



METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TDD/TTY 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

Memorandum

TO: Partnership Technical Advisory Committee

DATE: December 11, 2007

FR: Ashley Nguyen

W. I.

RE: Revisiting Prior Commitments for Transportation 2035 Plan

What Is a Prior Commitment?

The term “prior commitments” refers to either *funds* or *projects* that are not subjected to discretionary actions by the Commission. A “committed fund” is a fund source that is directed to a specific entity or purpose as mandated by statute or defined by MTC policy. A “committed project” is a project/program that is typically fully funded and/or fits under the committed project definition as defined by MTC policy. For committed funds, MTC has no discretion on where these funds go and how they are spent, or will adhere to past policy on how funds are spent. For committed projects, MTC will not revisit policy and financial decisions defining those committed projects/programs.

Revisiting prior commitments is a necessary first step in the discussion of how to spend the revenues projected to be available to the region over the 25-year life of the Transportation 2035 Plan. The following three-step process helps us to define prior commitments: (1) prepare the 25-year revenue forecasts, (2) determine what funds and what projects are committed by statute or by MTC policy, and (3) subtract those committed funds and committed projects from the projected revenues to determine the revenue balance that is subject to MTC discretion for determining projects included in the RTP.

As part of the Transportation 2030 Plan, MTC adopted criteria to evaluate prior committed funds and committed projects (MTC Resolution 3609). When the prior commitments criteria was applied, it was determined that of the \$118 billion (2004\$) projected to be available for the Transportation 2030 Plan, approximately \$109 billion (90 percent) of the projected revenues were deemed committed. This left approximately \$9 billion for MTC discretion to decide what new investments the region should undertake.

Transportation 2035 Revenue Forecasts

MTC is changing our assumptions for forecasting revenues. As required by SAFETEA planning regulations, we are transitioning from current year dollars to escalated dollars. Furthermore, we are using less conservative growth assumptions for certain fund sources. Based on our financial forecasts of the federal, state, regional, and local fund sources slated to be available to the region over the next 25 years, staff estimates that the budget for the Transportation 2035 Plan is approximately \$212 billion (escalated dollars). Of the \$212 billion, we estimate that up to \$171 billion (80 percent) is deemed committed and up to \$43 billion (20 percent) is discretionary, depending on how the Commission wants to define committed funding; see agenda item # 3c for more detailed discussion of the revenue forecasts.

Revisiting Prior Commitments

MTC staff requests that the Commission revisit the prior commitments policy contained in MTC Resolution 3609, and consider setting a more restrictive policy on what is considered a prior commitment. In essence, this allows us to “wall-off” a smaller subset of committed funds and committed projects than in past plans, thus “opening up” more funds for discretionary action.

A side-by-side comparison of the “old” and “new” prior commitments screening criteria is provided below. **Attachment A** provides the full description of the criteria as adopted in MTC Resolution 3609 and the new screening criteria for Transportation 2035 as proposed by staff for Commission consideration.

“Old” Criteria	“New” Criteria
Committed Funds	
Local transportation sales taxes are committed.	<i>Locally generated or locally subvented funds are committed.</i>
Transportation funds for operations and maintenance as programmed in the 2003 Transportation Improvement Program, specified by law, or defined by MTC policy are committed.	<i>Transportation funds for operations and maintenance as programmed in the current Transportation Improvement Program, specified by law, or defined by MTC policy are committed.</i>
Committed Projects	
Projects with completed environmental document by May 2004 with committed construction funds or 66% non-discretionary funds are committed	<i>Projects or project elements funded in the current TIP are committed</i> <i>Resolution 3434 projects are committed</i>
Regional programs with existing executed contracts are committed	<i>Ongoing regional operations program are committed</i>

At the Commission workshop, Commissioners requested to see how the new criteria affected specific projects. **Attachment B** identifies the specific funds that are deemed committed and uncommitted. The uncommitted amounts will be revised to account for current program commitments, primarily within the State Transportation Improvement Program. **Attachment C** lists projects or programs that are proposed to be committed:

- *Ongoing Regional Operations Program:* The proposal continues the regional operations projects at their current scope without enhancements. The funds needed to support these projects would be deemed committed.
- *Resolution 3434 Regional Transit Expansion Program:* Funds identified as part of the financial strategy for the Resolution 3434 program would be considered committed under this proposal.
- *TIP Committed Projects:* For TIP committed projects, the proposal “walls-off” funds that might otherwise have been deemed uncommitted, but have already been assigned through programming commitments to the projects. Projects with a cost of over \$50 million are shown for illustration.

All other funds would be deemed discretionary, and all other projects/programs would be required to resubmit for consideration in the Transportation 2035 Plan. **Attachment D** provides

examples of significant regional projects that were included in Transportation 2030, but would not be considered committed under the definition above. This list is illustrative only and does not include all projects.

Next Steps

Staff will request direction on how to proceed with the prior commitments policy at the December 14 Planning Committee meeting. We will return to the Planning Committee in January 2008 with a request for Commission action on the prior commitments policy.

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Attachment A: Prior Commitments Criteria

“Old Criteria” – Transportation 2030 (MTC Resolution 3609)

The following screening criteria are proposed to determine Transportation 2030 “prior funding commitments:”

- A transportation fund or transportation project/program that meets any one of the following criteria would be deemed “committed”.
 1. Local transportation sales taxes are committed whether or not their programs or projects are fully funded
 2. Transportation funds used to maintain and operate existing road and transit systems as programmed in the 2003 TIP, specified by law, or defined by MTC policy
 3. Projects with a completed environmental document by May 2004 and:
 - a) some programmed construction funding; or
 - b) greater than 66% non-discretionary funding (e.g., ½ cent transportation sales tax, federal earmarks/demo funds, Traffic Congestion Relief funds, etc.) for the entire project
 4. Regional programs with existing executed contracts (e.g., TransLink®, TravInfo®, and RIDES). The funding commitments remain intact through the term of the contract, but after the contract expires, MTC would need to renew its commitment.
- A policy board would not be required to renew its commitment to the projects meeting any of the above criteria, and the project would be automatically incorporated into the regional transportation plan
- Exceptions would include project scope changes or cost increases (30% or more) that would warrant further project evaluation.
- Regional Transit Expansion Program project sponsors would need to demonstrate the ability to operate and maintain their current and expanded systems consistent with the provisions in MTC Resolution 3434, whether the project is considered “committed” or not.

“New Criteria” – Transportation 2035

The following screening criteria are proposed to determine Transportation 2035 “prior funding commitments”:

- A transportation fund or transportation project/program that meets any one of the following criteria would be deemed “committed”.
 1. Locally generated and locally subvented funds stipulated by law are committed whether or not their programs or projects are fully funded
 2. Projects or project elements fully funded in the most current TIP are committed
 3. Transportation funds used to maintain and operate existing road and transit systems as programmed in the current TIP, specified by law or defined by MTC policy.
 4. Ongoing regional operations programs - TransLink®, 511, FSP/Call Box, Freeway Operations, Arterial Signal Timing, Performance Monitoring, Transit Connectivity (10-year commitment) – would continue to be operated/funded as they are currently. Regional program enhancements would not be committed. Some regional programs may phase out over time, as determined by MTC.
 5. Resolution 3434 Projects

Attachment B: Committed/Uncommitted Funds

The federal, state, regional and local funds included in the Transportation 2035 revenue forecasts that are deemed committed and uncommitted are identified below. The preliminary Transportation 2035 revenue estimates for these fund sources are in billions of escalated dollars as shown in the parenthesis.

Committed Funds	Uncommitted*
Federal	Federal
Bridge Safety Program (\$1.77)	Urbanized Area Formula Funds (\$9.29)
Bus & Bus Facilities Program (\$1.29)	Fixed Guideway Program (\$5.40)
	STP/CMAQ (\$5.96)
State	New Starts (\$1.60)
SHOPP (\$10.17)	Small Starts (\$0.08)
Gas Tax Subventions (\$6.28)	TEA Fund (\$0.47)
State Transit Assistance—Revenue Based (\$3.08)	Elderly and Disabled Formula (\$0.16)
Proposition 1B—partial (\$1.85)	JARC (\$0.10)
State Transit Assistance Revenue Based– PUC 99314 (\$2.31)	Nonurbanized Area Formula (\$0.9)
Traffic Congestion Relief Program (TCRP) (\$0.4)	Ferry Boat Discretion (\$0.03)
STIP Transportation Enhancements (\$0.35)	
	State
Regional	RTIP County Shares (\$5.53)
AB1107 – 75% share (\$8.44)	ITIP (\$1.89)
Bridge Tolls/RM2 (\$12.16)	STA Population Based (\$1.15)
Seismic Retrofit/Surcharge (\$6.14)	Proposition 1B – partial (\$0.66)
Regional Measure 2 (\$3.07)	State-Transit Assistance Population Based – PUC 99313 (\$0.86)
SAFE (\$0.02)	
	Regional
Local	AB 1107 – 25% share (\$2.81)
Local/County Taxes (\$32.97)	HOT Lane Revenue (\$5.27)
Transit Fares (\$24.54)	AB1171 (\$0.50)
Local Streets & Roads (\$20.36)	AB 434 CARB Vehicle Registration Fee (\$0.53)
TDA (\$16.72)	AB 664 (\$0.32)
General Fund/ Parking Revenue (MUNI) (\$9.05)	RM1 Rail Extension East Bay (\$0.19)
Proposition 42 Augmentation to Local Streets and Roads (\$5.64)	RM1 Rail Extension West Bay (\$0.08)
Golden Gate Bridge Toll (\$2.73)	
BART Seismic (\$1.56)	
Property Tax/Parcel Tax (\$1.22)	
AB434 (local funds) (\$0.31)	
San Mateo Vehicle Registration Fee (\$0.04)	

* Draft committed revenues total \$168.81 billion and uncommitted revenues total \$43.16 billion. Dollar amounts for uncommitted revenues available for new RTP programming to be determined, depending on how much is committed to specific programs or projects

Attachment C: Proposed Committed Projects

Ongoing Regional Operations Program

- TransLink®
- 511 traveler information
- Regional Rideshare Program
- Freeway Service Patrol/Call Boxes
- Freeway Operations
- Transit Connectivity (up to \$10 million)

Resolution 3434 Regional Transit Expansion Program

- AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit
- AC Transit Enhanced Bus: Grand MacArthur Corridor
- BART/Oakland Airport Connector
- Eastern Contra Costa BART (eBART)
- BART to Warm Springs
- BART: Warm Springs to San Jose/Santa Clara
- Caltrain Electrification
- Caltrain Express Phase 2
- Transbay Transit Center
- Capitol Corridor Expansion
- Capitol Corridor Phase 2 Enhancements
- Muni Third Street Light-Rail: New Central Subway
- ACE Service Expansion
- Sonoma-Marin Rail
- Dumbarton Rail
- Downtown to East Valley: Light Rail & Bus Rapid Transit Phases 1, 2
- Expanded ferry service to Berkeley, Alameda/Oakland/Harbor Bay, Hercules, Richmond, and South San Francisco, and other improvements

Attachment C continued: Proposed Committed Projects

TIP Committed Projects (over \$50 million Capacity Increasing Projects)

Project with funding prior to, during and beyond the 4-year TIP with an identified fund source for all funding.

County	Project Name
Alameda	I-680 Sunol Grade NB HOV Lane
	Rt 84 4 lane Expwy on new alignment
	Union City Intermodal Station
	Outer Harbor Intermodal Terminal
	Route 84 Expressway Widening
	Route 238 Corridor Improvement Project
	Washington Blvd/Paseo Padre Grade Separation
	7th Street Grade Separation
	Enhanced Bus - Telegraph/Intl/East 14th
	I-80 Integrated Corridor Mobility Project
	I-205 widening from I-580 to SJ Co Line
	I-238 Widening
	I-880 SB HOV Lanes - Marina Blvd to Hegenberger
	I-680 Sunol Grade - Alameda SB HOV Final Phase
	I-580 (TriValley) Corridor - WB HOV & Connectors
	I-580 (TriValley) Corridor - EB HOV Lane
	I-580/Isabel Ave/SR 84/Portola Ave I/C Mod.
	I-880/SR 262 I/C and HOV lanes
	I-880/SR92 Interchange Reconstruction
	Contra Costa
Route 4 Bypass - Segment 3	
I-680 HOV Lanes - Marina Vista to N. Main St.	
SR4 Bypass: Sand Creek Interchange	
SR4/Vasco Rd/Byron Highway Safety Enh.	
Rt. 4 Widening-RR Ave. to Loveridge Rd.	
SR 4 East Widen Loveridge to Somersville Ph 2	
SR 24 - Caldecott Tunnel 4th Bore	
SR 4 East Widening from Somersville to SR 160	
Marin	Marin US 101 HOV Gap Closure
	US 101 HOV Lanes - Marin-Sonoma Narrows (Phase 1)
Napa	SR 12 (Jamieson Canyon Road) Widening
	SR 29 / Trancas Street Interchange

Attachment C continued: Proposed Committed Projects

TIP Committed Projects (over \$50 million) (cont'd)

Project with funding prior to, during and beyond the 4-year TIP with an identified fund source for all funding.

County	Project Name
Santa Clara	I-880 Widening - Bayshore to Montague
	US 101 Widening in San Jose.
	US-101/Tully Road Interchange Modifications
	US-101/Capitol-Yerba Buena Interchange Mods
	Rt 85 & 101 I/C & connector ramps-Sjose
	SR-237/I-880 Interchange Improvements
	I-880 Coleman Avenue I/C Reconfiguration.
	I-880 Widening - SR237 to US101
	US101 Auxiliary Lanes- SC County line to SR85
	I-880/I-280/Stevens Creek I/C Improvements
	Rt 85/US101 NB I/C Modification (Mt View)
	Vasona Corridor Ext. Woz Wy to Campbell
	Route 87 Guadalupe Freeway Corridor
	SF
US 101 Doyle Drive Replacement	
Radio Comm/Computer Aided Dispatch	
Yerba Buena Island Ramp Improvements	
SF MUNI Light Rail Vehicle Acquisition	
3rd St LRT: Ph 1 & Metro E. Rail Facility	
San Mateo	US 101/Woodside Interchange Improvement
	US 101 Auxiliary Lanes - Marsh Road to SCL County
	San Bruno Station Relocation & Improv.
	S. SF Station Relocation & 4th Track
	US 101 Auxiliary Lanes - 3rd to Millbrae
	SR 1 Devils Slide Bypass
Solano	Routes 29/37 Interchange
	Vallejo Ferry Terminal Inter-modal Facility
	I-80 HOV lanes in Solano Co.
	I-80 Reliever Route: Jepson Parkway Project
	SR12 Barrier/Shoulders
	I-80/I-680/SR 12 Interchange Project Phase 1
Sonoma	Son 101 HOV - Redwood Hwy to Rohnert Park Expwy
	Son 101 HOV - Steele Lane to Windsor
	Son 101 HOV - SR 12 to Steele Lane

Attachment D

Examples of Uncommitted Projects

Significant regional projects included in Transportation 2030 but not fully funded in the current TIP

County	Project Name
Alameda	I-580/680 Interchange
Contra Costa	I-680 / SR 4 Interchange (Phases 1 and 2)
Marin/Sonoma	US 101 HOV Lanes - Marin-Sonoma Narrows (Full Project)
Santa Clara	US 101/ SR 25 I/C and US 101 Widening
Solano	I-80/680/SR12 Interchange Project (Full Project)