by the voters in November, will set in motion a series of programming and policy development activities for the various competitive programs funded by the bond. This memo summarizes the schedule of these activities, noting where MTC will be responsible for establishing regional priorities or policy. The next memo provides more detail on the corridor mobility program.

### Outline of Transportation Bond and Schedule

The main program areas of the \$19.9 billion transportation bond are summarized below.

Category	Amount (in billions)
Corridor Mobility	\$4.5
Public Transportation Modernization & Improvement (STA Formula)	\$4.0
Trade Corridors	\$2.0
Local Roads	\$2.0
State Transportation Improvement Program	\$2.0
Air Quality	\$1.2
State-Local Partnership	\$1.0
State Route 99	\$1.0
Transit Security	\$1.0
Highway Repairs	\$0.5
Other	\$0.7
<b>TOTAL</b>	<b>\$19.9</b>

Within these programs, MTC estimates that the region would receive \$2 billion by statutory formula over 10 years:

- Transit Capital: \$1.3 billion
- Local Streets and Roads: \$375 million
- State Transportation Improvement Program (STIP): \$348 million

The Bay Area also can anticipate significant sums from other sources in the bond, such as the Corridor Mobility Improvement Account (CMIA), Trade Corridors, State-Local Partnership Program, and Transit Security, among other programs. As noted in prior memos to this committee, if we assume that the region will receive at least our population share of the competitive programs, we can anticipate another \$2.5 billion, for a grand total of \$4.5 billion.

### **Proposition 1B Implementation Schedule**

As noted at the outset, the timing of each of these programs will vary – with some having very tight statutory deadlines – and others on a slower pace given the need for trailer bills to be adopted before funds may be allocated. Generally, the timeline for making decisions will fall into three categories: 1) Near-Term – before mid-January 2007; 2) Medium-Term – Spring 2007; and 3) Longer-Term – January 2008 and beyond, following the enactment of trailer bills.

#### **Short-Term – Before Mid-January 2007**

- CMIA– Adopt regional priorities for submittal to CTC
- Trade Corridors
- Interregional Transportation Improvement Program (ITIP)

In the short-term, staff will work with Caltrans, the congestion management agencies, and trade interests to develop a program of projects for the CMIA and companion strategies and priorities for the Trade Corridor and ITIP programs. We will also seek input from our advisory committees. While the packaging of the priorities for these three programs should be closely coordinated and follow a similar timeframe because of the potential for project overlap, only the CMIA requires an MTC submittal of project candidates by January 15<sup>th</sup>.

***Corridor Mobility Improvement Account*** The CTC is required to adopt a CMIA program by March 1, 2007. Given the aggressive schedule for this program, the following will be scheduled:

- Guidelines will be recommended at MTC’s November meeting to be aligned with those adopted by the CTC on November 9<sup>th</sup>
- Project submittals will be due by sponsors in early December
- A draft list of project priorities will be released for comment at the MTC’s December meeting
- Adoption of a recommended project list will be considered at a special Commission meeting on January 10<sup>th</sup>

We will seek input on policies and project priorities from MTC’s advisory committees and partnering agencies during November and December.

***Trade Corridors Program*** The State Goods Movement Action Plan is supposed to be finalized by the Business, Transportation and Housing Agency by January 1<sup>st</sup> if it is to be considered by the CTC in the development of priorities for this \$2 billion program. Therefore, it seems prudent for the Bay Area to have a strategy and set of project

priorities for this program by early January – both to inform the CTC’s decision-making and to ensure that potential trade-related project candidates are best aligned within the respective bond categories. While clearly we will want to preserve flexibility to respond to any specific guidelines coming from the CTC, this “early look” should provide the region with a solid head start for the CTC’s trade project submittal schedule anticipated for Spring 2007.

***Interregional Transportation Improvement Program*** Similarly, the CTC will not formally consider ITIP bond priorities until Summer 2007, but the candidates for this program are likely to be similar to the CMIA program, so sketching these priorities now as part of a comprehensive package will help the CTC in their decision-making. Therefore, staff is recommending that a strategy that includes priorities for the ITIP and the Trade Corridor program accompany the CMIA program of projects this January.

**Medium-Term – Spring 2007**

- Regional Transportation Improvement Program (RTIP)
- State Transit Assistance (base policy plus capital bond funding)
- Local Intelligent Transportation System (ITS)

***Regional Transportation Improvement Program*** The next wave of policy development and priority setting will include the regional element of the STIP, the RTIP; transit priorities, and local ITS. Some RTIP priorities may be established in the first wave, where the RTIP is assumed to match CMIA projects. However, the remaining RTIP priorities – which could include transit investments – will be discussed in Spring 2007. The CTC has indicated that they may adopt the STIP component of the bond in Summer 2007.

***Transit Funding*** A major MTC initiative will be priority setting for the transit funding. These discussions will revisit MTC’s base State Transit Assistance (STA) policy, particularly in the area of paratransit needs, as well as the roughly \$1.3 billion in new bond funding (restricted to capital expenses) that will be distributed by STA formula. Within this amount, about \$350 million is anticipated to come directly to MTC from the population-based portion of the STA formula for priority setting with our partner agencies.

***Local Intelligent Transportation System*** The bond sets aside \$250 million to fund local ITS improvements, including traffic light synchronization projects or other technology-based improvements to safety, operations and effective capacity of local streets and roads. Caltrans is responsible for selecting these projects. This spring, MTC and other partner agencies will need to work with Caltrans to identify priority projects for ITS. These projects should be considered in the context of “smart” operational corridors and Freeway Performance Improvement Initiative.

***Long-Term – Following Enactment of Implementing Legislation***

- State-Local Partnership
- Transit Security

The final two program areas — State-Local Partnership and Transit Security — require significantly greater definition to be provided by follow-up legislation before they can be implemented. With regard to the State-Local Partnership program, MTC will work to ensure that the legislation rewards the substantial local investment made by local sales tax measures and bridge tolls in our region. With regard to Transit Security program, we will advocate for a risk-based approach to security funding rather than a geographic formula to ensure that funds are distributed in the most cost-effective manner.