



**INTERCITY TRANSIT CONSORTIUM MEETING AGENDA**

**1:30 p.m., Tuesday, January 26, 2016**

**Solano Transportation Authority**

**One Harbor Center, Suite 130**

**Suisun City, CA 94585**

**ITEM**

**STAFF PERSON**

**1. CALL TO ORDER**

Janet Koster, Chair

**2. APPROVAL OF AGENDA**

**3. OPPORTUNITY FOR PUBLIC COMMENT**

(1:30 – 1:35 p.m.)

**4. REPORTS FROM MTC, STA STAFF AND OTHER AGENCIES**

(1:35 – 1:45 p.m.)

**5. CONSENT CALENDAR**

Recommendation: Approve the following consent items in one motion.

(1:45 – 1:50 p.m.)

**A. Minutes of the Consortium Meeting of December 15, 2015**

Johanna Masiclat

Recommendation:

Approve the Consortium Meeting Minutes of December 15, 2015.

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**6. ACTION FINANCIAL ITEMS**

**A. Solano Intercity Taxi Scrip Program Proposed Fare Change**

Philip Kamhi

Recommendation:

Forward a recommendation to the STA TAC and Board to approve the following modifications to the Solano Intercity Taxi Scrip Program, effective on July 1, 2016:

**CONSORTIUM MEMBERS**

Janet Koster  
 (Chair)  
 Dixon  
 Read-Ride

Nathan Atherstone  
 (Vice Chair)  
 Fairfield and  
 Suisun Transit  
 (FAST)

John Harris  
 Rio Vista  
 Delta  
 Breeze

Mona Babauta  
 Solano County  
 Transit  
 (SolTrans)

Brian McLean  
 Vacaville  
 City Coach

Matt Tuggle  
 County of Solano

Judy Leaks  
 SNCI

Liz Niedziela  
 STA

Philip Kamhi  
 STA Staff

1. Increase the cost of scrip booklets from the current level of \$15 for \$100 worth of scrip to:
- a) \$40 for \$100 worth of scrip for non-low income patrons,
  - b) \$20 for \$100 worth of scrip for low income patrons,
2. Set the low-income threshold for the discount fare at 138% of the Federal Poverty Level, consistent with the Medi-Cal program.
- (1:50 – 2:00 p.m.)  
**Pg. 11**
- Philip Kamhi

- B. Solano County Future Bridge Toll Priorities for Transit Services**
- Recommendation:  
Forward a recommendation to the STA TAC and Board to approve the Future bridge toll priorities and funding levels as shown in Attachment B and forward this recommendation to MTC for consideration.
- (2:00 – 2:10 p.m.)  
**Pg. 21**
- Philip Kamhi

- C. Regional Cap and Trade Funding Prioritization**
- Recommendation:  
Provide Comments on Draft Comment Letter to MTC (Attachment F)
- (2:10 – 2:20 p.m.)  
**Pg. 27**
- Philip Kamhi

- D. Low Carbon Transit Operations Program (LCTOP) FY 2015-16 Funding**
- Recommendation:  
Forward a recommendation to the STA TAC and Board to:
- A. Authorize distribution of the FY 2015-16 Low Carbon Transit Operations Program Population-based funding, as follows:
    - City of Fairfield: \$55,154
    - City of Vacaville: \$35,954
    - Solano County Transit: \$123,579
    - SolanoExpress Bus Replacement: \$264,376
  - B. Authorize STA staff to develop a five-year plan for the Low Carbon Transit Operations Program Population-based funding
- (2:20 – 2:30 p.m.)  
**Pg. 55**
- Philip Kamhi

## 7. ACTION NON-FINANCIAL ITEMS

- A. Solano Comprehensive Transportation Plan (CTP) - Transit Element Update: Resources**
- Recommendation:  
Forward a recommendation to the STA TAC and Board to approve the CTP-Transit Element Resources Chapter as shown on Attachment A.
- (2:30 – 2:40 p.m.)  
**Pg. 61**
- Robert Macaulay

**B. Legislative Update**

Jayne Bauer

Recommendation:

Forward a recommendation to the STA TAC and Board to support Assemblyman Jim Frazier's comprehensive transportation funding Assembly Bill (AB) 1591.

(2:40 – 2:45 p.m.)

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**8. INFORMATIONAL ITEMS – DISCUSSION ITEMS**

**A. Solano Comprehensive Transportation Plan (CTP) -Transit Element Update: Draft Goal Gap Analysis**

Robert Macaulay

(2:45 – 2:50 p.m.)

**Pg. 109**

**B. Discussion of Consortium Priorities for One Bay Area Grant (OBAG) Cycle 2 Funding Projects and Programs**

Robert Macaulay

(2:50 – 2:55 p.m.)

**Pg. 123**

**C. Mobility Call Center/Transportation Info Depot Monthly Updates**

Sean Hurley

(2:55 – 3:00 p.m.)

**Pg. 155**

**NO DISCUSSION**

**D. Summary of Funding Opportunities**

Drew Hart

**Pg. 157**

**9. TRANSIT CONSORTIUM OPERATOR UPDATES AND COORDINATION ISSUES**

Group

**10. FUTURE INTERCITY TRANSIT CONSORTIUM AGENDA ITEMS**

Group

February and March 2016

- A. Intercity Taxi Scrip New Service Delivery Model Options
- B. SolanoExpress Marketing Plan
- C. SolanoExpress Service Update
- D. Update on Solano Mobility: ADA Assessments and Travel Training
- E. Development of STA's Alternative Fuels Policy for SolanoExpress

**11. ADJOURNMENT**

The next regular meeting of the Solano Express Intercity Transit Consortium is scheduled for **1:30 p.m. on Tuesday, February 23, 2016.**

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**INTERCITY TRANSIT CONSORTIUM  
Meeting Minutes of December 15, 2015**

**1. CALL TO ORDER**

Janet Koster called the regular meeting of the SolanoExpress Intercity Transit Consortium to order at approximately 1:30 p.m. in the Solano Transportation Authority Conference Room.

**Members**

<b>Present:</b>	Janet Koster, Chair (By phone)	Dixon Read-Ride
	Nathaniel Atherstone, Vice-Chair	Fairfield and Suisun Transit (FAST)
	Tom Quigley	Rio Vista Delta Breeze
	Kristina Botsford	Solano County Transit (SolTrans)
	Liz Niedziela	STA
	Brian McLean	Vacaville City Coach

**Members**

<b>Absent:</b>	Judy Leaks	STA
	Matt Tuggle	County of Solano

**Also Present (In Alphabetical Order by Last Name:**

Mona Babauta	Solano County Transit (SolTrans)
Jayne Bauer	STA
Jason Bustos	SolTrans
Paulette Cooper	STA
Daryl Halls	STA
Kristina Holden	STA
Sean Hurley	STA
Philip Kamhi	STA
Robert Macaulay	STA
Johanna Masiclat	STA
Debbie McQuilkin	STA
Jim McElroy	STA Project Manager
Mary Pryor	Nancy Whelan Consulting

**2. APPROVAL OF THE AGENDA**

On a motion by Brian McLean, and a second by Liz Niedziela, the SolanoExpress Intercity Transit Consortium approved the agenda

**3. OPPORTUNITY FOR PUBLIC COMMENT**

None presented.

**4. REPORTS FROM MTC, STA STAFF AND OTHER AGENCIES**

**A. Update on North Bay/Small Transit Operators Coordination Meeting**

**B. Update on Transit Corridor Study**

*Presented by Philip Kamhi*

## 5. CONSENT CALENDAR

On a motion by Janet Koster, and a second by Brian McLean, the SolanoExpress Intercity Transit Consortium approved Consent Calendar Item A and B to include additional comments submitted by the City of Dixon to Item B, 2015 Congestion Management Plan (CMP). (6 Ayes)

### A. Minutes of the Consortium Meeting of September 29, 2015

Recommendation:

Approve the Consortium Meeting Minutes of September 29, 2015.

### B. Solano Congestion Management Program Update

Recommendation:

Forward a recommendation for the STA TAC and Board to adopt the 2015 Solano Congestion Management Plan (CMP) as shown in Attachment A.

## 6. ACTION FINANCIAL ITEMS

### A. Fiscal Year (FY) 2015-16 State Transit Assistance Funds (STAF)

Liz Niedziela reviewed staff's recommendation for approval of a comprehensive list of program studies and projects to be funded by the FY 2015-16 STAF based on a combination of overall work program tasks, STA Board priorities and requests by individual transit operators. She summarized Northern and Regional Paratransit STAF projects that will be presented for the STA Board for consideration. She noted that approval of the list will provide the guidance MTC needs to allocate STAF to the STA for these programs and projects.

Recommendation:

Forward a recommendation to the STA TAC and Board to approve the FY 2015-16 STAF priorities as specified in Attachment C.

On a motion by Brian McLean, and a second by Janet Koster, the SolanoExpress Intercity Transit Consortium approved the recommendation. (6 Ayes)

### B. Federal Transit Administration (FTA) Non-Urbanized Area Program (FTA Section 5311) Revised Recommendation

Liz Niedziela noted that STA staff received communication from MTC that according to Caltrans, the statewide Section 5311 FY 2016 & FY 2017 Call for Projects will be released soon. She commented that MTC staff also indicated that it may be a short turnaround between the call for projects and submittal of projects. The estimated amount of funding available for Solano County per year is \$361,021. She stated that STA staff is recommending if additional funding becomes available that it is allocated to Dixon as operating assistance to be swapped out for the Intercity Bus Replacement for Dixon and the County of Solano.

Recommendation:

Forward a recommendation to the STA TAC and Board to approve the following:

1. The FTA 5311 programming for 2016 and 2017 as specified in Attachment B; and
2. Any additional 5311 funding that may become available to be programmed to Dixon for the Intercity Bus Replacement for Dixon and Solano County.

On a motion by Janet Koster, and a second by Brian McLean, the SolanoExpress Intercity Transit Consortium approved the recommendation. (6 Ayes)

**C. Revised Solano Community College Transportation Fee Proposal**

Philip Kamhi provided an update to the revised proposal to SCC administration for a trial reduced student transit fare program. He noted that the SCC administration would presumably seek a vote of the student body to secure a fee of somewhere between \$14 and \$20 which would generate between \$161,000 and \$231,000. He added that the funding generated from the student fee would be returned to Fairfield and Suisun Transit, Solano County Transit and Vacaville City Coach, and that reimbursement to operators would be based on an estimate of lost revenue based on recent usage with an additional amount based on an estimate of increased usage due to the reduced fare.

Recommendation:

Forward a recommendation to the STA TAC and Board to authorize the Executive Director to forward a proposal to SCC administration for a trial reduced student transit fare program with the following characteristics:

1. The program shall be a two-year pilot program;
2. Students registered at SCC would purchase prepaid tickets and passes at the Solano Community College Campus at half cost, to be used on the fixed routes for which the tickets and passes are valid;
3. The tickets and passes would be sold at outlets on the SCC campuses controlled by SCC through an agreement with STA and the transit agencies to establish the validation framework and accountability;
4. The included fixed route transit services would be FAST, SolTrans, Vacaville City Coach, and SolanoExpress;
5. Students must be currently registered and fee paying student body members in order to purchase the discounted tickets and passes;
6. Using existing fixed route services as offered by FAST, SolTrans, Vacaville City Coach, and SolanoExpress, during pilot program; and,
7. Using existing types of fare media as currently provided by FAST, SolTrans, Vacaville City Coach, and SolanoExpress.

On a motion by Brian McLean, and a second by Liz Niedziela, the SolanoExpress Intercity Transit Consortium approved the recommendation. (6 Ayes)

**D. SolanoExpress Intercity Bus Replacement Capital Plan**

Mary Pryor, NWC, summarized the funding shares for each agency from the January 2015 approved plan to the current proposed plan. She reviewed the status of funding commitments from each of the Consortium members, and noted that STA will continue to work with MTC to secure the funding for the intercity bus replacement plan. She concluded by noting that the STA Board committed in January 2015 to contributing \$4,942,692 of funding, and this proposal continues with this level of funding commitment.

Vice Chair Atherstone, FAST, indicated that the unit prices for their procurement are approximately \$20,000 greater than the MTC pricelist so he requested to increase the unit cost by \$20,000 per diesel bus to reflect what is being seen from the vendors rather than MTC's estimates. The Consortium concurred.

Recommendation:

Forward a recommendation to the STA TAC and Board to authorize the Executive Director to enter funding agreements with each jurisdiction for funding the Intercity Bus Replacement Plan, as described in Attachment B.

On a motion by Brian McLean, and a second by Janet Koster, the SolanoExpress Intercity Transit Consortium approved the recommendation. (6 Ayes)

## 7. ACTION NON-FINANCIAL ITEMS

### A. STA's Draft 2016 Legislative Priorities and Platform and Legislative Update

Jayne Bauer reviewed the development of the STA's Legislative Platform and Priorities initially submitted by staff in draft form. She noted that the draft is then distributed to STA member agencies and members of our federal and state legislative delegations for review and comment prior to adoption by the STA Board. She added that STA staff will then request feedback from the STA Board in January 2016, with a recommendation to distribute the draft document for review and comment.

Recommendation:

Forward a recommendation to the STA TAC and Board to adopt the STA's 2016 Legislative Priorities and Platform.

On a motion by Brian McLean, and a second by Liz Niedziela, the SolanoExpress Intercity Transit Consortium approved the recommendation. (6 Ayes)

### B. Comprehensive Transportation Plan (CTP) – Transit and Rideshare Element Goals

Robert Macaulay noted that the Transit and Rideshare Committee reviewed the updated goals at their meeting of December 2, 2015, and approved the goals with several small modifications. He stated that the Committee recommended that the STA Board adopt the updated goals, subject to any comments received at the SolanoExpress Intercity Transit Consortium and TAC meetings.

Recommendation:

Forward a recommendation to the STA TAC and Board to approve the SCS project list in Attachment E.

On a motion by Janet Koster, and a second by Kristina Botsford, the SolanoExpress Intercity Transit Consortium approved the recommendation. (6 Ayes)

### C. Intercity Taxi Scrip Program FY 2015-16 First Quarter Report

Philip Kamhi reported on the Intercity Taxi Scrip Program's first quarter for FY 2015-16. He reviewed the comparable data that provides average quarterly program information to the Solano Intercity Taxi Program.



Recommendation:

Forward a recommendation to the STA TAC and Board to receive and file.

On a motion by Brian McLean, and a second by Liz Niedziela, the SolanoExpress Intercity Transit Consortium approved the recommendation. (6 Ayes)

**D. SolanoExpress Fiscal Year (FY) 2015-16 First Quarter Report**

Philip Kamhi summarize FAST and SolTrans' first quarter for FY 2015-16 by cost, fares, ridership and service hours for the seven SolanoExpress routes. He noted that FAST and SolTrans have submitted their Fiscal Year 2015-16 Quarter 1 reports which shows where the SolanoExpress Intercity routes are compared to the estimated numbers in the Cost Allocation Model (CAM) with a percentage of 25% which indicates that the estimate is meeting the actual.

Recommendation:

Forward a recommendation to the STA TAC and Board to receive and file.

On a motion by Kristina Botsford, and a second by Brian McLean, the SolanoExpress Intercity Transit Consortium approved the recommendation. (6 Ayes)

**8. INFORMATIONAL ITEMS – DISCUSSION ITEMS**

**A. Regional Sustainable Communities Strategy and One Bay Area Grant Update**

Robert Macaulay provided an update to the Sustainable Communities Strategy and One Bay Area Grant. He noted that on November 4, 2015, the MTC Programming and Allocations Committee modified the staff report recommendation in order to provide 4 Bay Area cities, including Dixon, additional time to bring their Housing Elements into full compliance with state requirements. The deadline for these communities is June 30, 2016. He also noted that MTC is expected to adopt the OBAG Cycle 2 guidelines in December 2015, and STA staff will conduct public outreach to identify and evaluate potential OBAG funding projects and programs in the first half of 2016, and make a recommendation to the STA Board for OBAG Cycle 2 funding in October 2016.

**B. Consolidated Transportation Services Agency Work Plan**

Liz Niedziela noted that staff emailed out the Mobility Management Program list for the CTSA committee and participants' review and comments on October 9<sup>th</sup> and again November 3<sup>rd</sup>. She stated that the Mobility Program list was part of the discussion on the CTSA Work Plan at the last CTSA meeting, and that the committee was asked to provide comments and to add any programs they thought should be included on this list.

**C. Solano Employer Commute Challenge 2015 – Results**

Sean Hurley reported on the 9<sup>th</sup> Annual Solano Commute Challenge which ended on October 31, 2015, and noted that twenty seven (27) major Solano County employers totaling 429 employees registered for the Challenge, a decrease from 660 last year. He calculated the number of Commute Champions based on "Trip Diary" data. 246 employee participants earned the title "Commute Champion" by meeting or passing the goal, 57% of all participants.

**D. Mobility Call Center/Transportation Info Depot Monthly Updates**

Paulette Cooper reported that there has been a steady number of ADA/Mobility inquiries in the months of October and November 2015. She noted that the call center received a total of 194 calls with 177 of those being ADA/Mobility related. She added that the Call Center assisted 29 walk in customers and had 13 Senior Clipper Sales. 47 Regional Transit Connection (RTC) applications were processed during this time period.

**NO DISCUSSION**

**E. Summary of Funding Opportunities**

- 9. **TRANSIT CONSORTIUM OPERATOR UPDATES AND COORDINATION ISSUES** Group
  
- 10. **FUTURE INTERCITY TRANSIT CONSORTIUM AGENDA ITEMS** Group
  
- 11. **ADJOURNMENT**  
The meeting adjourned at 3:00 p.m. The next regular meeting of the Solano Express Intercity Transit Consortium is scheduled for **1:30 p.m. on Tuesday, January 26, 2016.**



DATE: January 18, 2016  
TO: SolanoExpress Intercity Transit Consortium  
FROM: Philip Kamhi, Transit Program Manager  
RE: Solano Intercity Taxi Scrip Program Proposed Fare Change

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**Background:**

On February 1, 2015, management of the Solano Intercity Taxi Scrip Program transitioned to the Solano Transportation Authority from Solano County. The Solano Intercity Taxi Program has been a highly popular program, among eligible participants with nearly all booklets available selling out each month. Phase II of this program will seek to incorporate non-ambulatory riders. Additionally, a new program delivery model will be recommended to achieve long-term program sustainability. In the interim, staff are proposing a number of interim program modifications that address current program deficiencies that are not dependent on adoption of a new program delivery model. These include the normalization of the subsidy per scrip booklet provided by each jurisdiction, and fare changes. The STA Board approved the normalization of the subsidy per booklet at its September 9, 2015 meeting. The STA Board approved seeking public feedback on proposed fare changes at the October 2015 meeting.

**Discussion:**

In order to ensure the long-term sustainability of the Solano Intercity Taxi Program, a key objective is to keep costs in line with available resources. Fares have remained constant for the first five years of the program, while operating costs have increased each year. It is expected that the program's costs will increase even more when non-ambulatory trip options are added. Currently, it costs a customer \$15 for a \$100 scrip booklet. The 85% subsidy significantly exceeds the 50% subsidy provided in local user side taxi subsidy programs in Solano County cities. An increase in fare revenues would result in more taxi scrip being available due to the expansion of program revenues, and could partially address capacity constraints.

Initially, a proposed flat fare change (\$25) was brought for review to the Solano Seniors and People with Disabilities Transportation Advisory Committee (SSPWD-TAC) meeting, Paratransit Coordinating Council (PCC) and the Consolidated Transportation Services Agency Advisory Committee (CTSA-AC). Some of the comments received recommended looking at identifying low-income riders that are using this program, and utilizing a sliding scale to provide lower costs to these users. As most of the current riders are anticipated to be low-income, a sliding scale program would not improve farebox recovery without an increase.

At the August 25, 2015 Consortium meeting, staff had recommended a \$40 fare with a low income discount of \$25. The Consortium requested a working session which was held on September 9, 2015 to discuss the details of the financial status of the current program, and the financial impacts of the proposed fare increase. At the working meeting, the Consortium members recommended adjusting the low income discount to \$20 from \$25, referred to as the "\$20 / \$40 fare." Attachments A, B and C provide the following detailed financial projections:

- Scenario 1: No fare change and no change in the number of scrip books (Attachment A)
- Scenario 2: \$20 / \$40 fares and no change in the number of scrip books (Attachment B)
- Scenario 3: \$20 / \$40 fares and 25% increase in the number of scrip books available for ambulatory patrons (Attachment C)

As shown in Attachment A, under Scenario 1, the taxi scrip program is projected to have low farebox recovery of approximately 12-13%, and insufficient financial capacity to expand the program. Under Scenario 2, the program’s farebox recovery is projected to increase to approximately 20%, with a resulting decrease in the necessary subsidy from Solano County’s TDA funds. Scenario 3 demonstrates that if 1,200 additional scrip books were sold, the farebox recovery ratio would be approximately 21-22%. Further, under Scenario 3, Solano County’s TDA contribution would remain similar to the amounts shown under Scenario 1, the “no change” scenario.

To assess eligibility for the low income discounted fare, income thresholds could be set based on existing thresholds for other programs such as Medi-Cal and/or Supplemental Security Income (SSI). The income threshold for Medi-Cal is 138% of Federal Poverty Level (FPL). The following table summarizes the current Medi-Cal eligibility income levels by household size:

<b>Household Size</b>	<b>2015 Federal Poverty Level</b>	<b>138% of Federal Poverty Level</b>
1	\$11,770	\$16,243
2	\$15,930	\$21,983
3	\$20,090	\$27,724
4	\$24,250	\$33,465
5	\$28,410	\$39,206

Determining the income thresholds for SSI benefits uses a detailed formula based on multiple income types and other parameters. To simplify, SSI benefits are generally available for eligible individuals whose monthly income is less than \$733, and couples with incomes less than \$1,100. The annual income thresholds for SSI are \$8,804 for individuals and \$13,205 for couples, which are lower than for the Medi-Cal program.

To make access to the discount fare easier for patrons and to lessen the administrative burden associated with income verification, eligibility for the discount fare could be demonstrated by patrons showing their Medi-Cal card or proof of SSI participation.

Based on experience from other transit and paratransit services, our analysis assumes that 75% of the patrons would be low income, and would pay the \$20 fare. If the percentage of low income patrons increases, the fare revenue would decline. Research by Nelson Nygaard has shown that in LA, 71% of paratransit riders live in households with incomes below \$20,000, and 81% in households below \$30,000. In the East Bay approximately 71% of paratransit riders live in households with incomes below \$29,000. Income data for Solano County’s paratransit riders is not available. However, according to the US Census, approximately 13% of Solano County residents are below the poverty level.

Based on the financial analysis shown in Attachment B, and input provided by Consortium members at the meeting on September 9<sup>th</sup>, staff recommends increasing fares \$40 for a \$100 scrip booklet, and providing a discounted fare of \$20 per booklet for low-income patrons. Staff recommends that the income threshold for the discount fare be set at 138% of the Federal Poverty Level, equivalent to the Medi-Cal income threshold. STA staff is seeking feedback from the Consortium on whether to increase the number of scrip books by 25%, as shown in Attachment 3. In order to expand the program, the local jurisdictions would have to increase their financial contributions to the program, by “purchasing” the additional books for \$43.54 each.

### **Public Comments**

STA released the proposed Solano County Intercity Taxi Scrip Program fare change for public comment in October 2015, and collected comments through mid-January. This process included discussing the proposal and collecting feedback from the riders, public, and STA advisory committees.

The STA received 63 comments (summarized in Attachment D) from public meetings and the Intercity Taxi Scrip Program fare change comment cards. Generally, the comments can be broken into 3 categories:

1. 12 comments were against the fare changes:
  - o Six of the comments were concerned about low-income users
  - o Four of the comments were concerned about cost concerns
  - o Two of the comments were against the fare change
2. 14 comments were supportive of fare changes:
  - o Six of the comments supportive if fare change leads to more scrip availability
  - o Four of the comments supportive if fare change leads towards non-ambulatory service
  - o Four of the comments were supportive of the fare change
3. 37 questions/comments received were neither for or against the fare change
  - o Examples:
    - “How many books can one person buy in each city?”
    - “Should work with TAFB to address employee transportation issues.”
    - “There should be a better distribution system.”

The most frequent comment received was in regard to supplementing the program with support from Travis Air Force Base/Call Center and/or Other Grants. Nine out of 11 comments in this category were specifically addressing Travis Air Force Base/Call Center assistance. STA staff plans to meet with the TAFB Call Center to discuss transportation options.

### **Fiscal Impact:**

An increase in the cost of scrip booklets from \$15 to \$40 per booklet, would provide \$25 more per scrip booklet more towards the program. The increase from \$15 to \$20 per booklet for low income participants would provide \$5 more per booklet. At current usage, and assuming that 75% of the patrons would qualify for the discount fare, this increase would generate approximately \$48,000 per year in additional fare revenue. If the percentage of low income patrons increases, the fare revenue would decline. This fare adjustment would result in approximately 1,200 additional booklets being available for purchase.

**Recommendation:**

Forward a recommendation to the STA TAC and Board to approve the following modifications to the Solano Intercity Taxi Scrip Program, effective on July 1, 2016:

1. Increase the cost of scrip booklets from the current level of \$15 for \$100 worth of scrip to:
  - a) \$40 for \$100 worth of scrip for non-low income patrons,
  - b) \$20 for \$100 worth of scrip for low income patrons,
2. Set the low-income threshold for the discount fare at 138% of the Federal Poverty Level, consistent with the Medi-Cal program.

Attachments:

- A: Intercity Taxi Scrip Program 5 Year Projection and Fare Change Analysis Scenario 1
- B: Intercity Taxi Scrip Program 5 Year Projection and Fare Change Analysis Scenario 2
- C: Intercity Taxi Scrip Program 5 Year Projection and Fare Change Analysis Scenario 3
- D: Intercity Taxi Scrip Comment Summary

**Solano County Intercity Taxi Scrip Program**  
 5 Year Projection and Fare Change Analysis  
 11-Sep-15

**DRAFT**

<b>SCENARIO 1: NO CHANGE</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Assumptions</b>							
No. of Scrip Booklets Sold	4,461	4,729	4,800	4,800	4,800	4,800	4,800
Cost per Scrip Booklet	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
<b>Operating Expenses</b>							
Taxi Service Reimbursements	\$ 397,406	\$ 439,022	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000
STA Program Manager - Transition		\$ 69,376					
Administration - Solano County	\$ 158,302	\$ 51,934	\$ -	\$ -			
Staff Oversight - STA		\$ 21,958	\$ 57,968	\$ 61,483	\$ 64,557	\$ 67,785	\$ 71,174
Marketing & Brochures		\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Printing (Scrip Books)	\$ 8,615	\$ 5,317	\$ 11,200	\$ 11,760	\$ 12,348	\$ 12,348	\$ 12,965
<b>Total Expenses</b>	<b>\$ 564,323</b>	<b>\$ 587,607</b>	<b>\$ 559,168</b>	<b>\$ 563,243</b>	<b>\$ 566,905</b>	<b>\$ 570,133</b>	<b>\$ 574,139</b>
<b>Planning Expenses</b>							
Consultant Services		\$ 19,413	\$ 50,000	\$ -	\$ -	\$ -	\$ -
<b>Revenue</b>							
Farebox Revenue	\$ 66,915	\$ 70,935	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000
FTA New Freedom Grant (STA)		\$ -	\$ 100,000	\$ -			
FTA New Freedom Grant (Fairfield)		\$ 200,000	\$ -	\$ -			
Lifeline Grants		\$ -	\$ 100,000	\$ 100,000			
TDA: Dixon	\$ 5,000	\$ 5,000	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612
TDA: FAST	\$ 40,000	\$ 40,000	\$ 39,883	\$ 39,883	\$ 39,883	\$ 39,883	\$ 39,883
TDA: Rio Vista	\$ 5,000	\$ 5,000	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612
TDA: Soltrans	\$ 85,000	\$ 85,000	\$ 90,215	\$ 90,215	\$ 90,215	\$ 90,215	\$ 90,215
TDA: Vacaville	\$ 70,000	\$ 70,000	\$ 69,664	\$ 69,664	\$ 69,664	\$ 69,664	\$ 69,664
TDA: Solano County	\$ 292,408	\$ 131,085	\$ 132,182	\$ 86,256	\$ 89,919	\$ 93,146	\$ 97,153
TDA: Local Jurisdictions							
STAF: STA		\$ -	\$ -	\$ 100,000	\$ 200,000	\$ 200,000	\$ 200,000
<b>Total Revenue</b>	<b>\$ 564,323</b>	<b>\$ 607,020</b>	<b>\$ 609,168</b>	<b>\$ 563,243</b>	<b>\$ 566,905</b>	<b>\$ 570,133</b>	<b>\$ 574,139</b>
<b>Farebox Recovery Ratio*</b>	<b>11.9%</b>	<b>12.1%</b>	<b>12.9%</b>	<b>12.8%</b>	<b>12.7%</b>	<b>12.6%</b>	<b>12.5%</b>
* Does not include planning							

## Solano County Intercity Taxi Scrip Program

5 Year Projection and Fare Change Analysis

11-Sep-15

**DRAFT**

<b>SCENARIO 2:</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b>INCREASE FARES TO \$20 / \$40</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Assumptions</b>							
No. of Scrip Booklets Sold	4,461	4,729	4,800	4,800	4,800	4,800	4,800
Cost per Scrip Book - Current	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
75% Cost per Scrip Book - Low Income			\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
25% Cost per Scrip Book - Full Fare			\$ 40.00	\$ 40.00	\$ 40.00	\$ 40.00	\$ 40.00
<b>Operating Expenses</b>							
Taxi Service Reimbursements	\$ 397,406	\$ 439,022	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000
STA Program Manager - Transition	\$ -	\$ 69,376	\$ -	\$ -	\$ -	\$ -	\$ -
Administration - Solano County	\$ 158,302	\$ 51,934	\$ -	\$ -	\$ -	\$ -	\$ -
Staff Oversight - STA	\$ -	\$ 21,958	\$ 57,968	\$ 61,483	\$ 64,557	\$ 67,785	\$ 71,174
Marketing & Brochures	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Printing (Scrip Books)	\$ 8,615	\$ 5,317	\$ 11,200	\$ 11,760	\$ 12,348	\$ 12,348	\$ 12,965
<b>Total Expenses</b>	<b>\$ 564,323</b>	<b>\$ 587,607</b>	<b>\$ 559,168</b>	<b>\$ 563,243</b>	<b>\$ 566,905</b>	<b>\$ 570,133</b>	<b>\$ 574,139</b>
<b>Planning Expenses</b>							
Consultant Services	\$ -	\$ 19,413	\$ 50,000	\$ -	\$ -	\$ -	\$ -
<b>Revenue</b>							
Farebox Revenue	\$ 66,915	\$ 70,935	\$ 84,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
FTA New Freedom Grant (STA)	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
FTA New Freedom Grant (Fairfield)	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
Lifeline Grants	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
TDA: Dixon	\$ 5,000	\$ 5,000	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612
TDA: FAST	\$ 40,000	\$ 40,000	\$ 39,883	\$ 39,883	\$ 39,883	\$ 39,883	\$ 39,883
TDA: Rio Vista	\$ 5,000	\$ 5,000	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612
TDA: Soltrans	\$ 85,000	\$ 85,000	\$ 90,215	\$ 90,215	\$ 90,215	\$ 90,215	\$ 90,215
TDA: Vacaville	\$ 70,000	\$ 70,000	\$ 69,664	\$ 69,664	\$ 69,664	\$ 69,664	\$ 69,664
TDA: Solano County	\$ 292,408	\$ 131,085	\$ 120,182	\$ 38,256	\$ 41,919	\$ 45,146	\$ 49,153
TDA: Local Jurisdictions							
STAF: STA	\$ -	\$ -	\$ -	\$ 100,000	\$ 200,000	\$ 200,000	\$ 200,000
<b>Total Revenue</b>	<b>\$ 564,323</b>	<b>\$ 607,020</b>	<b>\$ 609,168</b>	<b>\$ 563,243</b>	<b>\$ 566,905</b>	<b>\$ 570,133</b>	<b>\$ 574,139</b>
<b>Farebox Recovery Ratio*</b>	<b>11.9%</b>	<b>12.1%</b>	<b>15.0%</b>	<b>21.3%</b>	<b>21.2%</b>	<b>21.0%</b>	<b>20.9%</b>
* Does not include planning							



**Solano County Intercity Taxi Scrip Program**

5 Year Projection and Fare Change Analysis

11-Sep-15

**DRAFT**

<b>SCENARIO 3:</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b>INCREASE FARES &amp; EXPAND SERVICE</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Assumptions</b>							
No. of Scrip Booklets Sold - Current	4,461	4,729	4,800	4,800	4,800	4,800	4,800
New Scrip Booklets Sold			300	1,200	1,200	1,200	1,200
Cost per Scrip Book - Current	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
75% Cost per Scrip Book - Low Income			\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
25% Cost per Scrip Book - Full Fare			\$ 40.00	\$ 40.00	\$ 40.00	\$ 40.00	\$ 40.00
<b>Operating Expenses</b>							
Taxi Service Reimbursements	\$ 397,406	\$ 439,022	\$ 510,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
STA Program Manager - Transition	\$ -	\$ 69,376	\$ -	\$ -	\$ -	\$ -	\$ -
Administration - Solano County	\$ 158,302	\$ 51,934	\$ -	\$ -	\$ -	\$ -	\$ -
Staff Oversight - STA	\$ -	\$ 21,958	\$ 57,968	\$ 61,483	\$ 64,557	\$ 67,785	\$ 71,174
Marketing & Brochures	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Printing (Scrip Books)	\$ 8,615	\$ 5,317	\$ 11,200	\$ 14,700	\$ 15,435	\$ 15,435	\$ 16,207
<b>Total Expenses</b>	<b>\$ 564,323</b>	<b>\$ 587,607</b>	<b>\$ 589,168</b>	<b>\$ 686,183</b>	<b>\$ 689,992</b>	<b>\$ 693,220</b>	<b>\$ 697,381</b>
<b>Planning Expenses</b>							
Consultant Services	\$ -	\$ 19,413	\$ 50,000	\$ -	\$ -	\$ -	\$ -
<b>Revenue</b>							
Farebox Revenue	\$ 66,915	\$ 70,935	\$ 91,500	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
FTA New Freedom Grant (STA)	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
FTA New Freedom Grant (Fairfield)	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
Lifeline Grants	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
TDA: Dixon	\$ 5,000	\$ 5,000	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612
TDA: FAST	\$ 40,000	\$ 40,000	\$ 39,883	\$ 39,883	\$ 39,883	\$ 39,883	\$ 39,883
TDA: Rio Vista	\$ 5,000	\$ 5,000	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612	\$ 2,612
TDA: Soltrans	\$ 85,000	\$ 85,000	\$ 90,215	\$ 90,215	\$ 90,215	\$ 90,215	\$ 90,215
TDA: Vacaville	\$ 70,000	\$ 70,000	\$ 69,664	\$ 69,664	\$ 69,664	\$ 69,664	\$ 69,664
TDA: Solano County	\$ 292,408	\$ 131,085	\$ 129,620	\$ 78,948	\$ 82,758	\$ 85,985	\$ 90,146
TDA: Local Jurisdictions			\$ 13,062	\$ 52,248	\$ 52,248	\$ 52,248	\$ 52,248
STAF: STA	\$ -	\$ -	\$ -	\$ 100,000	\$ 200,000	\$ 200,000	\$ 200,000
<b>Total Revenue</b>	<b>\$ 564,323</b>	<b>\$ 607,020</b>	<b>\$ 639,168</b>	<b>\$ 686,183</b>	<b>\$ 689,992</b>	<b>\$ 693,220</b>	<b>\$ 697,381</b>
<b>Farebox Recovery Ratio*</b>	<b>11.9%</b>	<b>12.1%</b>	<b>15.5%</b>	<b>21.9%</b>	<b>21.7%</b>	<b>21.6%</b>	<b>21.5%</b>
* Does not include planning							

**DRAFT**

Farebox Revenue Scenarios - Existing Service	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>\$15 per Book</b>							
Fares	\$ 66,915	\$ 70,935	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000
Farebox Recovery Rate	11.9%	12.1%	12.9%	12.8%	12.7%	12.6%	12.5%
<b>\$20 per Book (effective 1-Apr-16)</b>							
Fares	\$ 66,915	\$ 70,935	\$ 78,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000
Farebox Recovery Rate	11.9%	12.1%	13.9%	17.0%	16.9%	16.8%	16.7%
Change in Fare Revenue from \$15/book			\$ 6,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000
<b>\$40 per Book (effective 1-Apr-16)</b>							
Fares	\$ 66,915	\$ 70,935	\$ 102,000	\$ 192,000	\$ 192,000	\$ 192,000	\$ 192,000
Farebox Recovery Rate	11.9%	12.1%	18.2%	34.1%	33.9%	33.7%	33.4%
Change in Fare Revenue from \$15/book			\$ 30,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000

<b>Sliding Scale - No Change in Number of Books</b>							
Percentage Paying \$40 Fare		0%	10%	<b>25%</b>	50%	75%	100%
Percentage Paying \$20 Fare		100%	90%	<b>75%</b>	50%	25%	0%
Total Fare Revenue	\$	96,000	\$ 105,600	\$ <b>120,000</b>	\$ 144,000	\$ 168,000	\$ 192,000
Change in Fare Revenue from \$15/book	\$	24,000	\$ 33,600	\$ <b>48,000</b>	\$ 72,000	\$ 96,000	\$ 120,000

## INTERCITY TAXI SCRIP COMMENT SUMMARY



Fare Increase Concerns:

Positive Comments:

Neutral Comments:



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DATE: January 15, 2016  
TO: SolanoExpress Intercity Transit Consortium  
FROM: Janet Adams, Deputy Executive Director/Director of Projects  
Philip Kamhi, Transit Program Manager  
RE: Solano County Future Bridge Toll Priorities for Transit

---

**Background:**

*Bridge Tolls*

On March 2, 2004, Bay Area voters passed Regional Measure 2 (RM 2), raising the toll on the seven state-owned bridges in the Bay Area by \$1.00. This extra dollar is to fund various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll corridors. The projects are specifically identified in Senate Bill (SB) 916. The Metropolitan Transportation Commission (MTC) manages the RM 2 funding for projects and programs, and the STA was project sponsors for most of Solano County capital RM 2 projects for a total of \$184 M with the STA, the Cities of Benicia, Fairfield, Vacaville and Vallejo, and SolTrans serving as project implementing agencies, depending on the project. In addition, the I-80/I-680/State Route (SR) 12 Interchange Complex also received \$100 million from toll bridge revenues. Further, the bridge toll funds provide an annual operating revenue of \$1.9 million for SolanoExpress and \$2.7 million for the ferry system annual operating. In Fiscal Year 2015-16, \$738,000 of additional RM2 funding from escalation was allocated to Solano County by MTC, bringing the total RM2 transit operations funding received in Solano County to \$2,672,875. Attachment A provides the list of RM 2 implemented projects.

These bridge toll funds have been essential in providing Solano County with the opportunity to improve multi-modal mobility. The funds have in some cases fully funded the improvements, but they also leveraged other state and federal funds. Attachment A provides the details of the successes of these funds. However, there is still a significant amount of important projects that need to be invested in to reduce congestion and improve mobility in Solano County. These include investments in highway and transit facilities as well as the continued dedication to SolanoExpress operating.

**Discussion:**

As stated above, the RM 2 bridge toll funds provided a significant investment in the improved mobility of Solano County. These funds were used to leverage other State funding, primarily the Proposition 1B funds, to increase the amount of investment in the county's transportation system. However, more improvement are needed. Listed below is the proposed priority projects that have a direct link to improving mobility and relieving congestion along the bridge toll corridors.

### *I-80 Goods Movement Corridor Improvements*

The congestion relief on the Solano County highways still mandates further investment. The I-80/I-680/SR 12 Interchange complex is not only an important Goods Movement project, but will also help facilitate the current and future transit and rideshare services along the I-80, I-680, and SR 12 corridors. Currently, three SolanoExpress Routes (40, 85 and 90) and Napa Vine 21 travel through this interchange. This project is currently completing the construction of the first of seven construction packages. Beyond what is under construction currently, STA is proceeding with design for phase two, but no other construction packages are funded.

Further, the I-80 Eastbound Cordelia Truck Scales were completed with bridge toll and Proposition 1B Trade Corridor Improvement Funds. Improving these scales are vital to the security, safety and maintenance of the highway system. The Westbound Scales have been environmentally cleared, but are funded for design or construction.

### *I-80 Express Lanes*

Mobility along the I-80 corridor benefits not only Goods Movement, the economic vitality of the County and Region, but also transit and carpool/can pool options. As such, the STA Board in partnership with the Metropolitan Transportation Commission (MTC) have identifies the I-80 corridor through Solano County for Express Lanes. The priority segment is from Red Top Road in Fairfield to I-505 in Vacaville. The project is currently in design, but has not secured construction funding. The next priority of this system, is the segment through Vallejo from State Route 37 to the Carquinez Bridge.

### *Intermodal/Park-n-Ride/Rail Facilities*

While there have been important improvements made to intermodal, park-n-ride and rail facilities along the 80 corridor, there is still a need for further investment. Examples of these facilities include the Vallejo Station Phase B and Fairfield Transportation Center. In addition, access improvements as identified in the STA Safe Routes to Transit Plan need to be completed. The STA, in coordination with Soltrans and FAST, is working with MTC in identifying these projects as priorities for the Bay Area Managed Lanes Implementation Plan (MLIP). MTC is analyzing support facilities as part of this effort for travelers anticipated to utilize the managed lanes network, such as the future I-80 Express Lane in Solano County. This includes support facilities such as Park and Ride lots and Transit Centers servicing commuters, vanpoolers, and express bus type services. The goal is to analyze key support facility improvements to maximize the usage of the future express lane network.

### *SolanoExpress Capital and Operating*

The SolanoExpress transit system has maintained a high farebox recovery ratio (over 50%), which demonstrates the success of this commuter focused transit service. The continuation of the operating funds from the bridge tolls with an annual cost adjustment increase to provide for the increasing costs of running transit is needed. RM 2 capital funding was initially used to purchase many of the SolanoExpress buses, and the SolanoExpress funding partners are working to fund the replacement of these vehicles.

Additionally, over the past decade, Solano County has undergone; demographic changes, there have been forecast changes in land use and density, and advancements have occurred in regional bus transit best practices and transit facilities design. STA transit consultant (Arup) developed the initial SolanoExpress I-80/680 Transit Corridor Study in 2014. This study developed an initial realignment of service within the existing 250 weekday service hours and 60 hours of

Saturday service – totaling about 66,000 annual hours of service. The objective was to maintain the existing subsidy cost, utilizing \$1.9 million of RM 2 funds and later inclusive of the \$738,000 of RM 2 escalation funds. This route pattern featured four routes, rather than the current seven routes, resulting in higher frequencies.

Further opportunities for expansion of the SolanoExpress service were identified during this study, but there is not currently funding available to fund this expansion. This unfunded portion of the plan includes:

- Modifications based on public feedback - added trips/destinations (9,000 annual hours): \$1.1 million
- Additional peak period service to BART (6,500 annual hours): \$0.8 million
- Additional Base/Midday Service (3,800 annual hours): \$0.5 million

Therefore, STA staff proposes transit service priorities for future bridge tolls as follows:

1. SolanoExpress Capital and Operating
2. I-80 Express Lanes
3. Intermodal/Park-n-Ride/Rail Facilities
  - Vallejo Station – Phase 2
  - Fairfield Transportation Center
  - Fairfield/Vacaville Train Station
  - SolanoExpress Service Capital Improvements
  - Solano’s MLIP Priority Projects

Attachment B is the proposed categories and level of funding based on a 10-year Expenditure Plan and a 20-year Expenditure Plan. This list also includes projects pertaining to guide movement (Truck Scales and Interchange). The level of funding assumed for the 10 and 20 year horizons are based on the Solano County receiving its fair share of return to source funds.

**Fiscal Impact:**

None at this point.

**Recommendation:**

Forward a recommendation to the STA TAC and Board to approve the Future bridge toll transit priorities and funding levels as shown in Attachment B and forward this recommendation to MTC for consideration.

Attachment:

- A. Solano County RM 2 Implemented Projects
- B. Solano County Priority Projects and Operating Needs (Future Bridge Toll)

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## Solano County RM 2 Implemented Projects and Operating

Updated 09/20/2013

RM2 Project Number	Project Title	Sponsor	Implementing Agency	RM2 Program (Programmed)	Status
17.4	Express Bus North - Benicia Park/Industrial I/C Improvements and Park and Ride	MTC	Fairfield (Benicia)	\$ 1,250,000	Under Construction
6.2	Solano County Express Bus Intermodal Facilities - Benicia Intermodal Facility	STA	Fairfield (Benicia)	\$ 3,000,000	Completed
6.3	Solano County Express Bus Intermodal Facilities - <b>Fairfield Transportation Center</b>	STA	Fairfield	\$ 5,500,000	Transfer \$'s to FF/VV Rail Station
17.2	Express Bus North - Fairfield Transportation Center	MTC	Fairfield	\$ 2,250,000	
			<i>total</i>	<i>\$ 7,750,000</i>	
14.2	<b>Fairfield/Vacaville Intermodal Rail Station and Track Improvements</b>	CCJPA	Fairfield	\$ 22,250,000	Under Construction
6.4	Solano County Express Bus Intermodal Facilities - <b>Vacaville Intermodal Station</b>	STA	Vacaville	\$ 5,500,000	Phase 1 Project Completed
17.3	Express Bus North - Vacaville Intermodal Station	MTC	Vacaville	\$ 1,750,000	
			<i>total</i>	<i>\$ 7,250,000</i>	
5	<b>Vallejo Ferry Intermodal Station</b>	Vallejo	Vallejo	\$ 28,000,000	Phase A Project Completed, Phase B Pending Post Office Relocation
6.1	Solano County Express Bus Intermodal Facilities - <b>Vallejo Curtola Transit Center</b>	STA	Vallejo	\$ 6,000,000	Construction Near Completion
17.1	Express Bus North - Vallejo Curtola Transit Center	MTC	Vallejo	\$ 5,750,000	
			<i>total</i>	<i>\$ 11,750,000</i>	
14.1	<b>Benicia Siding Extension</b>	CCJPA	CCJPA	\$ 2,750,000	Completed
7.1	Solano <b>North Connector</b> (Abernathy to Green Valley Road)	STA	STA	\$ 30,300,000	Completed
7.2	Solano <b>I-80 HOV Lanes</b> from Red Top Rd to Airbase Parkway	STA	STA	\$ 11,000,000	Completed
7.3	<b>Solano I-80/I-680/ SR 12 Interchange</b>	STA	STA	\$ 16,400,000	Project Under Construction 12/2012 August 2013
7.4	<b>I-80 Eastbound Cordelia Truck Scales Relocation</b>	STA	STA	\$ 25,900,000	Project Completed
7.5	<b>I-80 High Occupancy/Express Lanes</b>	STA	STA	\$ 16,400,000	Environmental Completed Project in Design Phase
			<i>total</i>	<i>\$ 100,000,000</i>	
7.4	<b>Regional Express Bus North Pool (Carquinez, and Benicia Bridge)</b> (per year, no escalation)	MTC	FAST/SolTrans	\$ 1,934,875	Service On-Going
7.4	<b>WTA System</b> (per year, no escalation)	MTC	WETA	\$ 2,700,000	Service On-Going

## Solano County Priority Projects and Operating Needs (Future Bridge Toll)

Updated 09/22/2015

Project Number	Project Title	Sponsor	Implementing Agency	10-Year* (\$214 M)	20-Year (\$428 M)
<b>1</b>	<b>Highway I-80 Goods Movement Corridor Improvements (Freight)</b>	<b>STA</b>	<b>STA</b>	<b>\$100 M</b>	<b>\$200 M</b>
1.1	WB Truck Scales Relocation	STA	STA		
1.2	I-80/I-680/SR 12 Interchange	STA	STA		
<b>2</b>	<b>MLIP/SolanoExpress</b>	<b>STA</b>	<b>STA</b>	<b>\$64 M</b>	<b>\$128 M</b>
2.1	I-80 Express Lanes	STA	STA		
2.2	Transit Facilities/Park-n-Ride Lots/Safe Routes to Transit/Bus Capital	STA/Local Agencies			
<b>3</b>	<b>SolanoExpress Operating</b> (per year, w escalation at 2%/yr)	<b>STA</b>	<b>Transit Operator/Local Agency/STA</b>	<b>\$5 M/yr</b> (\$50 M/10-yr)	<b>\$5 M/yr</b> (\$100 M/20-yr)

\* If 10-yr Plan adopted, Request new Expenditure Plan every 10-yr.



DATE: December 23, 2015  
TO: SolanoExpress Intercity Transit Consortium  
FROM: Philip Kamhi, Transit Program Manager  
RE: Regional Cap and Trade Funding Prioritization

---

**Background:**

The State of California has identified reduction of the emission of Greenhouse Gases (GHGs) as a major policy focus, and has approved legislation such as Assembly Bill (AB) 32, Senate Bills (SB) 375 (regional transportation plans) and SB 753 (environmental thresholds of significance) to help achieve GHG emission reductions. One of the programs that is an outgrowth of this effort - the Cap and Trade Program - was introduced with draft funding regulations in 2014.

On December 7, 2015, the Metropolitan Transportation Commission (MTC) staff provided additional Cap and Trade information to the Partnership Technical Advisory Committee (Attachment A). Within this attachment, MTC staff provided revised alternatives for the region's Cap and Trade framework. The revisions proposed by MTC are based on the following: higher revenue projections, lessons learned from the first round Cap and Trade awards, and additional program guidance. MTC will continue to gather input on these alternatives through January 2016. MTC staff is working with state agencies on the development of FY 2015-16 guidelines for the following programmatic categories:

1. Low Carbon Transit Operations Program (LCTOP)
2. Affordable Housing and Sustainable Communities (AHSC)
3. Transit and Intercity Rail Capital Program (TIRCP)

At the January 13, 2016 STA Board meeting the following was approved:

1. Authorize STA's Executive Director to work with the SolanoExpress Intercity Transit Consortium to forward a comment letter to MTC on the Cap and Trade framework that includes the following specified as part of Attachment B: and
2. Adopt the Cap and Trade Project Priorities identified in Attachment C.

**Discussion:**

The following discusses the three programmatic categories as described above, and provides further details on potential programming opportunities:

1. Low Carbon Transit Operations Program (LCTOP)  
In MTC's revised estimates, there will be \$835 million in revenue-based LCTOP funding and \$302 million of population-based LCTOP funding, for a total of \$1,136 million of LCTOP funding that will be available over a 25 year period. MTC proposes to distribute the revenue-based funding to operators by formula.  
Out of the \$835 million (over 25 years) of LCTOP revenue-based funding, \$3.2 million would be distributed (by formula) to Operators, and is estimated to be distributed to Solano County as follows:

- City of Fairfield \$0.9 million
- Solano County Transit \$2.3 million

For the \$302 million (over 25 years) of LCTOP population-based funding, MTC staff has developed two different options for consideration. The first option provides \$89 million (over 25 years) of population-based funding to the operators, of which \$4.5 million would be distributed to Solano County Operators. The second option provides \$102 million (over 25 years) of population-based funds, of which \$17.5 million would be distributed to Solano County Operators.

Under both options, the remaining population-based funding would be allocated to Transit Performance Initiative (TPI) types of projects as an MTC discretionary program (for example: measurable improvements to corridor, increases in passengers, enhancement of schedules), and seamless transit/regional coordination programs (for example: Clipper Version 2, means-based or other fare type improvement, regional coordination). STA’s proposed SolanoExpress service expansion could be eligible for future TPI category funds.

LCTOP Funding would be eligible for GHG reduction related investments, which could include upgrading vehicle fleets to alternative fuels, and the development of new/improved transit facilities.

The STA and SolanoExpress Consortium has developed a plan for the replacement of all 35 SolanoExpress vehicles over the next eight years. The costs are currently estimated at \$26.7 million. All of the funding for this plan is identified with the exception of \$4.2 million (MTC’s proposed share), of which LCTOP funding could be available (for measurable GHG reduction).

Also, in Attachment D to this report, the Solano County Managed Lanes Implementation Plan (MLIP) Priorities and Support Facilities document includes examples of projects that are synergistic with the Solano County Transit Corridor Study and MTC’s MLIP, and might qualify as new/improved facilities that would provide a GHG reduction.

## 2. Affordable Housing and Sustainable Communities (AHSC)

The Bay Area could receive an estimated \$3.7 billion in AHSC funding over a 25 year period based on the region’s population share. MTC staff proposes to continue to advocate for Bay Area projects, and is currently focused on affordable housing and Transit-Oriented Development (TOD) related transportation projects.

MTC staff state in their memo: “For the Affordable Housing and Sustainable Communities (AHSC) program, staff intends to bring a regional endorsement to this Committee in spring 2016 between the concept application and full application due dates.” This endorsement is important as SGC looks to the MPOs for funding recommendations. However, MTC’s current policy stance focused in TOD only and not on Integrated Connectivity Projects (ICP) precludes MTC from endorsing Solano County projects.

All applications under the AHSC program are categorized as either Transit Oriented Development (TOD) projects or Integrated Connectivity Projects (ICP). Last year, MTC staff was firm in their stance to only endorse TOD projects; this stance appears to persist. No project in Solano County or in the North Bay could qualify as a TOD project (based on the SGC program guidelines) and therefore could not receive MTC’s endorsement.

In 2015, STA partnered with the City of Fairfield to submit an application requesting \$4.8 million for the Fairfield-Vacaville train station building, connectivity improvements, and transit program funds. The application was not awarded funds. This, as well as a few other projects on the horizon, could compete well for AHSC funds, pending MTC's endorsement. Staff recommends efforts be made to persuade MTC to support all good projects that reduce GHG emissions, including ICP projects, and not only TOD projects.

3. Transit and Intercity Rail Capital Program (TIRCP)

While revenue estimates have increased from \$875 million to \$2 billion for this discretionary program, MTC has recommended increasing investments in the region's core capacity projects (example: additional \$675 million for BART to San Jose Phase 2). Although MTC has increased funding to existing core capacity projects, MTC has also recommended holding \$200 million of this funding for "potential other projects", which could be added over time, depending on actual revenues or project needs and timing.

The Fairfield-Vacaville Train Station could fit within this category if it can be shown that there is an incremental growth in (new) passengers that use the train, as this produces a measurable GHG reduction.

**Fiscal Impact:**

None at this point, as this is a lobbying action and doesn't provide any revenues to the STA or expenditure of funds at this time.

**Recommendation:**

Provide Comments on Draft Comment Letter to MTC (Attachment F)

Attachments:

- A. MTC Cap and Trade Framework Letter and PowerPoint, dated 12-07-2015
- B. Cap and Trade Framework Comments
- C. Cap and Trade Project Priorities
- D. Solano County Managed Lanes Implementation Plan (MLIP) Priorities and Support Facilities
- E. Fairfield/Vacaville Intermodal Station Information
- F. Draft Comment Letter to MTC

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**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 7, 2015

FR: Kenneth Folan, MTC Staff

RE: Cap and Trade: Regional Framework

This memo provides additional information on the proposed changes to the region's Cap and Trade Framework. Attached is a presentation on the proposed updates, including a comparison of the staff Low Carbon Transit Operations Program options, as requested at the last PTAC meeting.

In October, staff released revised alternatives for the region's Cap and Trade Framework for discussion. The MTC Programming and Allocations Committee directed staff to seek additional stakeholder input and return this month with an update.

Staff has received input from the Policy Advisory Council, CMA staff, Partnership Board and Partnership subcommittees and working groups. Staff will continue gathering input through January and bring this Committee a recommendation in February 2016.

Additionally, staff has been working with state agencies on development of FY2015-16 guidelines for the various program categories. Summarized below are tentative dates for the FY2015-16 programs, subject to change based on finalization of program guidelines.

<b>Tentative FY2015-16 Cap and Trade Program Due Dates (subject to change)</b>		
<b>Program</b>	<b>Application Due Date</b>	<b>State Agency</b>
Low Carbon Transit Operations Program	February 1, 2016	Caltrans
Affordable Housing and Sustainable Communities	February 2016*	Strategic Growth Council
Transit and Intercity Rail Capital Program	April 5, 2016	State Transportation Agency
* Concept applications due with full applications due in April 2016		

For the Low Carbon Transit Operations Program, the MTC framework will likely not be adopted before the Caltrans application due date. Staff will work with Caltrans on options to submit requests after the due date or in a future funding cycle, as the funds roll over to the next fiscal year if not requested.

For the Affordable Housing and Sustainable Communities program, staff intends to bring a regional endorsement to this Committee in spring 2016 between the concept application and full application due dates.

**Next Steps**

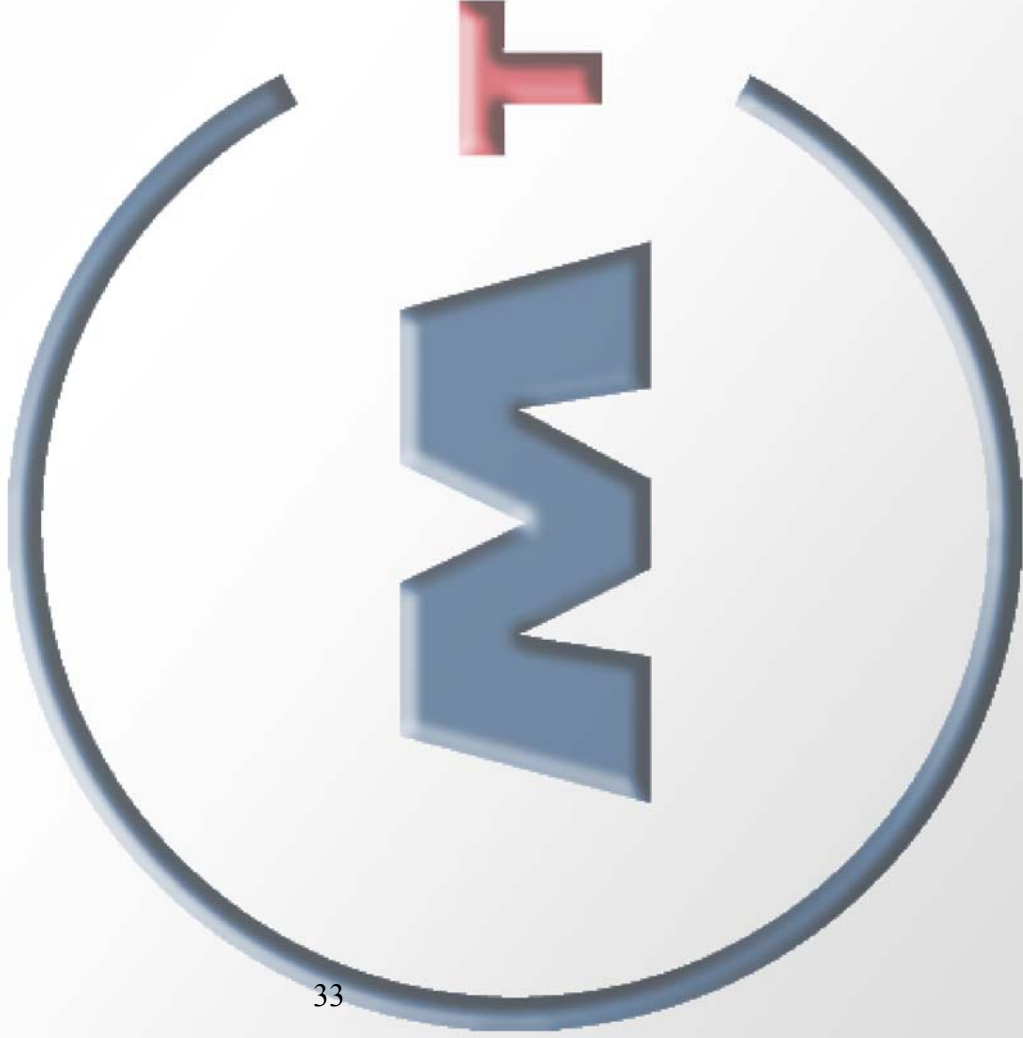
After input from the Partnership, the MTC Policy Advisory Council, transit operators and stakeholders, staff intends to return in February 2016 to the Commission with recommended revisions to the framework.

Feel free to contact Kenneth Folan ([kfolan@mtc.ca.gov](mailto:kfolan@mtc.ca.gov) or 510.817.5804) of MTC staff with any questions or comments.

J:\COMMITTEE\Partnership\Partnership TAC\2015 PTAC\2015 PTAC Memos\05\_Dec 07 15 PTAC\11\_0\_Cap\_and\_Trade.docx



# Cap & Trade Framework



Partnership TAC

December 7, 2015

# Statewide Cap and Trade Programs: FY2015-16 and Beyond

Statewide Revenue Framework	FY2015-16 and Beyond Annual Funding (\$ millions)	State Agency
<b>Total Generations</b>	<b>\$2,500</b>	
<b>Transit &amp; Intercity Rail Capital Program</b>	\$250	CalSTA
<b>Low Carbon Transit Operations Program</b>	\$125	Caltrans, CARB
<b>Affordable Housing and Sustainable Communities Program</b>	\$500	SGC/HCD
<b>Uncommitted Funding</b>	\$1,000	Unknown
<b>High Speed Rail</b>	\$625	HSRA

- Assumes \$2.5 billion in statewide annual funding for FY2015-16 and beyond; actual revenues will be determined based on auctions

# Revising the Region's Cap and Trade Framework

- ▶ **Staff proposes revising the framework based on:**
  - Higher revenue projections
  - Lessons learned from Round 1 awards
  - Additional program guidance

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- ▶ **Proposed Schedule:**
  - October 14<sup>th</sup> Programming and Allocations Committee direction
  - October/November/December - Input from partner agencies, Policy Advisory Council, interested stakeholders
  - Staff recommendation for consideration in early 2016

# Regional Framework

- Plan Bay Area included \$3.1 billion in Cap & Trade Revenues over 25 year period
- Framework adopted in December 2013
- Proposed update to framework in early 2016

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MTC Framework Category	MTC Framework Adopted Amount (28 years)	MTC Framework Proposed Amount (25 years)	Proposed Bay Area Share of Statewide Program
<b>Core Capacity*</b>	\$875	\$2,000	33% of TIRCP
<b>Transit Operating</b>	\$500	\$1,136	37% of LCTOP (54% of Rev and 19% of Pop-based)
<b>OBAG</b>	\$1,050	\$3,750	30% of AHSC
<b>Climate Initiatives</b>	\$275	TBD	TBD of 40% Uncommitted
<b>Goods Movement</b>	\$450	TBD	TBD of 40% Uncommitted
<b>High Speed Rail</b>	-	TBD	TBD of High Speed Rail
<b>Total</b>	<b>\$3,150</b>	<b>\$6,886</b>	

\*24-years due to FY2015-16 advanced programming

# Transit and Intercity Rail Capital

- Revenue estimates increased for this discretionary program
- Continue to support investments in the region’s Core Capacity Challenge Grant Program – a \$7.5 billion regional commitment to fund key transit capital modernization and rehab needs
  - Increase funding for most core capacity projects
  - Assign an additional \$675 million to the BART to San Jose Phase 2 project
  - Hold \$200 million in reserve for future assignment

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<b>TIRCP Projects</b> (in \$million, 24 years)	<b>Adopted</b> (MTC Res. 4030)	<b>Proposed</b>
<b>BART:</b> Train Control	\$ 126	\$ 250
<b>SFMTA:</b> Fleet Enhance & Expand	\$ 400	\$ 481
<b>SFMTA:</b> Facilities	\$ 67	\$ 67
<b>AC Transit:</b> Fleet Expansion	\$ 45	\$ 90
<b>AC Transit:</b> Facilities	\$ 162	\$ 162
<b>VTA:</b> BART to San Jose	\$ 75	\$ 750
Subtotal listed projects	\$ 875	\$ 1,800
Potential other projects*		\$ 200
<b>Projected Revenue</b>		<b>\$ 2,000</b>

\*Could be added over time, depending on actual revenues or project needs/ timing.

# Transit and Intercity Rail Capital

- **Funding increases align with TIRCP program goals of reducing greenhouse gases and modernizing state's transit system:**
  - **BART to San Jose:** Completes major link in regional rail network, providing strong GHG-reducing transit option
  - **BART Train Control:** Modernizes system, enhancing BART capacity, reliability, and safety
  - **Fleet Expansions:** Provides new vehicles allowing for service expansions for **SF Muni** and **AC Transit**

# Low Carbon Transit Operating Program

- **Current MTC approved framework is \$500 million**
- **Formula program for state:**

<b>Estimated LCTOP Revenue-based funds:</b>	\$ 835 million
<b>Estimated LCTOP Population-based funds:</b>	\$ 302 million
<b>Total Estimated LCTOP Funding:</b>	\$1,136 million

- **Proposal:**
  - \$835 million revenue-based distributions to operators (formula)
  - \$302 million population-based fund distribution

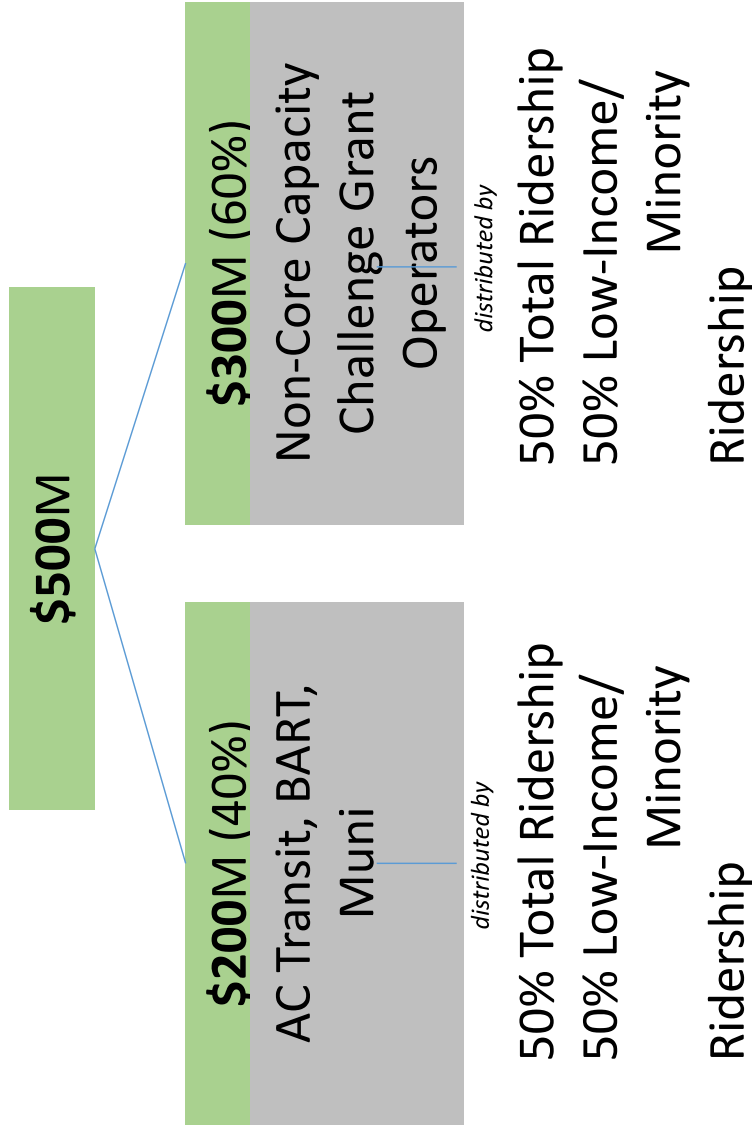
# Low Carbon Transit Operating Program

## **\$302 million population-based fund distribution options:**

- **Option 1: Maintain existing framework**
  - \$89 million to existing framework
  - \$100 million to TPI-like MTC discretionary program
  - \$113 million to seamless transit/regional coordination programs
- **Option 2: Reinforce transit operating funds**
  - \$102 million to North Counties/ Small Operators
  - \$100 million to TPI-like MTC discretionary program
  - \$100 million to seamless transit/regional coordination programs
- Invest approx. **1/3** of funding to transit operators via formula, and
- Invest approx. **2/3** of funding in customer focused transit improvements



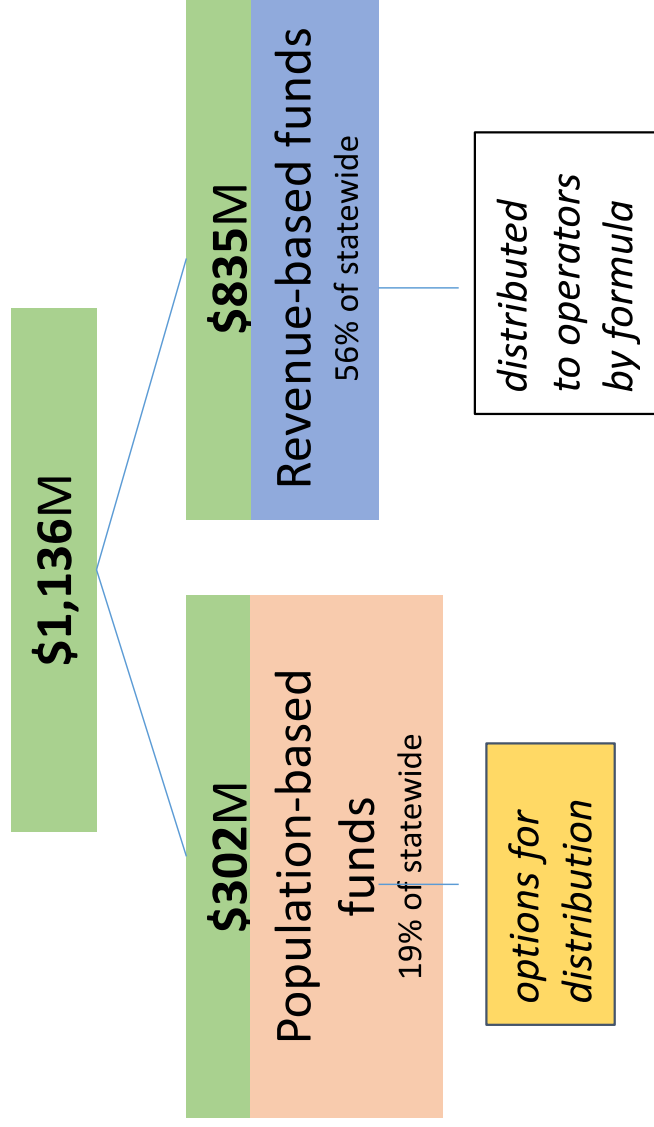
# Low Carbon Transit Operations (LCTOP) Original Framework (Pre-legislation)



MTC Approved Framework December 2013 (MTC Res. 4130) (\$ millions)	
ACE	\$ 1.8
Caltrain	\$ 35.0
CCCTA	\$ 10.3
City of Dixon*	\$ -
ECCTA	\$ 8.1
City of Fairfield	\$ 2.9
GGBHTD	\$ 22.0
LAVTA	\$ 5.4
NCPTA	\$ 2.5
City of Petaluma*	\$ -
City of Rio Vista*	\$ -
SamTrans	\$ 44.0
City of Santa Rosa	\$ 9.7
Solano County Transit	\$ 4.8
Sonoma County Transit	\$ 4.3
City of Union City	\$ 1.5
City of Vacaville**	\$ 1.3
VTA	\$ 140.0
WCCTA	\$ 3.8
WETA	\$ 2.7
<b>SUBTOTAL</b>	<b>\$ 300</b>
AC Transit	\$ 35.0
BART	\$ 54.0
SFMTA	\$ 111.0
<b>SUBTOTAL</b>	<b>\$ 200</b>
<b>Total</b>	<b>\$ 500</b>

\*Operator without funding commitment through MTC Resolution 4130  
\*\* Vacaville does not receive STA Revenue-based funds

# LCTOP Formula: \$1,136 M to Bay Area\*



\* Assumes \$2.5B/year in Cap and Trade revenue over 25 years

Low Carbon Transit Operations Program Rev.-Based Funding (\$ millions)	
ACCMA - Corresponding to ACE**	1.8
Caltrain	44.4
CCCTA	5.0
City of Dixon**	0.0
ECTA	2.3
City of Fairfield	0.9
GGBHTD	37.9
City of Healdsburg**	0.0
LAVTA	2.1
NCPTA	0.4
City of Petaluma**	0.2
City of Rio Vista**	0.0
SamTrans	32.4
City of Santa Rosa	1.1
Solano County Transit	2.3
Sonoma County Transit	1.3
City of Union City	0.4
City of Vacaville*	-
VTA	99.1
VTA - Corresponding to ACE	2.0
WCCTA	2.6
WETA	10.3
<b>SUBTOTAL</b>	<b>247</b>
ACTransit	70.8
BART	197.2
SFMTA	320.2
<b>SUBTOTAL</b>	<b>588</b>
<b>REVENUE-BASED TOTAL</b>	<b>835</b>

# LCTOP - Population-based funds Option 1

2/3 to regional initiatives, 1/3 to maintain previous \$500M framework funding levels

*Maintain \$500M existing framework*

**\$89M** to operators from population based funds (distributed based on previous framework)  
**\$100M** to TPI-like MTC discretionary program  
**\$113M** to seamless transit/ regional coordination programs

**\$411M** to operators from revenue based funds

+

**\$302M**  
 Population-based funds

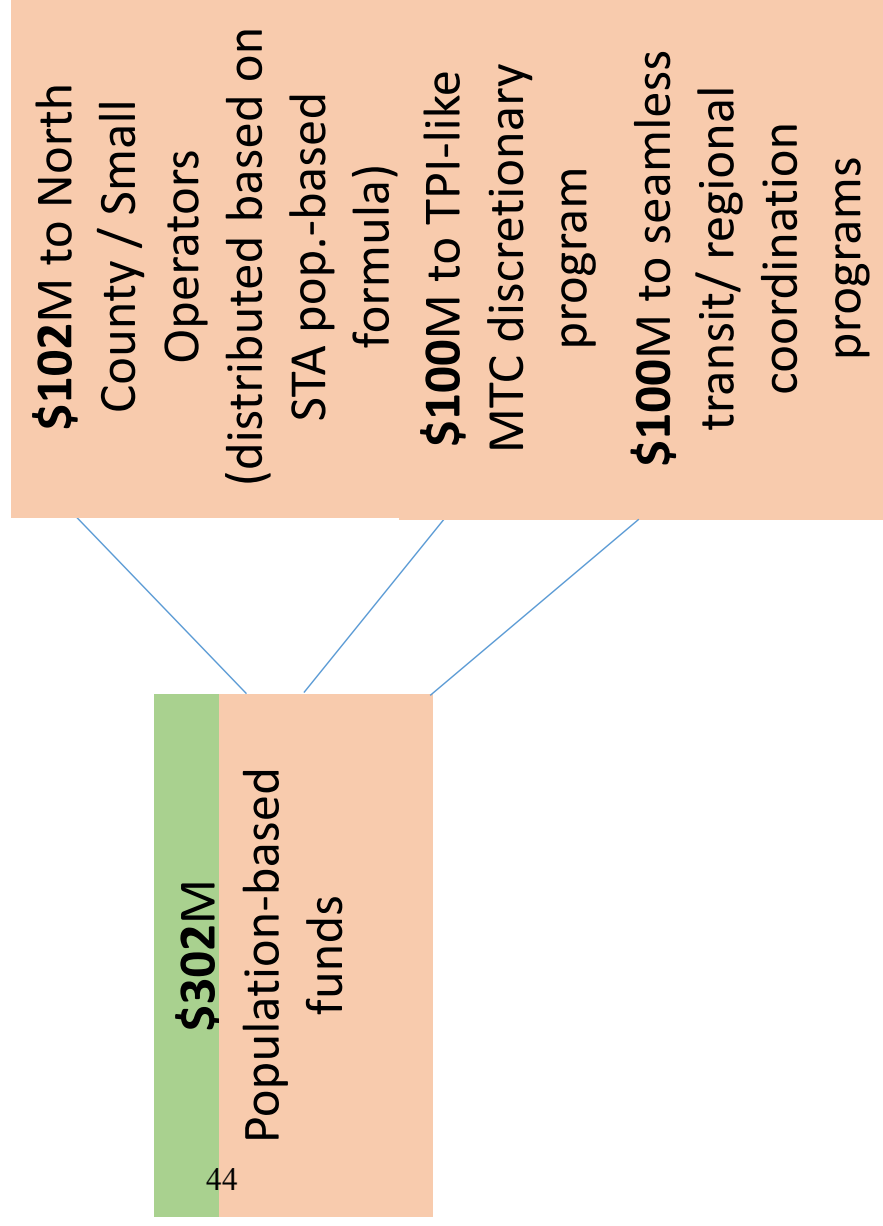
43

Additional Operator Distribution from Population-Based Funds (\$ millions)	
CCCTA	5.3
ECCTA	5.8
City of Fairfield	2.0
LAVTA	3.3
NCPTA	2.1
SamTrans	11.6
City of Santa Rosa	8.6
Solano County Transit	2.5
Sonoma County Transit	3.0
City of Union City	1.1
City of Vacaville	1.3
VTA	40.9
WCCTA	1.2
<b>SUBTOTAL</b>	<b>\$ 89</b>

Assumes \$2.5B/year over 25 years

# LCTOP - Population-based funds Option 2

2/3 to regional initiatives, 1/3 to North County/Small Operators



Assumes \$2.5B/year over 25 years

Additional Operator Distribution from Population-Based Funds (\$ millions)	
CCCTA	20.4
ECCTA	12.3
LAVTA	8.4
NCPTA	5.8
City of Union City	3.0
WCCTA	2.7
Marin County Operators (TBD)	10.8
Solano County Operators (TBD)	17.5
Sonoma County Operators (TBD)	20.6
<b>SUBTOTAL</b>	<b>\$ 102</b>

# Affordable Housing and Sustainable Communities Program

- **Tied to One Bay Area Grant Program in current MTC framework**
- **Bay Area could receive estimated \$3.7 billion from AHSC over 25 years, statewide discretionary program**
- **Draft revised guidelines currently out for comment, some significant program changes**
- **Proposal:**
  - Continue to advocate for Bay Area projects and provide assistance to potential Bay Area applicants
  - Focus on affordable housing and Transit-Oriented Development-related transportation projects
  - Formalize MTC principles used for FY14-15 program

# Climate Initiatives and Goods Movement

- **Current MTC framework includes these categories as placeholders, however, no corresponding state programs were enacted.**
- **40% of state Cap and Trade funding remains “uncommitted”**
- **Proposal:**
  - Remove reference and funding for Climate Initiatives and Goods movement, replace with TBD
  - Continue to advocate for funding for specific projects or programs as opportunities arise
    - Potential guides will be Climate Pilot Program, Goods Movement Plan, and Freight Emission Reduction Plan

# High Speed Rail

- **25% of state Cap and Trade funding for High Speed Rail**
- **High Speed Rail Authority is part of the 9-party agreement to fund the Caltrain Electrification Program through High Speed Rail bonds (Prop 1A)**
- 47 ➤ **Proposal:**
  - Continue coordination with High Speed Rail Authority on Bay Area segment and interoperability with existing services
  - Continue to advocate for funding for specific projects or programs as opportunities arise

# Next Steps

## Proposed Schedule:

- October 14<sup>th</sup> Programming and Allocations Committee direction
- October/November/December — Input from partner agencies, Policy Advisory Council, interested stakeholders
- Staff recommendation for consideration in early 2016



## ATTACHMENT B

### Comments:

1. Under MTC's proposed framework for the LCTOP population-based funding, STA prefers option 2, which would distribute \$17.5 million to Solano County Operators; and
2. STA requests that MTC expands its proposed AHSC focus to include ICP projects, as well as TOD.

Project Priorities:

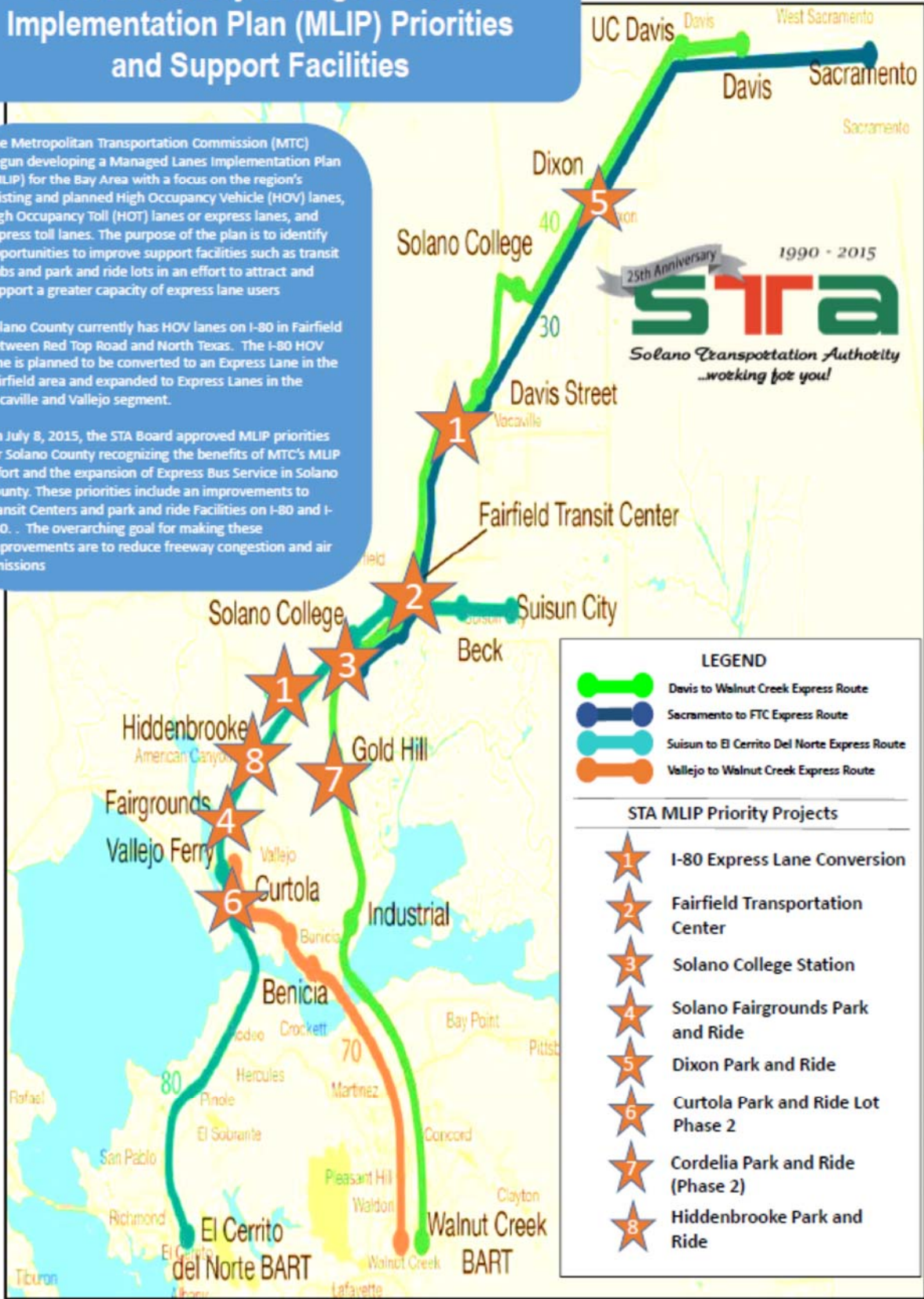
1. SolanoExpress Bus Replacement
2. Fairfield-Vacaville Train Station
3. STA MLIP Priority Projects (Attachment D)

# Solano County Managed Lanes Implementation Plan (MLIP) Priorities and Support Facilities

The Metropolitan Transportation Commission (MTC) began developing a Managed Lanes Implementation Plan (MLIP) for the Bay Area with a focus on the region's existing and planned High Occupancy Vehicle (HOV) lanes, High Occupancy Toll (HOT) lanes or express lanes, and express toll lanes. The purpose of the plan is to identify opportunities to improve support facilities such as transit hubs and park and ride lots in an effort to attract and support a greater capacity of express lane users.

Solano County currently has HOV lanes on I-80 in Fairfield between Red Top Road and North Texas. The I-80 HOV lane is planned to be converted to an Express Lane in the Fairfield area and expanded to Express Lanes in the Vacaville and Vallejo segment.

On July 8, 2015, the STA Board approved MLIP priorities for Solano County recognizing the benefits of MTC's MLIP effort and the expansion of Express Bus Service in Solano County. These priorities include an improvements to Transit Centers and park and ride Facilities on I-80 and I-680. . The overarching goal for making these improvements are to reduce freeway congestion and air emissions



# Fairfield/Vacaville Intermodal Station



## Projected Ridership

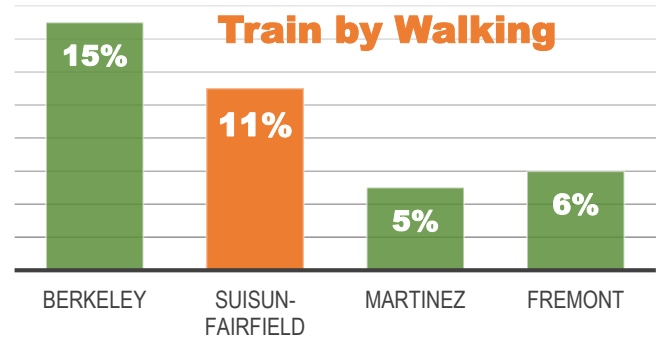


**6,800** Planned New Housing Units Nearby



**3,637,708** passenger miles from Solano riders in 2014

## Passengers Accessing Train by Walking



January 26, 2016

**DRAFT**

Kenneth Folan  
Principal - Programming and Allocations  
MTC  
101 Eighth Street  
Oakland, CA 94607-4707

**RE: STA's Feedback on MTC's Proposed Cap and Trade Framework**

Dear Mr. Folan:

The Solano Transportation Authority (STA) would like to thank the Metropolitan Transportation Commission (MTC) for the opportunity to provide feedback on MTC's proposed Cap and Trade framework. STA requests that MTC considers the following:

1. Under MTC's proposed framework for the LCTOP population-based funding, STA recommends option 2, which would distribute \$17.5 million to Solano County Operators. In addition, we request further clarification regarding the "TPI-like MTC Discretionary Program" and "Seamless Transit/Regional Coordination Programs" that are included as part of both Options 1 and 2. Further, Solano County Operators have already developed plans to utilize future LCTOP funding, thus STA requests that at a minimum Operators that received prior funds be held harmless in future distributions.
2. STA requests that MTC expands its proposed AHSC focus to include Integrated Connectivity Projects (ICP) projects, as well as Transit Oriented Development (TOD) projects. ICP projects are consistent with the Strategic Growth Council guidelines, and is specifically listed as a type of project that can increase accessibility of affordable housing, employment centers and key destinations via low-carbon transportation options (walking, biking and transit), resulting in fewer vehicle miles traveled (VMT).

In addition to the comments provided above, on January 13, 2016 the STA Board adopted the following Cap and Trade Project Funding Priorities:

1. SolanoExpress Bus Replacement
2. Fairfield-Vacaville Train Station
3. STA MLIP Priority Projects

If you have any questions regarding this letter, please contact STA's Transit Manager, Philip Kamhi or myself at (707) 424-6075.

Sincerely,

Daryl Halls  
Executive Director  
Solano Transportation Authority

Cc: STA Board Members  
Steve Heminger and Alix Bockelman, MTC

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DATE: January 19, 2016  
 TO: SolanoExpress Intercity Transit Consortium  
 FROM: Philip Kamhi, Transit Program Manager  
 RE: Low Carbon Transit Operations Program (LCTOP) FY 2015-16 Funding

**Background/Discussion:**

The State of California has identified reduction of the emission of Greenhouse Gases (GHGs) as a major policy focus, and has approved legislation such as Assembly Bill (AB) 32, Senate Bills (SB) 375 (regional transportation plans) and SB 753 (environmental thresholds of significance) to help achieve GHG emission reductions. One of the programs that is an outgrowth of this effort - the Cap and Trade Program - was introduced with draft funding regulations in 2014.

On January 15, 2016, MTC sent an email (Attachment A) to the Transit Finance Working Group (TFWG) regarding Low Carbon Transit Operations Program (LCTOP), and included a detailed list of the LCTOP funding shares (Attachment B).

Attachment B includes LCTOP funding shares, and the following breakdown for Solano County:

<b>Solano County</b>	<b>Revenue-based Funding</b>	<b>Pop.-based Funding</b>	<b>Total Funding (Revenue-based and Pop.-based)</b>
City of Dixon	\$955	-	\$955
City of Fairfield	\$24,054	-	\$24,054
City of Rio Vista	\$220	-	\$220
City of Vacaville	-	-	-
Solano County Transit	\$56,158	-	\$56,158
Solano County Operators (TBD)	-	\$422,905	\$422,905

In Marin, Solano and Sonoma Counties, MTC has assigned a lump sum (population-based funding) to the CMA's, for distribution coordinated at the county level.

At the January 2016 STA Board meeting, the STA Board approved the following Cap and Trade Project Priorities:

1. SolanoExpress Bus Replacement
2. Fairfield-Vacaville Train Station
3. STA Managed Lanes Implementation Plan (MLIP) Priority Projects

Based on the STA Board adopted priority, STA staff recommends prioritizing this funding for SolanoExpress Bus Replacement for this year, towards the \$4.2 million deficit. STA staff also recommends distributing at a minimum the same levels of funding that the operators were distributed in FY 2014-15, as follows:

<b>Solano County</b>	<b>FY 2015-16 Funding (Revenue-based)</b>	<b>FY 2015-16 Funding (Pop.- based)</b>	<b>Total Funding (Revenue-based and Pop.-based)</b>
City of Dixon	\$955*	-	\$955*
City of Fairfield	\$24,054	\$55,154	\$79,208
City of Rio Vista	\$220*	-	\$220*
City of Vacaville	-	\$35,954	\$35,954
Solano County Transit	\$56,158	\$67,421	\$123,579
SolanoExpress Bus Replacement	-	\$264,376	\$264,376
<b>Total</b>	<b>\$81,387</b>	<b>\$422,905</b>	<b>\$504,292</b>

\*Both Dixon and Rio Vista intend to swap this funding

Applications for the FY 2015-16 LCTOP program are due to MTC for review by January 26, 2016. STA staff did contact the Solano County Transit Operators prior to the Consortium meeting to discuss with the impacted operators, and a summary of their comments are attached (Attachment C).

**Fiscal Impact:**

A total of \$422,905 LCTOP Population-based funding is available for FY 2015-16 for Solano County.

**Recommendation:**

Forward a recommendation to the STA TAC and Board to:

- A. Authorize distribution of the FY 2015-16 Low Carbon Transit Operations Program Population-based funding, as follows:
  - City of Fairfield: \$55,154
  - City of Vacaville: \$35,954
  - Solano County Transit: \$123,579
  - SolanoExpress Bus Replacement: \$264,376
- B. Authorize STA staff to develop a five-year plan for the Low Carbon Transit Operations Program Population-based funding

Attachments:

- A. MTC TFWG Email Dated 1/15/16
- B. MTC LCTOP 2015-16 Shares
- C. Summary of Transit Operator Comments on proposed 2015-16 LCTOP Funding (To be provided under separate cover.)



**From:** [Kenneth Folan](#)  
**To:** [Kenneth Folan](#)  
**Subject:** Cap and Trade: Transit Operations (LCTOP) - Population-based Funds  
**Date:** Friday, January 15, 2016 4:59:08 PM  
**Attachments:** [LCTOP\\_2015-16 Shares.pdf](#)

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Distributed To: Transit Finance Working Group  
 From: MTC Staff

Eligible FY 2015-16 LCTOP applicants:

**MTC's Cap and Trade Low Carbon Transit Operations Program (LCTOP) Framework/ Funding Formula and Caltran's LCTOP Deadlines**

To secure FY 2015-16 LCTOP funds, all project sponsors must submit an allocation request application to Caltrans by February 1, 2016. For some of you, you will need information on the population based LCTOP funds from MTC and a signature from MTC. MTC staff intends to recommend an interim FY2015-16 LCTOP distribution formula for the population-based funds at the February Commission meeting, but this will not be in time for the February 1<sup>st</sup> Caltrans allocation request deadline. This interim FY2015-16 formula is a modified version of the October 2015 staff proposed alternatives that was discussed recently with transit operators. Over the past several months, MTC staff has received input on two proposed alternatives. Because of the accelerated February 1<sup>st</sup> deadline, we are recommending proceeding with this interim option.

To meet Caltrans' deadline, MTC is providing provisional LCTOP population amounts for operators to include in your application, see attached document. Caltrans has indicated they will accept provisional applications.

**Process and Instructions**

- For operators submitting applications to the revenue based program only, you can bypass MTC and send your application directly to Caltrans. If your application encompasses the population based or a combination of population based on Revenue based LCTOP funds, you will need to work with MTC to submit your application.
- Please use the funding amounts listed in the attached file for your LCTOP population based share. For Solano, Marin, and Sonoma County operators, a lump sum amount has been assigned to the county, for distribution coordinated at the county level.
- Once you have prepared your application, send the required files to MTC by January 26, 2016:
  - o Allocation Request Form
  - o Funding Plan Form
  - o Authorized Agent Form
  - o Certification and Assurances Form
  - o Draft or approved board resolutions
- Also please make sure to have your board approve the following in February:
  - o Board Resolution identifying project

- o Board Resolution for certifications and assurances/authorized agent (Caltrans has informed MTC staff that a new resolution is required even if an agency passed this resolution last cycle – you may want to not specify FY2015-16 for this resolution, so that it can be used in future years).
- Application materials and resolution templates are available at Caltrans' webpage listed below. Note that the allocation request form requires inputs from the GHG Reduction Quantification Tool, also available on the LCTOP website.

**Important dates**

January 26, 2016 – Applications due to MTC for review (submit to Melanie Choy electronically at [mchoy@mtc.ca.gov](mailto:mchoy@mtc.ca.gov) and original signed hard copy to Melanie Choy, MTC, 101 8<sup>th</sup> Street, Oakland, CA 94607)

February 1, 2016 – Applications due to Caltrans/ MTC transmits all applications to Caltrans as provisional

February 24, 2016 – MTC Commission adoption of interim FY2015-16 framework and program of projects

February 2016 – Operators take Board action to approve the LCTOP application, certs and assurances and authorized agent (see sample resolutions at the link below). Once approved work with MTC to send final application to Caltrans.

**Additional Information:**

Interim MTC LCTOP population based program distribution formula (attached pdf)

All forms and sample resolutions located at Caltrans' LCTOP webpage:

<http://www.dot.ca.gov/hq/MassTrans/lctop.html>

Thank you for your cooperation and please feel free to contact me or Melanie Choy with any questions.

Kenneth Folan  
Principal - Programming and Allocations  
MTC  
510.817.5804

## Provisional Distribution of Low Carbon Transit Operations Program Funds for FY 2015-16

Estimates revenues based on State Controller's Office Letter dated 10/30/2015

Operator / Entity / Program	FY 2015-16 Estimated Low Carbon Transit Operations Program		
	Revenue-based Funding	Pop.-based Funding	Total Funding (Revenue-based and Pop.-based)
	\$ 20,890,977	\$ 7,275,276	\$ 28,166,253
ACTC - Corresponding to ACE	\$ 52,342	\$ -	\$ 52,342
Caltrain	\$ 1,089,039	\$ -	\$ 1,089,039
CCCTA	\$ 123,087	\$ 492,491	\$ 615,578
ECCTA	\$ 57,005	\$ 297,455	\$ 354,460
LAVTA	\$ 49,753	\$ 203,612	\$ 253,365
NCPTA	\$ 12,433	\$ 140,397	\$ 152,830
SamTrans	\$ 669,751	\$ 279,772	\$ 949,523
City of Union City	\$ 8,417	\$ 71,301	\$ 79,718
VTA	\$ 2,576,819	\$ 985,763	\$ 3,562,582
VTA - Corresponding to ACE	\$ 56,032	\$ -	\$ 56,032
WCCTA	\$ 64,506	\$ 65,666	\$ 130,172
WETA	\$ 264,976	\$ -	\$ 264,976
<i>Marin County</i>			
GGBHTD	\$ 964,017	\$ -	\$ 964,017
Marin Transit	\$ 179,550	\$ -	\$ 179,550
Marin County Operators (TBD)	\$ -	\$ 259,722	\$ 259,722
<i>Solano County</i>			
City of Dixon	\$ 955	\$ -	\$ 955
City of Fairfield	\$ 24,054	\$ -	\$ 24,054
City of Rio Vista	\$ 220	\$ -	\$ 220
City of Vacaville	\$ -	\$ -	\$ -
Solano County Transit	\$ 56,158	\$ -	\$ 56,158
Solano County Operators (TBD)	\$ -	\$ 422,905	\$ 422,905
<i>Sonoma County</i>			
City of Healdsburg	\$ 101	\$ -	\$ 101
City of Petaluma	\$ 2,792	\$ -	\$ 2,792
City of Santa Rosa	\$ 27,337	\$ -	\$ 27,337
Sonoma County Transit	\$ 29,599	\$ -	\$ 29,599
Sonoma County Operators (TBD)	\$ -	\$ 496,902	\$ 496,902
<b>SUBTOTAL</b>	<b>\$ 6,308,943</b>	<b>\$ 3,715,986</b>	<b>\$ 10,024,929</b>
AC Transit	\$ 1,948,597	\$ -	\$ 1,948,597
BART	\$ 4,476,845	\$ -	\$ 4,476,845
SFMTA	\$ 8,156,592	\$ -	\$ 8,156,592
<b>SUBTOTAL</b>	<b>\$ 14,582,034</b>	<b>\$ -</b>	<b>\$ 14,582,034</b>
MTC Regional Coordination Program -- Clipper	\$ -	\$ 3,559,290	\$ 3,559,290

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DATE: January 11, 2016  
TO: SolanoExpress Intercity Transit Consortium  
FROM: Robert Macaulay, Director of Planning  
Elizabeth Richards, STA Consultant  
RE: Solano Comprehensive Transportation Plan (CTP) - Transit Element Update:  
Resources

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**Background:**

The Solano Comprehensive Transportation Plan (CTP) is one of the STA's primary long-range planning documents along with the Congestion Management Program (CMP) and the CTP feeds into Metropolitan Transportation Commission's Regional Transportation Plan, known as Plan Bay Area. The CTP consists of three main elements: Active Transportation; Arterials, Highways and Freeways; and, Transit and Ridesharing.

The overall purpose of the CTP is to identify opportunities and resources to move the countywide transportation system from its current condition to a desired future condition, and to then prioritize steps to bring this change to fruition. The first step in preparing the Transit and Rideshare Element was identification of those services and facilities that the Element's policies are designed to influence; namely, intercity transit services. These intercity transit services provide connectivity between Solano County's communities, and connect Solano County with the wider Northern California mega-region, especially the Bay Area. The primary components of the Transit and Rideshare system are:

- Intercity bus service, primarily provided by FAST and Soltrans
- Intercity rail provided by the Capitol Corridor
- Ferry service from WETA
- Vanpools and carpools
- Paratransit and Mobility Management services

The State of the System has been approved by the Transit Committee and the Board. The Goals have been presented to the Transit Committee and are on the January Board agenda for approval. A Goal Gap Analysis has been drafted for the Transit Committee's and the Consortium's review on January 25 and 26, respectively. The Transit Committee reviewed the draft Resources section in December and it is now being presented to the Consortium for review and approval. This month's version has been updated as a result of the approval of a federal transportation bill after the December Transit Committee. This version of the Resources chapter will also be on the agenda of the January Transit Committee meeting. The next step will be to develop processes and policies to achieve the goals.

## **Discussion:**

There is a wide range of funding sources for transit operating and capital. Funding comes from all levels: federal, State, regional and local. Some sources are long-standing, flexible and reliable; others are short-term, specific and competitive. One constant is that the funding environment is always changing. What has been available in the past is not what will be available in the future. The CTP-Transit Element Resources section (attached) presents the funding that has been available since the last CTP in 2005 and how that funding has been used in Solano County for intercity SolanoExpress bus service operators, carpool/vanpool services of the Solano Napa Commuter Information (SNCI) program, Intercity ADA Paratransit and subsidized taxi service, and Mobility Management. There will be limited discussion of rail and ferry resources as those services are operated by agencies outside Solano County. The Resources section also discusses the anticipated direction of funding for these same services in the future. Highlights of the attached Resources chapter are presented below.

## **FEDERAL**

One of the major funding sources for transit, including intercity bus service, is the Federal Transit Administration's 5307 funding program. These funds are distributed by formula directly to urbanized areas (UZAs). This has been a long-standing and significant source of funds that FAST and SolTrans receive directly. These operators may use them for capital or operating assistance.

The federal legislation that directs FTA funding has been MAP-21 since 2012. Originally intended to expire in 2014, but has been repeatedly extended. In December 2015, the President signed a five-year transportation funding bill – the FAST (Fixing America's Surface Transportation) Act. At this time, it appears that transit capital funding levels will increase modestly (about 3%), but that there will be no dramatic policy changes. The longstanding 5307 funding source remains.

The 2009 American Recovery and Reinvestment Act (ARRA) program supplemented 5307 funding recipients which helped with several SolTrans, FAST and Vacaville capital projects that support the SolanoExpress services. This was one-time funding program and all ARRA funds have been allocated. Other federal programs that have funded SolanoExpress bus operating or capital have been the longstanding 5311 (rural) program and the MAP-21 State of Good Repair Program (5337).

Federal funding has also supported carpool/vanpool Solano Napa Commuter Information (SNCI), ADA Intercity Paratransit and the Solano Mobility Management program. STA's SNCI Program has received CMAQ funding. Paratransit received 5307 funds and Mobility Management received 5316 and 5317 funds. In the future, paratransit will not be able to use 5307 funds and both of the Mobility Management funding programs have been incorporated into other funding categories.

## **STATE**

TDA (Transportation Development Act) funds are one of the primary funding sources for transit. TDA funds are generated from a countywide one-quarter-of-one-percent sales tax to support transit, transportation for disabled individuals and more. With the economic downturn in the past 10 years, TDA revenues decreased sharply. TDA funds are longstanding revenue distributed by formula, very flexible and can be used for operating and capital. TDA revenue has been gradually rebounding and is expected to continue to increase modestly as Solano's local economy continues to improve.

State Transit Assistance Funds (STAF) are also a longstanding revenue source for intercity (and local) transit. The revenue generated is based on fuel sales and is distributed in part statewide by formula directly to transit operators. These “revenue-based STAF” funds can be used for intercity and paratransit operating or capital. The balance, “population-based STAF” is distributed in the Bay Area by MTC after 25% is retained for MTC coordination programs. MTC distributes the “Pop-based STAF” via three programs: Northern County/Small Operators, Regional Paratransit and Lifeline. The STA programs these funds: the first one may be used very broadly for operating, capital, planning, marketing and more while the other two are fairly restrictive as the names imply. Overall, STAF has funded intercity SolanoExpress services, ADA paratransit, and the mobility management program. STAF revenue in the future will depend on fuel sales and MTC program policies. No major changes are anticipated at this time.

The State’s Proposition 1B bonds approved in 2006 have helped fund FAST and SolTrans capital. The State’s new Cap and Trade program created a Greenhouse Gas Reduction (GHG) Fund from the auction proceeds. One of the programs this will fund is the Transit and Intercity Rail Capital Program (TIRCP). The TIRCP will help support transportation investments by improving the quality and reliability of public transportation choices; this is to be funded with 10% of the GHG fund revenue. Distribution of these funds is through a statewide competitive process and candidate projects must demonstrate GHG reduction among other criteria. The first round of allocations occurred in 2015; none for Solano County projects. Legislative efforts have been undertaken to increase the percentage for TIRCP.

## **REGIONAL**

Bridge tolls are an important revenue source for SolanoExpress services and have also contributed to several capital projects that support the SolanoExpress system. The capital projects have either been completed or are under construction. The four SolanoExpress routes that cross the Benicia and Carquinez bridges receive RM2 operating funds. The amount is stable and doesn’t decrease, but it only increases 1.5% annually.

Solano’s carpool/vanpool program has benefited from several regional funding sources. STA’s SNCI Program has received steady funding support through competitive Bay Area Air Quality Management District (BAAQMD) and Yolo Solano Air Quality Management District (YSAQMD) funding programs. The air districts fund projects that reduce vehicle emissions. No major changes are expected in the future. However, SNCI also received a significant portion of their funding from MTC’s Regional Rideshare Program (RRP) for the past two decades. MTC is making a major change of direction in how they deliver regional carpool and vanpool services and will be eliminating its commitment to the SNCI program after FY2017.

## **LOCAL**

Passenger fares are a large revenue source for SolanoExpress routes. The seven routes all perform well with FY2013 farebox recovery rates ranging from 25% to 69%. Passenger fares also fund, albeit at a lower level, intercity ADA paratransit and taxi programs. Maintaining a high farebox recovery should remain an important goal for a customer service and cost recovery points of views.

The Intercity SolanoExpress service has been funded through the Intercity Transit Funding (ITF) agreement since 2006. The ITF distributes the cost of these countywide transit services among all transit operators which has created funding and service stability. Any major increases or decreases in SolanoExpress service levels and costs would need agreement of all the funding partners. The ITF agreement is expected to continue and has been used as a basis to share the cost of replacing the SolanoExpress vehicles as well.

Parking fees have created a relatively new local revenue stream for transit. Parking fees have been established at the Vallejo Transit Center parking structure and nearby surface parking shared with the Ferry Terminal and at the recently expanded Curtola Park and Ride lot. Recently, a parking fee has been approved at the Fairfield Transportation Center (FTC). Advertising at transit facilities and on buses also generate revenue.

## **CONCLUSIONS**

It is not possible to project with any specificity the amount of future funding that will be available for intercity bus, carpool/vanpool services, ADA intercity paratransit and mobility management programs. The past gives an idea of funding that has been available and how it's been used, but does not offer a definitive picture of future funding. Change is the constant when it comes to transit and rideshare funding.

A major piece of transit funding had been flux until a new five-year Federal transportation bill was approved in December 2015; initial review suggests few major changes in funding levels. State on-going funding sources such as TDA and STAF are expected to remain reasonably stable or modestly increase. Key regional funding sources are mixed: RM2 is stable, but the Regional Rideshare Program (RRP) funding will be eliminated. One new opportunity on the horizon for intercity transit appears to be the State's competitive Cap and Trade program.

The current view of resources suggests that sustaining the current level of service of intercity bus, carpool/vanpool services, ADA intercity paratransit and mobility management services will be challenging - expanding to meet future needs even more so.

The Transit and Rideshare Committee reviewed this report at their meeting of December 2, 2015, and will review it at their next meeting of January 25, 2016. The committee had no comments on the draft report submitted to them on December 2, 2015. Any comments received at the January 25, 2016, meeting will be incorporated into the final version provided to the STA board.

### **Fiscal Impact:**

None.

### **Recommendation:**

Forward a recommendation to the STA TAC and Board to approve the CTP-Transit Element Resources Chapter as shown on Attachment A.

Attachment:

- A. Draft CTP-Transit Element Resources Chapter (v. 1.11.16)



## CTP – Transit Element Resources<sup>1</sup>

Resources will be needed to maintain, modify and possibly expand transit and rideshare services to meet the future mobility demands of Solano residents, employees and visitors. The amount of resources will depend on numerous dynamic factors such as the level of basic demand, public policy goals at multiple levels, cost of service delivery and the mix of services and capital to support the services. Resources in this context refer to funding. Funding is needed to deliver vehicles, fuel, maintenance, drivers, support staff, and facilities operation, maintenance and construction. Funding is needed also for program staff, taxi fare subsidy and other program expenses. This section will focus of the existing and projected resources available for transit and rideshare services.

Funding for transit and rideshare services is derived from a variety of sources ranging from the federal government to users. This discussion will be review the types of funding from the various levels (federal, state, regional, local, and user) primarily for intercity bus, rideshare, Intercity ADA Paratransit and mobility management programs. Although there are rail and ferry stops in Solano, these services are operated and funded by agencies outside of Solano.

### **Federal**

Federal funding for transportation projects is determined by legislation approved by Congress and is periodically renewed. Federal transportation funding was guided by what was known as SAFETEA-LU (Safe, Accountable, Efficient Transportation Equity Act: A Legacy for Users) from 2005 until September 2012. SAFETEA-LU was originally intended to guide transportation funding for four years but was repeatedly extended. SAFETEA-LU continued some longstanding funding programs and created some new ones.

In 2012, a new two-year transportation bill was approved, known as Moving Ahead of Progress in the 21<sup>st</sup> Century, or MAP-21. It authorized just over \$10.5 billion for each of the two years for public transit. Since MAP-21's original expiration date of September 30, 2014, Congress has enacted short-term extensions allowing the Federal Transit Administration (FTA) to continue its programs through the end of October 2015. In December 2015, a new five-year transportation funding bill was approved and became known as the FAST (Fixing America's Surface Transportation) Act.

FAST authorizes \$300 billion over five years through FFY2019-20. Funding begins slightly above the MAP-21 level and increases 1-2% annually. There are some modifications as compared to MAP-21 but upon initial review there does not appear to be major increases or decreases for transit.

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<sup>1</sup> v. 1/11/16

There are multiple types of federal transit funding which are designated for different purposes. With new federal transportation legislation, some funding programs stay the same while others are eliminated and added. Program funding parameters may be very specific or broad. Some are distributed by formula and others are competitive. Given the funding parameters, all transit operators do not receive all types of funding. Federal funds are generally used by Solano transit operators for local and intercity operating and capital projects and improvements, ADA paratransit service and capital, and mobility management programs.

The Urbanized Area (UZA) Formula Program (5307) was in both SAFETEA-LU and MAP-21 and has been a funding category since the 1980s; it remains in the FAST Act. These funds are for areas with a population of over 50,000 and may be used fairly broadly particularly for areas with a population of under 200,000. There are three UZA in Solano that qualify for 5307 funds: Vallejo/Benicia, Fairfield/Suisun City and Vacaville. Transit capital, operating (in some situations) and planning have been eligible expenses for SolanoExpress operators FAST and SolTrans. SolTrans has also received funds from the San Francisco-Oakland UZA for ADA Paratransit; this will discontinue beginning in FY2014-15. Other than this last item, it is assumed that this operating assistance will continue to be provided and that the level of funding support for urbanized areas will modestly increasing under the FAST Act. .

The American Recovery and Reinvestment (ARRA) of 2009 augmented the FTA's 5307 program awarding \$17 million for several projects in Solano. The SolTrans maintenance facility renovation, the Vallejo Transit Center and Ferry downtown parking structure, FAST bus replacement and improvements, and Vacaville City Coach intermodal facility and bus replacement were all projects that received some of their funding from ARRA. All ARRA funds have been allocated.

The 5310 program (Transportation for Elderly Persons and Persons with Disabilities) was in both SAFETEA-LU and MAP-21. In MAP-21, what had been a separate funding program (5317 – New Freedom discussed below) was incorporated into the 5310 program. 5310 is a competitive funding program managed by the State. 5310 projects are intended to be for capital projects that will improve mobility for seniors and people with disabilities in traditional ways as required by ADA as well as nontraditional investments to improve mobility beyond ADA requirements. The STA's PCC capital projects applications from Solano County. Successful projects have primarily been vehicle replacements for non-profit organizations transporting people with disabilities, public paratransit vehicles providing service beyond ADA and related support equipment such as radios. The 5310 program continues in the FAST Act. One change worth noting is that States and local government entities operating public transit services are clarified as eligible direct recipients of Section 5310 assistance

The Rural Transportation Assistance Funds (5311) program was similar to 5307 for non-urbanized areas. These formula funds have been directly distributed to Dixon Redit-Ride and Rio Vista Delta Breeze and used as operating assistance and capital projects primarily bus replacement. SolTrans

and FAST have also received 5311 funding for operating SolanoExpress routes in rural areas. Solano Transportation Authority allocates this funding to Solano transit operators and submits to MTC for programming with Caltrans. 5311 funding continues under the FAST Act and the level of funding slightly increasing.

The Jobs Access Reverse Commute (JARC) (5316) Program funded projects that would address transportation challenges faced by welfare recipients and low-income people seeking to obtain employment as well as provide reverse primary commute route services. JARC was a distinct funding category in SAFETEA-LU but was subsumed into the 5307 and 5311 programs with MAP-21. MAP-21 changed JARC from a competitive to a formula funding process at the State level, but the projects were selected competitively at that point and had to be in a Coordinated Plan. JARC has funded Solano Lifeline projects and the Mobility Management program.

The New Freedom Program (5317) was a new and distinct program in SAFETEA-LU, but was incorporated into the 5310 program in MAP-21. The 5317 funds were for services to improve mobility for individuals with disabilities above and beyond Americans with Disabilities (ADA) requirements. The projects had to have been identified in an approved plan. New Freedom funds were used to fund Solano's Mobility Management Program.

A new program in MAP-21 continued in the FAST Act, the State of Good Repair (5337) program, has funded both FAST and SolTrans which will help with their share of the funding needed to replace the SolanoExpress bus fleet among other items. The STA Board approved an Intercity Bus Replacement Capital Funding Plan. Members of the Intercity Transit Funding (ITF) Agreement (discussed later) will contribute funds to replace the SolanoExpress fleet with funding also to come from the STA and possibly MTC.

The Surface Transportation Program (STP) has been the most flexible highway funding program and historically one of the largest single programs. States and metropolitan areas may use these funds for not only highway, bridge, pedestrian and bicycle infrastructure, but also transit capital projects, transportation demand management (TDM), and carpool projects. The amount of STP funds were increased in MAP-21 from SAFETEA-LU, however more programs were incorporated under the STP category most significantly bridges which previously had a set-aside. Congestion Mitigation/Air Quality (CMAQ) is another federal funding program limited to projects or programs that have a direct impact on reducing congestion or air pollutant emissions. MTC is the federal recipient of STP and CMAQ funds and manages the distribution of these funds in the Bay Area. This includes additional "Eastern County CMAQ" funds derived from the portion of the Solano County in the Sacramento air basin and the funds are to be used for projects in eastern Solano County. Train stations and the Solano Napa Commuter Information rideshare program have received CMAQ funds. In recent years, STP/CMAQ funds have been distributed through MTC's One Bay Area Grant (OBAG) process. Under the FAST Act, STP has been incorporated under a broader category – the new Surface Transportation Block Grant Program (STBGP) - and increases

1% annually. CMAQ funding remains at the same level to start with and increasing 1-2% annually; new projects have become eligible for CMAQ funding including port-related freight operations.

The TIGER (Transportation Investment Generating Economic Recovery) grant program invests in road, rail, transit and port projects that achieve national objectives. Since 2009, Congress has dedicated nearly \$44.6 billion for seven rounds of TIGER to fund projects that have a significant impact on the nation, region or metropolitan area. Seventy-one (71) transit projects have been funded representing 28% of total TIGER funding. TIGER projects tend to be multi-jurisdictional that are difficult to support through traditional DOT programs. The Capitol Corridor has received TIGER grant funding for capital improvements.

Earmarks: Since the 2005 CTP, there has been a change in the policy of earmarks. Until 2010, applications could be made directly to a federal or state agency, and the grant was in turn provided directly to the implementing agency. Members of Congress and Senators could “earmark” funds for specific projects in their districts. For the past five years federal funds have not been earmarked, and the Solano CTP is based upon the assumption that earmarking will not return.

The direction of federal transit funding has just recently been determined by the passage of the FAST Act in December 2015. Analysis of the bill has begun and details are emerging. With the passage of the FAST Act, long-term transportation funding will be known for the first time in ten years.

## **State**

Transportation Development Act (TDA)-Local Tax Fund (LTF) Apportionments: TDA funds are derived from a countywide one-quarter-of-one-percent sales tax to support transit, transportation for disabled individuals and bicycle and pedestrian purposes. This is a major source of funding for intercity, local and paratransit operations in Solano. TDA also supports the ADA Subsidized Intercity Taxi Program. TDA revenues were increasing until the 2008 economic downturn when they declined sharply and then gradually began increasing. Future TDA funding will be dependent upon local sales tax generation which is moving in a positive direction.

State Transit Assistance funds (STAF) are derived from taxes on fuel sales. STAF revenue tends to vary annually due to the variations in fuel sales. Some STAF is distributed by formula directly from the State to transit operators (revenue-based STAF). Population-based STAF is distributed through Metropolitan Transportation Commission (MTC) programs in the Northern Bay Area counties. There are various categories, but there is a fair amount of flexibility overall. Solano’s population-based STAF is allocated to the STA and has been used for vehicle local match, intercity operating assistance, transit facilities, intercity transit planning, transit coordination, ADA paratransit, mobility management, and more. Future STAF revenue will depend on fuel sales and MTC programming policies.

The Prop 1B/PTMISEA (Public Transportation Modernization Improvement Service Enhancement Account) was created by the approval for a broader Transportation Bond in 2006. Over a ten year period ending with the final allocation in FY2014-15, \$3.6 billion was made available statewide to transit operators for transit capital. PTMISEA funds were to be used for transit rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or rolling stock (buses and rail cars) procurement, rehabilitation or replacement. Funds in this account were appropriated annually by the Legislature to the State Controller's Office (SCO) for allocation in accordance with Public Utilities Code formula distributions: 50% allocated to Local Operators based on fare-box revenue and 50% to Regional Entities based on population. Dixon Read-Ride, SolTrans and FAST received funding from this program.

The State Transportation Improvement Program (STIP) funds projects that increase capacity on state roads. STIP funding is a mix of State, federal, and local taxes and fees. STIP is primarily used for roadway construction but may also be used for PNRs and multi-modal facilities that support the highway system. STIP funds have been used for rail and ferry facilities in Solano.

California's new Cap and Trade program has created a Greenhouse Gas Reduction Fund using proceeds from the state's cap-and-trade auctions. The Transit and Intercity Rail Capital Program (TIRCP) will help support transportation investments in clean, affordable and low-stress commuting and traveling options by improving the quality and reliability of public transportation choices. In its first year \$25 million was budgeted for 14 projects that were selected in 2015. In future years, the program will receive 10% of the Greenhouse Gas Reduction Fund revenues. There have been legislative efforts to increase the percentage of the funds directed to the TIRCP so far unsuccessful. Distribution of the funds is through a statewide competitive process and candidate projects must demonstrate GHG reduction among other criteria.

## **Regional**

A portion of bridge toll revenue from the seven State-operated Bay Area bridges is allocated for transit capital and operating to reduce vehicular traffic congestion on these bridges. One program known as RM1(or AB664) funds are intended to be used to match FTA funded transit capital projects. SolTrans is a recipient of these funds managed by MTC. This program is expected to continue though MTC may modify the allocation criteria.

A second bridge toll funding program is Regional Measure 2 (RM2). RM2 funds are distributed to Solano County on a formula basis and can be used for projects that reduce bridge traffic. This includes intercity bus operations as long as the routes funded meet specific performance standards, i.e. established farebox recovery requirements. Solano receives approximately \$1.9 million annually from the RM2 "Regional Express Bus North Pool" which covers services that cross the Carquinez and Benicia Bridges. FAST and SolTrans are recipients of RM2 for delivering SolanoExpress services across these two bridges. RM2 is a stable source of funding that will not decrease.

However, with an escalation rate of 1.5% annually it will not increase by much and for several years the escalation rate had been suspended.

In Solano, RM2 funds have also been used to construct multi-modal facilities, park and rides, rail stations, and Capitol Corridor rail improvements. Most of these projects have been completed and the others are under construction.

Both the Bay Area Air Quality Management district (BAAQMD) and the Yolo Solano Air Quality Management District (YSAQMD) have funds that can be spend on projects that reduce air pollutants emissions such as Solano Napa Commuter Information program. These funds are generated from vehicle registration fees in the county. The BAAQMD program is call Transportation Funds for Clean Air (TFCA), and has two components: regionally-competitive funds administered by BAAQMD staff and focused on projects with a regional impact, and CMA Program Manager funds, with projects selected and administered by STA. The YSAQMD Clean Air Fund program is guided by a Solano advisory committee, but recipients are selected by the YSAQMD Board. As a whole, this funding stream is expected to grow slowly. SNCI has consistently received funding from these programs and it is assumed this will continue in the future.

MTC's Regional Rideshare Program (RRP) has funded a significant portion of the SNCI's carpool/vanpool program for decades. MTC has decided to make major changes to the RRP which are expected to significantly reduce funding regionwide and to the SNCI program after FY2016-17.

## **Local**

The seven SolanoExpress intercity transit services are funded through the Intercity Funding (ITF) Agreement since 2006. FAST and SolTrans operate the seven routes which serve all Solano cities except Rio Vista. Intercity transit costs are shared among jurisdictions using a formula that is based on two factors: ridership by residence and population. This shared funding is for the cost of SolanoExpress routes after farebox and other non-local revenue (RM2, grants, etc.) are taken into account. The resulting net cost is shared among the participating jurisdictions based on 20% of their population share and 80% of ridership by residence. This funding agreement is expected to continue.

Passenger fares are a major and on-going funding source for SolanoExpress intercity routes. Farebox recovery rates on the intercity routes have been consistently strong. For FY2012-13 the farebox recovery rates for these routes ranged from 25%-69%. Passenger fares also fund, albeit at a lower level, intercity ADA paratransit and taxi programs.

Transit facility parking fees have been introduced in the SolTrans service area. Daily and monthly parking fees were charged at the downtown Vallejo Transit Center parking garage when it opened in the past few years. Nearby surface parking shared with the Ferry Terminal also has parking fees.

Revenue is generated from various advertising opportunities created on vehicles and at facilities. Interior and exterior bus advertisement space is sold. Bus facilities in both FAST and SolTrans systems create paid advertising space.

## **Conclusions**

As discussed above, some, but not all, of these funds may be used for intercity transit operating and capital, rideshare and mobility management programs. As a result, it is not possible to accurately project available funding for intercity transit operating and capital, rideshare, intercity ADA paratransit, and mobility management programs.

However, some reasonable conclusions may be made about future funding as compared with current funding. Some funding sources that were available in the past ten years are no longer available (i.e. federal Earmarks, ARRA, JARC, New Freedom) which were primarily used for transit capital and Mobility Management. Some existing sources are expected to decline significantly such as the MTC/Regional Rideshare Program funding. Most existing funding sources are not projected to increase or decrease significantly in the foreseeable future. California's new Cap and Trade program may be a new source of funds and there have been efforts underway already to increase the share for transit. New funding to transit could be derived from flexible funding sources such as STP that have traditionally not been utilized; however, STP has long been used for roadway projects which continue to have significant maintenance needs.

Mobility Management and Solano's rideshare program began to overlap in 2014 when the Solano Napa Commuter Information (SNCI) program took on the role as the Mobility Call Center. The Mobility Management program has funded the SNCI program expansion for these functions and expects to continue to do so in the future. Mobility Management does not have a dedicated source of funds to ensure stability for either program.

The current view of resources suggests that sustaining the current level of service of intercity transit, carpool/vanpool services, and mobility management will continue to be challenging. It will be important to stay abreast of often changing funding opportunities, matching their parameters to county needs and values, and aggressively pursuing them. Creative funding options such as public/private funding partnerships or delegating elements of service to the private sector may need to be considered. Continual evaluation of services and programs to identify opportunities to shift service strategies from less productive to more productive service will be important. Yet caution must also be exercised to maintain the delivery of transit, rideshare and mobility management programs to those who need it most – and that need is expected to grow.

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DATE: January 21, 2016  
TO: SolanoExpress Intercity Consortium  
FROM: Jayne Bauer, Marketing and Legislative Program Manager  
RE: Legislative Update

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**Background:**

Each year, STA staff monitors state and federal legislation that pertains to transportation and related issues. On January 13, 2016, the STA Board approved its 2016 Legislative Priorities and Platform to provide policy guidance on transportation legislation and the STA's legislative activities during 2016.

Monthly legislative updates are provided by STA's State and Federal lobbyists and are attached for your information (Attachments A and B). An updated Legislative Bill Matrix listing state bills of interest is available at <http://tiny.cc/staleg>.

**Discussion:**

**State Legislative Update (Shaw/Yoder/Antwih, Inc.):**

The Legislature is in the midst of its interim recess and will reconvene on January 4, 2016 to begin the second year of the two-year legislative session. In total, the Governor signed 808 bills and vetoed 133 bills in 2015. On January 7<sup>th</sup>, the Governor released the Administration's proposed 2016-17 budget. This included a transportation funding proposal similar to the Governor's proposal from last year. Attachment C is a memo from Shaw/Yoder/Antwih, Inc. summarizing the budget. Attachment A includes more details regarding the Transportation Special Session called by Governor Brown, as well as Cap and Trade funding.

Assembly Transportation Committee Chair Jim Frazier (D-Antioch) continues to work on a long-term transportation funding package, and he released his legislative Assembly Bill (AB) 1591 on January 6<sup>th</sup>. The press release and the fact sheet (Attachments D and E) are attached for your information, as well as the bill text (Attachment F). AB 1591 has advantages over the Governor's budget proposal and staff recommends support of this bill due to its alignment with policies in the recently adopted STA Legislative Priorities and Platform. AB 1591's order of magnitude of \$3.4 billion more than the governor's proposal (\$7 billion versus \$3.6 billion) stops the bleeding of state transportation funds to other programs. At the same time, AB 1591 provides key funding for freight corridors, includes more transparency for funding, advocates for more local control over funds. Staff expects Senator Jim Beall to release his comprehensive transportation funding bill in the next 2-3 weeks. At that time, staff will provide an analysis of that bill and bring forward a recommendation.

The State Board of Equalization is considering making another adjustment to the excise tax on gas due to the continued lower gas prices. The range is anywhere from 2 to 6 cents downward, which will further devastate the STIP, and further reduce the amount of funding to cities and counties for local streets and roads. A formal announcement is expected in March, but our legislative advocates and many of our partner agencies throughout the state are already in discussions with state administrators about this issue.

STA staff met on January 20<sup>th</sup> with staff from Solano's state legislators and the two transportation committees in Sacramento. STA Board Members will meet on February 29<sup>th</sup> with each of Solano's state legislators (as well as key state agency staff) to provide the current status of STA priority projects and discuss future funding.

Federal Legislative Update (Akin Gump):

Congress returned from the Thanksgiving recess to face a number of deadlines that impact federal transportation policies – the surface transportation reauthorization, fiscal year 2016 appropriations, and reauthorization of expired tax extenders, which includes the transit commuter benefit.

***Surface Transportation Reauthorization:***

The House and Senate convened a formal conference on multi-year surface transportation reauthorization legislation on November 19. Staff worked through the recess to reach an agreement on the conference report by November 30, the date that Congress returned from the holiday. Akin Gump has summarized the Fixing America's Surface Transportation (FAST) Act (Attachment D) that was approved by both the House and the Senate and signed by the President.

***Fiscal Year 2016 Appropriations***

Just prior to adjourning on December 18, Congress passed and the President signed into law a \$1.9 trillion spending bill for fiscal year 2016. The omnibus appropriations law includes \$57.6 billion for Transportation-HUD (THUD) programs, an over \$5 billion increase over fiscal year 2015. The higher funding reflects the increased domestic discretionary funding provided by the Bipartisan Budget Act of 2015, which was enacted on November 2, 2015 and the surface transportation funding levels provided in the recently passed FAST Act. Attachment B provides more detail on this spending bill.

STA staff met with the four cities collectively funding STA's federal lobbyist contract on December 16, 2015 to prepare for a visit to Washington DC the week of April 18<sup>th</sup>.

***National Environmental Policy Act (NEPA) Proposed Rule***

On November 20, the Federal Highway Administration and Federal Transit Administration published a joint notice of proposed rulemaking to implement MAP-21's revisions to federal environmental review. The joint proposal would amend the agencies' implementing regulations under the National Environmental Policy Act as well as Section 4(f) of the Department of Transportation Act, and would make additional clarifying changes. Comments on the proposal are due January 19, 2016.

The rulemaking is expected to address programmatic approaches for environmental reviews. Staff is working on a comment letter to submit regarding this proposed rule.

**Fiscal Impact:**

None.

**Recommendation:**

Forward a recommendation to the STA TAC and Board to support Assemblyman Jim Frazier's comprehensive transportation funding Assembly Bill (AB) 1591.

Attachments:

- A. State Legislative Update
- B. Federal Legislative Update
- C. Memo re Governor's Proposed 2016-17 Budget
- D. Transportation Funding Press Release
- E. AB 1591 Fact Sheet
- F. AB 1591 Bill



**SHAW/YODER/ANTWIH, inc.**  
 LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

January 4, 2016

**TO:** Board of Directors, Solano Transportation Authority

**FM:** Joshua W. Shaw, Partner  
 Matt Robinson, Legislative Advocate

**RE:** STATE LEGISLATIVE UPDATE – January 2016

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***Legislative Update***

The Legislature reconvened from its mid-session recess on January 4 to begin the second year of the two-year legislative session. On or before January 10, the Governor will release the Administration's proposed 2016-17 budget. Below, under ***Bills of Interest***, we have provided a status update on bills we have been tracking for the STA Board.

***Transportation Special Session***

After several informational and policy hearings, the special session on transportation, called by the Governor on June 16, failed to produce a comprehensive transportation funding plan for consideration. In the final days of the legislative session, Governor Brown announced a \$3.6 billion proposal that would fund state highways, goods movement, local streets & roads, public transit, and complete streets, as well as \$890 million in one-time funding from early loan repayments. The ongoing proposal would be paid for using a mix of fuel excise tax increases, increased vehicle registration fees, and Cap and Trade revenue.

Governor Brown's proposal failed to gain any traction in the waning days of the session and it was ultimately decided that the Legislature would convene a conference committee, made-up of 10 members of the Legislature, including Senators Beall (D-San Jose, Co-Chair), Allen (D-Santa Monica), Leyva (D-Chino), Cannella (R-Ceres), and Gaines (R-El Dorado Hills) and Assembly Members Gomez (D-Los Angeles, Co-Chair), Mullin (D-South San Francisco), Burke (D-Inglewood), Melendez (R-Lake Elsinore) and Obernolte (R-Big Bear Lake). The conference committee held its first two hearings on October 16 (Sacramento) and October 21 (Ontario). The hearings were primarily focused on the needs of state highways and local streets & roads, but there was some discussion of the Governor's proposal to fund transit and how the Cap and Trade funding would be appropriated. It is rumored that the Conference Committee members have been meeting behind closed doors with the goal of finding a solution. As mentioned above, the Legislature reconvenes in early January and at that time, could consider the plan developed by the Conference Committee should one materialize.

In the meantime, we believe Assembly Transportation Committee Chair Jim Frazier (D-Antioch) continues to support a larger, more comprehensive transportation funding package. We have also heard

Tel: 916.446.4656  
 Fax: 916.446.4318  
 1415 L Street, Suite 1000  
 Sacramento, CA 95814

Senator Beall is working on a revised plan, expanding on the proposal put forth by the Governor. We anticipate both of these proposals may be released on the coming weeks.

### **Cap and Trade**

The Legislature has yet to propose a spending plan for the majority of the remaining 40 percent of the Cap and Trade revenues that aren't subject to continuous appropriation. As part of his January 2015 Budget, the Governor proposed investments in clean transportation, sustainable forestry, clean energy, water efficiency, and waste diversion. With the release of his proposed transportation funding plan, the Governor pivoted slightly and included a significant level of additional investment in transit and complete streets. The Legislature and the Governor will revisit Cap and Trade funding when they return in January and a plan may be included as part of the January 2016 budget release.

The Air Resources Board conducted its second auction of the 2015-16 Fiscal Year on November 17, from which the state collected \$657 million. Combined with the \$645 million in revenue generated at its August 18 auction, the state has collected \$1.3 billion to date, with two auctions remaining in the fiscal year.

### **Special Session Bills of Interest**

#### **ABX1 1 (Alejo)**

This bill would undo the statutory scheme that allows vehicles weight fees from being transferred to the general fund from the State Highway Account to pay debt-service on transportation bonds and requires the repayment of any outstanding loans from transportation funds by December 31, 2018. The Board is in SUPPORT of this bill. ***The STA Board SUPPORTS this bill (Board Action: 7/8/15).***

#### **ABX1 2 (Perea) and SBX1 14 (Cannella) Public Private Partnerships**

This bill would extend the authorizations for public-private partnerships (P3) as a method of procurement available to regional transportation agencies until January 1, 2030. The existing authority is set to expire on January 1, 2017. ***The STA Board SUPPORTS ABX1 2 (Board Action: 7/8/15).***

#### **ABX1 24 (Levine and Ting) Bay Area Transportation Commission**

Effective January 1, 2017, this bill would recast the Metropolitan Transportation Commission (MTC) as the Bay Area Transportation Commission (BATC) and merge the responsibilities of the Bay Area Toll Authority with the new Commission. The bill would require BATC commissioners to be elected by districts comprised of approximately 750,000 residents and award districts with a toll bridge two seats on the Commission. ***The STA Board OPPOSES ABX1 24 (Board Action: 10/15/15)***

#### **SBX1 1 (Beall) Transportation Funding**

This bill, like the author's SB 16, would increase several taxes and fees, beginning in 2015, to address issues of deferred maintenance on state highways and local streets and roads. Specifically, this bill would increase both the gasoline and diesel excise taxes by 12 and 22 cents, respectively; increase the vehicle registration fee by \$35; create a new \$100 vehicle registration fee applicable to zero-emission motor vehicles; create a new \$35 road access charge on each vehicle; and repay outstanding transportation loans. As a result, transportation funding would increase by approximately \$3-\$3.5 billion per year. ***The STA Board SUPPORTS this bill (Board Action: 7/8/15).***

**Regular Session Bills of Interest**

*(The bills listed below are active and could be moved in the second year of the two-year session.)*

**ACA 4 (Frazier) Lower-Voter Threshold for Transportation Taxes**

This bill would lower voter approval requirements from two-thirds to 55 percent for the imposition of special taxes used to provide funding for transportation purposes. ***The STA Board SUPPORTS this bill (Board Action: 3/11/15).***

**AB 227 (Alejo) Vehicle Weight Fees**

This bill would undo the statutory scheme that transfers vehicle weight fees from the general fund to the State Highway Account, to pay debt-service on transportation bonds, and requires the repayment of any outstanding loans from transportation funds by December 31, 2018. ***The STA Board SUPPORTS this bill (Board Action: 3/11/15).***

**AB 516 (Mullin) Temporary License Plates**

This bill would, beginning January 1, 2017, require the Department of Motor Vehicles (DMV) to develop a temporary license plate to be displayed on vehicles sold in California and creates new fees and penalties associated with the processing and display of the temporary tag. ***The STA Board SUPPORTS this bill (Board Action: 4/23/15).***

**AB 779 (Garcia) Congestion Management Programs**

This bill would delete the level of service standards as an element of a congestion management program in infill opportunity zones and revise and recast the requirements for other elements of a congestion management program. ***Bay Area CMA Planning Directors are analyzing this 2-year bill.***

**AB 1098 (Bloom) Congestion Management Plans**

This bill would delete the level of service standards as an element of a congestion management plan and revise and recast the requirements for other elements of a congestion management program by requiring performance measures to include vehicle miles traveled, air emissions, and bicycle, transit, and pedestrian mode share. ***Bay Area CMA Planning Directors are analyzing this 2-year bill.***

**AB 1265 (Perea) Public-Private Partnerships**

This bill would extend the authorizations for public-private partnerships (P3) as a method of procurement available to regional transportation agencies until January 1, 2030. The existing authority is set to expire on January 1, 2017. ***This bill is unlikely to move as Assembly Member Perea resigned effective December 31, 2015.***

**SB 16 (Beall) Transportation Funding**

This bill would increase several taxes and fees for the next five years, beginning in 2015, to address issues of deferred maintenance on state highways and local streets and roads. Specifically, this bill would increase both the gasoline and diesel excise taxes by 10 and 12 cents, respectively; increase the vehicle registration fee; increase the vehicle license fee; redirect truck weight fees; and repay outstanding transportation loans. As a result, transportation funding would increase by approximately \$3-\$3.5 billion per year. ***The STA Board SUPPORTS this bill (Board Action: 6/10/15).***

**SB 32 (Pavley) Extension of the California Global Warming Solutions Act of 2006 (AB 32)**

Under AB 32, ARB adopted a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990, to be achieved by 2020, and was authorized to adopt regulations to achieve the GHG reduction-target, including a market-based compliance mechanism (e.g. Cap and Trade). This bill would require ARB to approve a GHG limit equivalent to 80% below the 1990 level to be achieved by 2050 and would authorize the continued use of the regulatory process to ensure the target is met.

**SB 254 (Allen) Highway Relinquishments**

This bill would establish a general authorization for Caltrans and the CTC to relinquish state highways to cities and counties for those highways deemed to present more of a regional significance. The goal of this bill is to streamline the relinquishment process and deter the Legislature from introducing one-off bills dealing with specific segments of the state highway system. **On May 28, the Senate Appropriations Committee amended this bill to no longer mandate that Caltrans bring a highway up to a state of good repair prior to relinquishment. It is assumed, however, that this condition could still be negotiated as part of a transfer agreement. The STA Board has a SEEK AMENDMENTS position on this bill to allow for relinquishment to a joint powers authority and to protect local agencies from forced relinquishments (Board Action: 5/13/15). The Author's Office indicates this bill will not move forward.**

**SB 321 (Beall) Stabilization of Gasoline Excise Tax**

The gas tax swap replaced the state sales tax on gasoline with an excise tax that was set at a level to capture the revenue that would have been produced by the sales tax. The excise tax is required to be adjusted annually by the Board of Equalization (BOE) to ensure the excise tax and what would be produced by the sales tax remains revenue neutral. This bill would, for purposes of adjusting the state excise tax on gasoline, require the BOE to use a five-year average of the sales tax when calculating the adjustment to the excise tax. **The STA Board has a SUPPORT IN CONCEPT position on this bill (Board Action 3/11/15).**

## M E M O R A N D U M

December 30, 2015

**To:** Solano Transportation Authority  
**From:** Akin Gump Strauss Hauer & Feld LLP  
**Re:** December Report

In December Susan Lent presented to the Solano Transportation Board and at the Board meeting regarding developments in Washington and opportunities for STA to advance its objectives in 2016. She provided an update regarding the recently enacted multiyear transportation legislation, titled the Fixing America's Surface Transportation (FAST) Act. We also monitored and advised STA staff regarding developments with the annual funding legislation for fiscal year 2016.

**Surface Transportation Reauthorization**

On December 4, President Obama signed into law the FAST Act, which authorizes \$305 billion for highway and transit programs over five years. We previously provided detailed summaries of the legislation to you. Among other things, the bill establishes a new discretionary freight program, titled the Nationally Significant Freight and Highway Projects Program, a new formula program for freight infrastructure projects, titled the National Highway Freight Program, a new discretionary grant program for buses and bus facilities and establishes an Advanced Transportation and Congestion Management Technologies Deployment grant program to fund model deployment sites for large scale installation and operation of advanced transportation technologies to improve safety, efficiency, system performance, and infrastructure return on investment. Finally, the bill includes sweeping provisions intended to streamline the environmental review and project delivery process. We are working with STA staff to match priority projects with funding programs.

**Fiscal Year 2016 Appropriations**

Just prior to adjourning on December 18, Congress passed and the President signed into law a \$1.9 trillion spending bill for fiscal year 2016. The omnibus appropriations law includes \$57.6 billion for Transportation-HUD (THUD) programs, an over \$5 billion increase over fiscal year 2015. The higher funding reflects the increased domestic discretionary funding provided by the

Solano Transportation Authority  
December 30, 2015  
Page 2

Bipartisan Budget Act of 2015, which was enacted on November 2, 2015 and the surface transportation funding levels provided in the recently passed FAST Act.

The bill includes \$42.3 billion for highway programs, a more than \$2 billion increase over fiscal year 2015 appropriations, and \$9.3 billion for transit programs, an increase of about \$725 million. The bill includes \$500 million for the TIGER grant program. The bill includes \$1.68 billion for rail programs (versus \$1.62 billion in fiscal year 2015). Of that funding, \$1.39 billion is available for Amtrak capital and operating expenses, \$50 million for Railroad Safety Grants, \$25 million for rail infrastructure improvements and \$25 million for positive train control grants.

### **Commuter Tax Benefit**

Congress extended the commuter benefit for public transportation riders as part of a package of tax credits enacted as part of the omnibus spending bill. The provision mandates and makes permanent parity for the transit commuters and increases the credit from the current \$130 to \$250. Also included in this agreement was an extension of the Alternative Fuels Tax Credit and the Alternative Fuels Property (Infrastructure) Credit for fiscal years 2015 and 2016.





**SHAW/YODER/ANTWIH, inc.**  
 LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

**Date:** January 7, 2016

**To:** Daryl Halls, Executive Director, Solano Transportation Authority

**From:** Joshua Shaw, Partner  
 Matt Robinson, Legislative Advocate

**Re: Proposed California State Budget 2016-2017**

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The Governor released his proposed 2016-2017 State Budget this morning. Overall, his Department of Finance expects General Fund State Revenues for 2016-17 to total \$125 billion and he proposed to spend \$122.6 billion of General Fund Revenue (please note there are special funds that increase the overall size of the Budget). The Governor proposes to put a supplemental deposit of \$2 billion into the state's Rainy Day Fund – boosting the balance to \$8 billion, from 37 percent today to 65 percent of its constitutional target

The budget summary is laden with references to the next recession. The Governor also noted that historically, deficits are more likely than surpluses. To pre-emptively strike against the likely Legislative proposals to fund more permanent programs, the Governor included these comments in his Budget letter to the Legislature when he presented it today:

*...But it would be short-sighted in the extreme to now embark upon a host of new spending only to see massive cuts when the next recession hits. In view of the \$27 billion deficit of just five years ago and the much larger one in 2009, it is clear that fiscal restraint must be the order of the day. It also goes without saying that we should be chipping away at the \$72 billion unfunded liability that weighs down our retiree health system.*

**Transportation/Transit/Infrastructure**

The Governor's 2016-17 Proposed Budget doubles down on the need to find a solution to our state's transportation infrastructure and again points to **his proposal to invest \$36 billion in transportation over the next decade**. The Governor reminds us that the Legislature has convened a conference committee as part of the transportation special session and that work continues toward delivering a comprehensive transportation funding plan and hopes the conference committee will focus on a few key principles:

- Focusing new revenue primarily on "fix-it-first" investments to repair neighborhood roads and state highways and bridges;
- Making key investments in trade corridors to support continued economic growth and implementing a sustainable freight strategy;
- Providing funding to match locally generated funds for high-priority transportation projects;
- Continuing measures to improve performance, accountability and efficiency at Caltrans. Investing in passenger rail and public transit modernization and improvement;

Tel: 916.446.4656  
 Fax: 916.446.4318  
 1415 L Street, Suite 1000  
 Sacramento, CA 95814

- **Avoiding an impact on the precariously balanced General Fund.**

The Governor’s package includes “a combination of new revenues, additional investments of Cap and Trade auction proceeds, accelerated loan repayments, Caltrans efficiencies & streamlined project delivery, accountability measures, and constitutional protections for the new revenues” and will be split evenly between state and local transportation priorities. As was the case in September 2015, the Governor’s package focuses on maintenance and preservation, and also includes a significant investment in public transit. Specifically, the proposal includes annualized resources as follows:

- *Road Improvement Charge*—\$2 billion from a new \$65 fee on all vehicles, including hybrids and electrics;
- *Stabilize Gasoline Excise Tax*—\$500 million by setting the gasoline excise tax beginning in 2017-18 at the historical average of 18 cents, eliminating the current annual adjustments, and adjusting the tax annually for inflation;
- *Diesel Excise Tax*—\$500 million from an 11-cent increase in the diesel excise tax beginning in 2017-18, adjusted annually for inflation;
- *Cap and Trade*—\$500 million in additional Cap and Trade proceeds for complete streets and transit;
- *Caltrans Efficiencies*—\$100 million in cost-saving reforms.

Additionally, the Budget includes a General Fund commitment to transportation by accelerating \$879 million in loan repayments over the next four years. These funds will support additional investments in the Transit and Intercity Rail Capital Program, trade corridor improvements, and repairs on local roads and the state highway system.

**The Governor’s Budget proposed spending a lesser amount in 2016-17 (\$1.7 billion)** and then ramps up to \$3.6 billion the following year. In the table below, you can see how the \$1.7 billion in new revenue would be split out in 2016-17 and then the upward adjustment moving forward.

<i>Investment Category</i>	<i>Program</i>	<i>2016-17 Amount</i>	<i>Annualized Amount<sup>3</sup></i>
Local Streets and Roads	Low Carbon Road Program	\$100	\$100
	Local Road Maintenance & Repairs <sup>1</sup>	\$490	\$1,010
	Local Partnership Grants <sup>2</sup>	\$0	\$250
Transit	Transit Capital <sup>1</sup>	\$409	\$400
State Highway Repair and Maintenance	Pavement <sup>1</sup>	\$220	\$900
	Bridges and Culverts	\$155	\$500
	Traffic Management Systems	\$20	\$90
	Maintenance	\$120	\$120
Trade Corridors	Improved Goods Movement <sup>1</sup>	\$211	\$200
<b>Total</b>		<b>\$1,725</b>	<b>\$3,570</b>

<sup>1</sup> The 2016-17 totals include anticipated loan repayments.  
<sup>2</sup> Provides up to \$250 million per year beginning in 2017-18.  
<sup>3</sup> Excludes one-time loan repayments totaling \$879 million.

## Caltrans Reform

The transportation package also includes the following reforms and efficiencies at Caltrans to streamline project delivery and advance projects more quickly:

- *State Highway Performance Plan*—Establish measurable targets for improvement including regular reporting to California Transportation Commission, the Legislature, and the public.
- *Streamlined Project Delivery*—Provide a limited California Environmental Quality Act (CEQA) exemption; remove the sunset date for the federal delegation of environmental reviews so they can be completed concurrent with the state review; advance project environmental mitigation to get early buy-in on activities and reduce late challenges that delay projects; and **implement more innovative procurement methods, such as combining design and construction management elements to accelerate project delivery, commonly known as Construction Manager/General Contractor (CMGC) procurements.**
- *Staffing Flexibility*—Permit Caltrans to deliver projects funded with new revenue by doubling contract staff over the next five years.
- ***Extend Public-Private Partnership Authority***—Allow for these partnerships through 2027 by extending the current sunset date by ten years.

## Transit

The Governor's Budget projects the State Transit Assistance program will be \$315 million in 2016-17. **This represents a decrease of \$36 million over the current year projection of \$351 million.** This is due to a continued reduction in the price of diesel fuel over the level realized in years past.

The Governor's Budget reflect no change in anticipated revenues to each of the Cap and Trade Programs eligible to transit programs from continuous appropriations, and expenditure are proposed as follows:

- *Low-Carbon Transit Operations Program*—\$100 million
- *Transit and Intercity Rail Capital Program*—\$200 million
- *Affordable Housing and Sustainable Communities*—\$400 million

The Governor's Plan Cap and Trade plan also acknowledges his transportation funding proposal mentioned above, proposed expenditures as follows:

- *Transit and Intercity Rail Capital Program*—\$400 million (\$600 million total)
- *Low Carbon Road Program (Complete Streets)*—\$100 million
- *Low Carbon Transportation*—\$500 million

## Cap and Trade

The Governor's 2016-17 Proposed Budget includes expenditures of \$3.1 billion Cap and Trade from, which includes revenues from both 2015-16 and 2016-17. The Governor's Budget ventures to fund programs that support clean transportation, reduce short-lived climate pollutants, protect natural ecosystems, and benefit disadvantaged communities. **The \$3.1 billion plan reflects the balance of auction proceeds that were not appropriated in 2015-16, as well as the expenditure of projected proceeds in 2016-17.** This Plan is consistent with the second triennial investment plan for Cap and Trade auction proceeds and expends at least 10 percent of the proceeds within disadvantaged communities and at least 25 percent of the proceeds to projects that benefit those communities.

Please see the chart below for a breakdown of Cap and Trade funding in the 2016-17 Proposed Budget:

**2016-17 Cap and Trade Expenditure Plan**  
(Dollars in Millions)

<i>Investment Category</i>	<i>Department</i>	<i>Program</i>	<i>Amount</i>
Continuous Appropriation	High-Speed Rail Authority	High-Speed Rail Project	\$500
	State Transit Assistance	Low Carbon Transit Operations	\$100
	Transportation Agency	Transit and Intercity Rail Capital Program	\$200
	Strategic Growth Council	Affordable Housing and Sustainable Communities Program	\$400
50 Percent Reduction in Petroleum Use	Transportation Agency	Transit and Intercity Rail Capital Program	\$400
	Caltrans	Low Carbon Road Program	\$100
	Air Resources Board	Low Carbon Transportation & Fuels	\$500
	Energy Commission	Biofuel Facility Investments	\$25
Local Climate Action	Strategic Growth Council	Transformational Climate Communities	\$100
Short-Lived Climate Pollutants	Air Resources Board	Black Carbon Woodsmoke	\$40
		Refrigerants	\$20
	Cal Recycle	Waste Diversion	\$100
	Department of Food and Agriculture	Climate Smart Agriculture - Healthy Soils and Dairy Digesters	\$55
Safeguarding California/ Water Action Plan	Departments of Food and Agriculture & Water Resources	Water and Energy Efficiency	\$30
	Energy Commission	Drought Executive Order - Water and Energy Technology Program & Appliance Rebates	\$60
	Department of Fish and Wildlife	Wetlands and Watershed Restoration/CalEcoRestore	\$60
Safeguarding California/ Carbon Sequestration	CAL FIRE	Healthy Forests	\$150
		Urban Forestry	\$30
	Natural Resources Agency	Urban Greening	\$20
Energy Efficiency/ Renewable Energy	Department of General Services	Energy Efficiency for Public Buildings	\$30
	I Bank	California Lending for Energy and Environmental Needs Center	\$20
	Conservation Corps	Energy Corps	\$15
	Department of Community Services and Development	Energy Efficiency Upgrades/ Weatherization	\$75
	University of California/ California State University	Renewable Energy and Energy Efficiency Projects	\$60
<b>Total</b>			<b>\$3,090</b>

A link to the summary of the Governor's proposed budget can be found here:  
<http://www.ebudget.ca.gov/FullBudgetSummary.pdf>

We will provide more details as they become available. In the meantime, please do not hesitate to contact us with any questions you have about the budget.



<b>FOR IMMEDIATE RELEASE:</b> January 6, 2016	<b>CONTACT:</b> Ella Strain 916-319-2011 <a href="mailto:Ella.Strain@asm.ca.gov">Ella.Strain@asm.ca.gov</a>
<b>ASSEMBLYMEMBER FRAZIER RELEASES BOLD          TRANSPORTATION FUNDING PACKAGE TODAY</b>	

**Sacramento, CA** – Today, Assemblymember Jim Frazier (D – Oakley), Chair of the Assembly Committee on Transportation, unveiled legislation to provide much-needed transportation funding for California.

AB 1591 will raise over \$7 billion annually and fund two major initiatives: trade corridor improvements and road maintenance and rehabilitation. "California must invest in its trade corridors if we hope to develop and sustain economic vitality. Manufacturers and farmers want to be able to move their goods to market and AB 1591 will provide the investments we need to ensure that they can," stated Frazier.

AB 1591 further answers the challenge Governor Brown made last year when he called upon the Legislature to provide \$5.9 billion annually to fix state highways. According to Frazier, "You can't put out half a fire. The funding proposals developed over the past year do not begin to sufficiently address our highway and bridge maintenance needs. Failure to adequately fund deferred maintenance is short-sighted and will leave our highways congested in gridlock."

Frazier spent the past seven months listening to the public, industry experts across the state, and his colleagues in order to develop a comprehensive plan to effectively tackle California's transportation needs. AB 1591 looks to make these investments now, rather than costing us exponentially more in the long-run.

"Anyone who travels on California's roads or rides our buses and trains can attest to the dire need for significant investment in our state's infrastructure," said

Assemblymember Anthony Rendon (D-Paramount). “I commend Assemblymember Frazier for his diligence in considering a wide variety of perspectives as he developed this proposal.”

The revenue generated in Frazier’s plan is a portfolio approach drawing equitably from multiple sources. Key components of the transportation funding package include:

- Restoring revenue from weight fees imposed on large trucks to the State Highway Account. This revenue, nearly \$1 billion, will be directed to improvements in the state's major freight corridors;
- Ensuring additional revenues generated are used to address road and bridge maintenance, rehabilitation, and, as appropriate, increases in capacity;
- Allocating cap and trade auction proceeds to transportation projects that ease congestion and therefore provide significant reductions in greenhouse gas emissions in trade corridors;
- Imposing moderate increases in gas tax, diesel tax, and vehicle registration. The state's aging infrastructure is degrading at an increasingly rapid pace. These funds will ensure existing assets are protected;
- Repaying outstanding transportation loans. These loans were made at a time when the General Fund was in crisis. That is no longer the case. These funds need to be returned to the transportation purpose for which they were intended;
- Increasing allocations to intercity rail and transit programs;
- Ensuring all vehicle owners pay to support the transportation infrastructure by imposing a nominal surcharge on electric vehicles; and
- Initiating proper oversight on highway expenditures.

To contact Assemblymember Jim Frazier please visit his website at [www.asmdc.org/frazier](http://www.asmdc.org/frazier) or call his District Offices at 707-399-3011 or 925-513-0411.

Follow Assemblymember Jim Frazier on Facebook and “Like” him for updates on events and happenings in the 11th AD.

###

## ASSEMBLY BILL 1591: TRANSPORTATION FUNDING

Assemblymember Jim Frazier

### THE PROBLEM IN BRIEF:

California's transportation infrastructure is extremely underfunded, which has led to significant deferred maintenance and a lost opportunity on economic growth. The current resources are not sufficient to cover the most basic and crucial maintenance and repair of our core transportation infrastructure: state highways, local streets, roads, and bridges. Without increased funding today, the deferred maintenance will soon be too much for our state to catch up.

### BACKGROUND:

2015 was supposed to be the year to fix transportation funding in the Capitol. The Governor declared a \$6 billion a year need for basic maintenance and repairs to state highways alone and challenged the Legislature to deliver a funding plan to meet that need. A special session was called, hearings were held, and proposals and counter-proposals were floated. Nonetheless, the call for more transportation funding went unanswered.

### THE BILL:

AB 1591 answers the call for a long-term sustainable funding solution for transportation focused on relieving congestion, maintaining highways, and improving trade corridors. This bill provides nearly \$8 billion a year in additional transportation funding. It also provides clear direction as to how those funds will be used.

AB 1591 takes a broad portfolio approach to investing in our state's transportation infrastructure by:

- Increasing the excise tax on gasoline by 22.5 cents per gallon and indexing it against the Consumer Price Index every three years thereafter. Almost half of this amount (9.5 cents) will restore funding lost from declining tax revenues in just the last two years due to rate adjustments by the Board of Equalization.

Revenue raised from the gas tax increase (over \$3.3 billion annually) will be split 50/50 between the state and local transportation authorities for highway maintenance and rehabilitation, after setting a nominal portion aside to encourage state-local partnerships.

- Increasing the diesel fuel tax by 30 cents a gallon and indexing it, too. Revenue raised (\$840 million annually) will be directed right to where trucks need it most—the state's trade corridors.
- Increasing the vehicle registration fee by \$38 annually (just over 10 cents a day) and directing those funds (\$1.254 billion) to road maintenance and rehabilitation.

- Imposing an electric vehicle surcharge of \$165. Consideration will be given to delaying this fee until the second year of ownership and thereafter. Delaying this fee to the second year of ownership allows financial incentives offered at the purchase of such zero-emission vehicles to remain in full effect while ensuring they do their part to help pay for the system they travel on. The \$16 million raised will be directed to road maintenance and rehabilitation.
- Requiring repayment of outstanding transportation loans. Now that the General Fund is stable, it's time to pay these loans (\$879 million) back. Repayments will be sent directly to cities and counties to boost their road improvement efforts.
- Allocating cap and trade revenue auctions, as follows:
  - 20% (approximately \$400 million annually) for major freight corridors. Communities near our major freight corridors have borne the brunt of the nation's goods movement system. Improving congestion in these corridors will inherently improve air quality.
  - 10% (\$200 million) more for intercity rail and transit, for a total of 20% of the auction proceeds.
- Restoring the truck weight fees. Again, the General Fund is now stable. It's time for transportation dollars to go back to transportation. This restores \$1 billion to the State Highway Account where it belongs.

AB 1591 also includes greater oversight responsibilities for the California Transportation Commission over the state's roadway operation and rehabilitation efforts and imposes maintenance of effort requirements on cities and counties.

Finally, AB 1591 supports local communities and regional planning efforts to reduce greenhouse gas emissions. It provides the critical funding needed to implement sustainable communities' strategies.

### FOR MORE INFORMATION

Janet Dawson  
(916) 319-2093  
[Janet.Dawson@asm.ca.gov](mailto:Janet.Dawson@asm.ca.gov)

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**ASSEMBLY BILL****No. 1591****Introduced by Assembly Member Frazier**

January 6, 2016

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An act to add Sections 14526.7 and 16321 to the Government Code, to amend Section 39719 of the Health and Safety Code, to amend Sections 7360 and 60050 of the Revenue and Taxation Code, to amend Sections 2192 and 2192.1 of, to add Section 2192.4 to, and to add Chapter 2 (commencing with Section 2030) to Division 3 of, the Streets and Highways Code, and to add Sections 9250.3, 9250.6, and 9400.5 to the Vehicle Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1591, as introduced, Frazier. Transportation funding.

(1) Existing law provides various sources of funding for transportation purposes, including funding for the state highway system and the local street and road system. These funding sources include, among others, fuel excise taxes, commercial vehicle weight fees, local transactions and use taxes, and federal funds. Existing law imposes certain registration fees on vehicles, with revenues from these fees deposited in the Motor Vehicle Account and used to fund the Department of Motor Vehicles and the Department of the California Highway Patrol. Existing law provides for the monthly transfer of excess balances in the Motor Vehicle Account to the State Highway Account.

This bill would create the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. The bill would require the California Transportation Commission to adopt performance criteria

to ensure efficient use of the funds available for the program. The bill would provide for the deposit of various funds for the program in the Road Maintenance and Rehabilitation Account, which the bill would create in the State Transportation Fund, including revenues attributable to a \$0.225 per gallon increase in the motor vehicle fuel (gasoline) tax imposed by the bill, including an inflation adjustment as provided, an increase of \$38 in the annual vehicle registration fee, and a new \$165 annual vehicle registration fee applicable to zero-emission motor vehicles, as defined.

The bill would continuously appropriate the funds in the account for road maintenance and rehabilitation purposes and would allocate 5% of available funds to counties that approve a transactions and use tax on or after July 1, 2016, with the remaining funds to be allocated 50% for maintenance of the state highway system or to the state highway operation and protection program, and 50% to cities and counties pursuant to a specified formula. The bill would impose various requirements on agencies receiving these funds. The bill would authorize a city or county to spend its apportionment of funds under the program on transportation priorities other than those allowable pursuant to the program if the city's or county's average Pavement Condition Index meets or exceeds 85.

(2) Existing law provides for loans of revenues from various transportation funds and accounts to the General Fund, with various repayment dates specified.

This bill would require the Department of Finance, on or before March 1, 2016, to compute the amount of outstanding loans made from specified transportation funds. The bill would require the Department of Transportation to prepare a loan repayment schedule and would require the outstanding loans to be repaid pursuant to that schedule to the accounts from which the loans were made, as prescribed. The bill would appropriate funds for that purpose from the Budget Stabilization Account. The bill would require the repaid funds to be transferred to cities and counties pursuant to a specified formula.

(3) The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) created the Trade Corridors Improvement Fund and provided for allocation by the California Transportation Commission of \$2 billion in bond funds for infrastructure improvements on highway and rail corridors that have a high volume of freight movement, and specified categories of projects eligible to receive these funds. Existing law continues the Trade Corridors

Improvement Fund in existence in order to receive revenues from sources other than the bond act for these purposes.

The bill would deposit the revenues attributable to a \$0.30 per gallon increase in the diesel fuel excise tax imposed by the bill into the Trade Corridors Improvement Fund.

Existing law specifies projects eligible for funding from the Trade Corridors Improvement Fund, including, among other things, projects for truck corridor improvements, including dedicated truck facilities, or truck toll facilities.

This bill would include truck parking among the truck corridor capital improvements eligible to be funded and would authorize the expenditure of moneys in the fund for certain system efficiency improvements, including the development, demonstration, and deployment of promising Intelligent Transportation System applications. The bill would require the California Transportation Commission, in evaluating potential projects to be funded from the fund, to give priority to projects demonstrating one or more of certain characteristics.

(4) Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. Existing law, to the extent moneys are transferred to the Trade Corridors Improvement Fund from the Greenhouse Gas Reduction Fund, requires projects funded with those moneys to be subject to all of the requirements of existing law applicable to the expenditure of moneys appropriated from the Greenhouse Gas Reduction Fund, including, among other things, furthering the regulatory purposes of the California Global Warming Solutions Act of 2006. Existing law continuously appropriates 10% of the annual proceeds of the fund to the Transit and Intercity Rail Capital Program.

This bill would, beginning in the 2016–17 fiscal year, instead continuously appropriate 20% of those annual proceeds to the Transit and Intercity Rail Capital Program, thereby making an appropriation, and, transfer 20% of those annual proceeds to the Trade Corridors Improvement Fund.

(5) Existing law, as of July 1, 2011, increases the sales and use tax on diesel and decreases the excise tax, as provided. Existing law requires the State Board of Equalization to annually modify both the gasoline and diesel excise tax rates on a going-forward basis so that the various changes in the taxes imposed on gasoline and diesel are revenue neutral.

This bill would eliminate the annual rate adjustment to maintain revenue neutrality for the gasoline and diesel excise tax rates. This bill would, beginning July 1, 2019, and every 3rd year thereafter, require the board to recompute the gasoline and diesel excise tax rates based upon the percentage change in the California Consumer Price Index transmitted to the board by the Department of Finance, as prescribed.

(6) Existing law requires the Department of Transportation to prepare a state highway operation and protection program every other year for the expenditure of transportation capital improvement funds for projects that are necessary to preserve and protect the state highway system, excluding projects that add new traffic lanes. The program is required to be based on an asset management plan, as specified. Existing law requires the department to specify, for each project in the program, the capital and support budget and projected delivery date for various components of the project. Existing law provides for the California Transportation Commission to review and adopt the program, and authorizes the commission to decline and adopt the program if it determines that the program is not sufficiently consistent with the asset management plan.

This bill, on and after February 1, 2017, would require the commission to make an allocation of all capital and support costs for each project in the program, and would require the department to submit a supplemental project allocation request to the commission for each project that experiences cost increases above the amounts in its allocation. The bill would require the commission to establish guidelines to provide exceptions to the requirement for a supplemental project allocation requirement that the commission determines are necessary to ensure that projects are not unnecessarily delayed.

(7) Existing law imposes weight fees on the registration of commercial motor vehicles and provides for the deposit of net weight fee revenues into the State Highway Account. Existing law provides for the transfer of certain weight fee revenues from the State Highway Account to the Transportation Debt Service Fund to reimburse the General Fund for payment of debt service on general obligation bonds issued for transportation purposes. Existing law also provides for the transfer of certain weight fee revenues to the Transportation Bond Direct Payment Account for direct payment of debt service on designated bonds, which are defined to be certain transportation general obligation bonds issued pursuant to Proposition 1B of 2006. Existing law also provides for loans of weight fee revenues to the General Fund to the

extent the revenues are not needed for bond debt service purposes, with the loans to be repaid when the revenues are later needed for those purposes, as specified.

This bill, notwithstanding these provisions or any other law, would prohibit weight fee revenues from being transferred from the State Highway Account to the Transportation Debt Service Fund, the Transportation Bond Direct Payment Account, or any other fund or account for the purpose of payment of the debt service on transportation general obligation bonds, and would also prohibit loans of weight fee revenues to the General Fund.

(8) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) Over the next 10 years, the state faces a \$59 billion shortfall  
4 to adequately maintain the existing state highway system, in order  
5 to keep it in a basic state of good repair.

6 (b) Similarly, cities and counties face a \$78 billion shortfall  
7 over the next decade to adequately maintain the existing network  
8 of local streets and roads.

9 (c) Statewide taxes and fees dedicated to the maintenance of  
10 the system have not been increased in more than 20 years, with  
11 those revenues losing more than 55 percent of their purchasing  
12 power, while costs to maintain the system have steadily increased  
13 and much of the underlying infrastructure has aged past its expected  
14 useful life.

15 (d) California motorists are spending \$17 billion annually in  
16 extra maintenance and car repair bills, which is more than \$700  
17 per driver, due to the state's poorly maintained roads.

18 (e) Failing to act now to address this growing problem means  
19 that more drastic measures will be required to maintain our system  
20 in the future, essentially passing the burden on to future generations  
21 instead of doing our job today.

1 (f) A funding program will help address a portion of the  
2 maintenance backlog on the state’s road system and will stop the  
3 growth of the problem.

4 (g) Modestly increasing various fees can spread the cost of road  
5 repairs broadly to all users and beneficiaries of the road network  
6 without overburdening any one group.

7 (h) Improving the condition of the state’s road system will have  
8 a positive impact on the economy as it lowers the transportation  
9 costs of doing business, reduces congestion impacts for employees,  
10 and protects property values in the state.

11 (i) The federal government estimates that increased spending  
12 on infrastructure creates more than 13,000 jobs per \$1 billion spent.

13 (j) Well-maintained roads benefit all users, not just drivers, as  
14 roads are used for all modes of transport, whether motor vehicles,  
15 transit, bicycles, or pedestrians.

16 (k) Well-maintained roads additionally provide significant health  
17 benefits and prevent injuries and death due to crashes caused by  
18 poorly maintained infrastructure.

19 (l) A comprehensive, reasonable transportation funding package  
20 will do all of the following:

- 21 (1) Ensure these transportation needs are addressed.
- 22 (2) Fairly distribute the economic impact of increased funding.
- 23 (3) Restore the gas tax rate previously reduced by the State  
24 Board of Equalization pursuant to the gas tax swap.
- 25 (4) Direct increased revenue to the state’s highest transportation  
26 needs.

27 SEC. 2. Section 14526.7 is added to the Government Code, to  
28 read:

29 14526.7. (a) On and after February 1, 2017, an allocation by  
30 the commission of all capital and support costs for each project in  
31 the state highway operation and protection program shall be  
32 required.

33 (b) For a project that experiences increases in capital or support  
34 costs above the amounts in the commission’s allocation pursuant  
35 to subdivision (a), a supplemental project allocation request shall  
36 be submitted by the department to the commission for approval.

37 (c) The commission shall establish guidelines to provide  
38 exceptions to the requirement of subdivision (b) that the  
39 commission determines are necessary to ensure that projects are  
40 not unnecessarily delayed.

1 SEC. 3. Section 16321 is added to the Government Code, to  
2 read:

3 16321. (a) Notwithstanding any other law, on or before March  
4 1, 2016, the Department of Finance shall compute the amount of  
5 outstanding loans made from the State Highway Account, the  
6 Motor Vehicle Fuel Account, the Highway Users Tax Account,  
7 and the Motor Vehicle Account to the General Fund. The  
8 department shall prepare a loan repayment schedule, pursuant to  
9 which the outstanding loans shall be repaid to the accounts from  
10 which the loans were made, as follows:

11 (1) On or before June 30, 2016, 50 percent of the outstanding  
12 loan amounts.

13 (2) On or before June 30, 2017, 50 percent of the outstanding  
14 loan amounts.

15 (b) Notwithstanding any other provision of law, as the loans are  
16 repaid pursuant to this section, the repaid funds shall be transferred  
17 to cities and counties pursuant to subparagraph (C) of paragraph  
18 (3) of subdivision (a) of Section 2103 of the Streets and Highways  
19 Code.

20 (c) Funds for loan repayments pursuant to this section are hereby  
21 appropriated from the Budget Stabilization Account pursuant to  
22 subclause (II) of clause (ii) of subparagraph (B) of paragraph (1)  
23 of subdivision (c) of Section 20 of Article XVI of the California  
24 Constitution.

25 SEC. 4. Section 39719 of the Health and Safety Code is  
26 amended to read:

27 39719. (a) The Legislature shall appropriate the annual  
28 proceeds of the fund for the purpose of reducing greenhouse gas  
29 emissions in this state in accordance with the requirements of  
30 Section 39712.

31 (b) To carry out a portion of the requirements of subdivision  
32 (a), annual proceeds are continuously appropriated for the  
33 following:

34 (1) Beginning in the ~~2015-16~~ 2016-17 fiscal year, and  
35 notwithstanding Section 13340 of the Government Code, ~~35~~ 45  
36 percent of annual proceeds are continuously appropriated, without  
37 regard to fiscal years, for transit, affordable housing, and  
38 sustainable communities programs as following:

39 (A) ~~Ten~~ Twenty percent of the annual proceeds of the fund is  
40 hereby continuously appropriated to the Transportation Agency

1 for the Transit and Intercity Rail Capital Program created by Part  
2 2 (commencing with Section 75220) of Division 44 of the Public  
3 Resources Code.

4 (B) Five percent of the annual proceeds of the fund is hereby  
5 continuously appropriated to the Low Carbon Transit Operations  
6 Program created by Part 3 (commencing with Section 75230) of  
7 Division 44 of the Public Resources Code. ~~Funds~~ *Moneys* shall be  
8 allocated by the Controller, according to requirements of the  
9 program, and pursuant to the distribution formula in subdivision  
10 (b) or (c) of Section 99312 of, and Sections 99313 and 99314 of,  
11 the Public Utilities Code.

12 (C) Twenty percent of the annual proceeds of the fund is hereby  
13 continuously appropriated to the Strategic Growth Council for the  
14 Affordable Housing and Sustainable Communities Program created  
15 by Part 1 (commencing with Section 75200) of Division 44 of the  
16 Public Resources Code. Of the amount appropriated in this  
17 subparagraph, no less than 10 percent of the annual ~~proceeds~~;  
18 *proceeds* shall be expended for affordable housing, consistent with  
19 the provisions of that program.

20 (2) Beginning in the 2015–16 fiscal year, notwithstanding  
21 Section 13340 of the Government Code, 25 percent of the annual  
22 proceeds of the fund is hereby continuously appropriated to the  
23 High-Speed Rail Authority for the following components of the  
24 initial operating segment and Phase I Blended System as described  
25 in the 2012 business plan adopted pursuant to Section 185033 of  
26 the Public Utilities Code:

- 27 (A) Acquisition and construction costs of the project.
- 28 (B) Environmental review and design costs of the project.
- 29 (C) Other capital costs of the project.
- 30 (D) Repayment of any loans made to the authority to fund the  
31 project.

32 (3) *Beginning in the 2016–17 fiscal year, 20 percent of the*  
33 *annual proceeds of the fund shall be transferred to the Trade*  
34 *Corridors Improvement Fund, continued in existence pursuant to*  
35 *Section 2192 of the Streets and Highways Code.*

36 (c) In determining the amount of annual proceeds of the fund  
37 for purposes of the calculation in subdivision (b), the funds subject  
38 to Section 39719.1 shall not be included.

39 SEC. 5. Section 7360 of the Revenue and Taxation Code is  
40 amended to read:



1 7360. (a) (1) (A) A tax of eighteen cents (\$0.18) is hereby  
2 imposed upon each gallon of fuel subject to the tax in Sections  
3 7362, 7363, and 7364.

4 (B) *In addition to the tax imposed pursuant to subparagraph*  
5 *(A), on and after the first day of the first calendar quarter that*  
6 *occurs 90 days after the effective date of the act adding this*  
7 *subparagraph, a tax of twenty-two and one-half cents (\$0.225) is*  
8 *hereby imposed upon each gallon of fuel, other than aviation*  
9 *gasoline, subject to the tax in Sections 7362, 7363, and 7364.*

10 (2) If the federal fuel tax is reduced below the rate of nine cents  
11 (\$0.09) per gallon and federal financial allocations to this state for  
12 highway and exclusive public mass transit guideway purposes are  
13 reduced or eliminated correspondingly, the tax rate imposed by  
14 *subparagraph (A) of paragraph (1), on and after the date of the*  
15 *reduction, shall be recalculated by an amount so that the combined*  
16 *state rate under subparagraph (A) of paragraph (1) and the federal*  
17 *tax rate per gallon equal twenty-seven cents (\$0.27).*

18 (3) If any person or entity is exempt or partially exempt from  
19 the federal fuel tax at the time of a reduction, the person or entity  
20 shall continue to be so exempt under this section.

21 (b) ~~(1)~~ On and after July 1, 2010, in addition to the tax imposed  
22 by subdivision (a), a tax is hereby imposed upon each gallon of  
23 motor vehicle fuel, other than aviation gasoline, subject to the tax  
24 in Sections 7362, 7363, and 7364 in an amount equal to seventeen  
25 and three-tenths cents (\$0.173) per gallon.

26 ~~(2) For the 2011-12 fiscal year,~~

27 ~~(c) Beginning July 1, 2019, and each fiscal every third year~~  
28 ~~thereafter, the board shall, on or before March 1 State Board of~~  
29 ~~the fiscal year immediately preceding the applicable fiscal year,~~  
30 ~~adjust the rate in paragraph (1) in that manner as to generate an~~  
31 ~~amount Equalization shall recompute the rates of revenue that~~  
32 ~~will equal the amount of revenue loss attributable to the exemption~~  
33 ~~provided taxes imposed by Section 6357.7, based on estimates~~  
34 ~~made by the board, and that rate this section. That computation~~  
35 ~~shall be effective during the state's next fiscal year. made as~~  
36 ~~follows:~~

37 ~~(3) In order to maintain revenue neutrality for each year,~~  
38 ~~beginning with the rate adjustment on or before March 1, 2012,~~  
39 ~~the adjustment under paragraph (2) shall also take into account the~~  
40 ~~extent to which the actual amount~~

1 ~~(1) The Department of revenues derived pursuant Finance shall~~  
 2 ~~transmit to this subdivision and, as applicable, Section 7361.1, the~~  
 3 ~~revenue loss attributable to State Board of Equalization the~~  
 4 ~~exemption provided by Section 6357.7 resulted percentage change~~  
 5 ~~in a net revenue gain or loss the California Consumer Price Index~~  
 6 ~~for the fiscal year ending all items from November of three~~  
 7 ~~calendar years prior to November of the rate adjustment date on~~  
 8 ~~or before March 1, prior calendar year, no later than January 31,~~  
 9 ~~2019, and January 31 of every third year thereafter.~~

10 (2) *The State Board of Equalization shall do all of the following:*

11 (A) *Compute an inflation adjustment factor by adding 100*  
 12 *percent to the percentage change figure that is furnished pursuant*  
 13 *to paragraph (1) and dividing the result by 100.*

14 ~~(4) The intent of paragraphs (2) and (3) is to ensure that the act~~  
 15 ~~adding this subdivision~~

16 (B) *Multiply the preceding tax rate per gallon by the inflation*  
 17 *adjustment factor determined in subparagraph (A) and Section*  
 18 ~~6357.7 does not produce a net revenue gain in state taxes. round~~  
 19 ~~off the resulting product to the nearest tenth of a cent.~~

20 (C) *Make its determination of the new rate no later than March*  
 21 *1 of the same year as the effective date of the new rate.*

22 SEC. 6. Section 60050 of the Revenue and Taxation Code is  
 23 amended to read:

24 60050. (a) (1) A tax of ~~eighteen~~ *thirteen* cents ~~(\$0.18)~~ *(\$0.13)*  
 25 is hereby imposed upon each gallon of diesel fuel subject to the  
 26 tax in Sections 60051, 60052, and 60058.

27 (2) If the federal fuel tax is reduced below the rate of fifteen  
 28 cents (\$0.15) per gallon and federal financial allocations to this  
 29 state for highway and exclusive public mass transit guideway  
 30 purposes are reduced or eliminated correspondingly, the tax rate  
 31 imposed by paragraph ~~(1), including any reduction or adjustment~~  
 32 ~~pursuant to subdivision (b), on and after the date of the reduction,~~  
 33 *(1)* shall be increased by an amount so that the combined state rate  
 34 under paragraph (1) and the federal tax rate per gallon equal what  
 35 it would have been in the absence of the federal reduction.

36 (3) If any person or entity is exempt or partially exempt from  
 37 the federal fuel tax at the time of a reduction, the person or entity  
 38 shall continue to be exempt under this section.

39 (b) ~~(1) On July 1, 2011, In addition to the tax rate specified in~~  
 40 ~~paragraph (1) of subdivision (a) shall be reduced to thirteen cents~~

1 ~~(\$0.13) and every July 1 thereafter shall be adjusted pursuant to~~  
 2 ~~paragraphs (2) and (3): imposed pursuant to subdivision (a), on~~  
 3 ~~and after the first day of the first calendar quarter that occurs 90~~  
 4 ~~days after the effective date of the act amending this subdivision~~  
 5 ~~in the 2015–16 Regular Session, an additional tax of thirty cents~~  
 6 ~~(\$0.30) is hereby imposed upon each gallon of diesel fuel subject~~  
 7 ~~to the tax in Sections 60051, 60052, and 60058.~~

8 ~~(2) For the 2012–13 fiscal year and each fiscal year thereafter,~~  
 9 ~~the board shall, on or before March 1 of the fiscal year immediately~~  
 10 ~~preceding the applicable fiscal year, adjust the rate reduction in~~  
 11 ~~paragraph (1) in that manner as to result in a revenue loss~~  
 12 ~~attributable to paragraph (1) that will equal the amount of revenue~~  
 13 ~~gain attributable to Sections 6051.8 and 6201.8, based on estimates~~  
 14 ~~made by the board, and that rate shall be effective during the state’s~~  
 15 ~~next fiscal year.~~

16 ~~(c) Beginning July 1, 2019, and every third year thereafter, the~~  
 17 ~~State Board of Equalization shall recompute the rates of the taxes~~  
 18 ~~imposed by this section. That computation shall be made as~~  
 19 ~~follows:~~

20 ~~(3) In order to maintain revenue neutrality for each year,~~  
 21 ~~beginning with the rate adjustment on or before March 1, 2013,~~  
 22 ~~the adjustment under paragraph (2) shall take into account the~~  
 23 ~~extent to which the actual amount~~

24 ~~(1) The Department of revenues derived pursuant Finance shall~~  
 25 ~~transmit to Sections 6051.8 and 6201.8 and the revenue loss~~  
 26 ~~attributable to this subdivision resulted State Board of Equalization~~  
 27 ~~the percentage change in a net revenue gain or loss the California~~  
 28 ~~Consumer Price Index for the fiscal year ending all items from~~  
 29 ~~November of three calendar years prior to November of the rate~~  
 30 ~~adjustment date on or before March 1, prior calendar year, no~~  
 31 ~~later than January 31, 2019, and January 31 of every third year~~  
 32 ~~thereafter.~~

33 ~~(2) The State Board of Equalization shall do both of the~~  
 34 ~~following:~~

35 ~~(A) Compute an inflation adjustment factor by adding 100~~  
 36 ~~percent to the percentage change figure that is furnished pursuant~~  
 37 ~~to paragraph (1) and dividing the result by 100.~~

38 ~~(4) The intent of paragraphs (2) and (3) is to ensure that the act~~  
 39 ~~adding this subdivision~~

1 (B) Multiply the preceding tax rate per gallon by the inflation  
2 adjustment factor determined in subparagraph (A) and Sections  
3 6051.8 and 6201.8 does not produce a net revenue gain in state  
4 taxes. round off the resulting product to the nearest tenth of a cent.

5 (C) Make its determination of the new rate no later than March  
6 1 of the same year as the effective date of the new rate.

7 SEC. 7. Chapter 2 (commencing with Section 2030) is added  
8 to Division 3 of the Streets and Highways Code, to read:

9

10 CHAPTER 2. ROAD MAINTENANCE AND REHABILITATION  
11 PROGRAM  
12

13 2030. (a) The Road Maintenance and Rehabilitation Program  
14 is hereby created to address deferred maintenance on the state  
15 highway system and the local street and road system. Funds made  
16 available by the program shall be prioritized for expenditure on  
17 basic road maintenance and road rehabilitation projects, and on  
18 critical safety projects. The California Transportation Commission  
19 shall adopt performance criteria to ensure efficient use of the funds  
20 available pursuant to this chapter for the program.

21 (b) Funds made available by the program shall be used for  
22 projects that include, but are not limited to, the following:

- 23 (1) Road maintenance and rehabilitation.
- 24 (2) Safety projects.
- 25 (3) Railroad grade separations.
- 26 (4) Active transportation and pedestrian and bicycle safety  
27 projects in conjunction with any other allowable project.

28 (c) To the extent possible, the department and cities and counties  
29 receiving an apportionment of funds under the program shall use  
30 advanced technologies and material recycling techniques that  
31 reduce the cost of maintaining and rehabilitating the streets and  
32 highways.

33 2031. The following revenues shall be deposited in the Road  
34 Maintenance and Rehabilitation Account, which is hereby created  
35 in the State Transportation Fund:

36 (a) Notwithstanding subdivision (b) of Section 2103, the  
37 revenues attributable to the increase in the motor vehicle fuel excise  
38 tax by twenty-two and one-half cents (\$0.225) per gallon pursuant  
39 to subdivision (a) of Section 7360 of the Revenue and Taxation  
40 Code, as adjusted pursuant to subdivision (c) of that section.

1 (b) The revenues from the increase in the vehicle registration  
2 fee pursuant to Section 9250.3 of the Vehicle Code.

3 (c) The revenues from the increase in the vehicle registration  
4 fee pursuant to Section 9250.6 of the Vehicle Code.

5 (d) Any other revenues designated for the program.

6 2031.5. Each fiscal year the annual Budget Act shall contain  
7 an appropriation from the Road Maintenance and Rehabilitation  
8 Account to the Controller for the costs of carrying out his or her  
9 duties pursuant to this chapter and to the California Transportation  
10 Commission for the costs of carrying out its duties pursuant to this  
11 chapter and Section 14526.7 of the Government Code.

12 2032. (a) After deducting the amounts appropriated in the  
13 annual Budget Act as provided in Section 2031.5, 5 percent of the  
14 remaining revenues deposited in the Road Maintenance and  
15 Rehabilitation Account shall be set aside for counties in which  
16 voters approve, on or after July 1, 2016, a transactions and use tax  
17 for transportation purposes, and which counties did not, prior to  
18 that approval, impose a transactions and use tax for those purposes.  
19 The funds available under this subdivision in each fiscal year are  
20 hereby continuously appropriated for allocation to each eligible  
21 county and each city in the county for road maintenance and  
22 rehabilitation purposes. However, funds remaining unallocated  
23 under this subdivision in any fiscal year shall be reallocated on  
24 the last day of the fiscal year pursuant to subdivision (b).

25 (b) The balance of the revenues deposited in the Road  
26 Maintenance and Rehabilitation Account, including the revenues  
27 reallocated for the purposes of this subdivision pursuant to  
28 subdivision (a), are hereby continuously appropriated as follows:

29 (1) Fifty percent for allocation to the department for maintenance  
30 of the state highway system or for purposes of the state highway  
31 operation and protection program.

32 (2) Fifty percent for apportionment to cities and counties by the  
33 Controller pursuant to the formula in subparagraph (C) of  
34 paragraph (3) of subdivision (a) of Section 2103 for the purposes  
35 authorized by this chapter.

36 2034. (a) Funds made available to a city or county under the  
37 program shall be used for improvements to transportation facilities  
38 that will assist in reducing further deterioration of the existing road  
39 system. These improvements may include, but need not be limited  
40 to, pavement maintenance, rehabilitation, installation, construction,

1 and reconstruction of necessary associated facilities such as  
2 drainage and traffic control devices, or safety projects to reduce  
3 fatalities.

4 (b) Funds made available under the program may also be used  
5 for the following purposes:

6 (1) To satisfy the local match requirement in order to obtain  
7 state or federal transportation funds for similar purposes.

8 (2) Active transportation and pedestrian and bicycle safety  
9 projects in conjunction with any other allowable project.

10 2036. (a) Cities and counties shall maintain their existing  
11 commitment of local funds for street, road, and highway purposes  
12 in order to remain eligible for an allocation or apportionment of  
13 funds pursuant to Section 2032.

14 (b) In order to receive an allocation or apportionment pursuant  
15 to Section 2032, the city or county shall annually expend from its  
16 general fund for street, road, and highway purposes an amount not  
17 less than the annual average of its expenditures from its general  
18 fund during the 2009–10, 2010–11, and 2011–12 fiscal years, as  
19 reported to the Controller pursuant to Section 2151. For purposes  
20 of this subdivision, in calculating a city’s or county’s annual  
21 general fund expenditures and its average general fund expenditures  
22 for the 2009–10, 2010–11, and 2011–12 fiscal years, any  
23 unrestricted funds that the city or county may expend at its  
24 discretion, including vehicle in-lieu tax revenues and revenues  
25 from fines and forfeitures, expended for street, road, and highway  
26 purposes shall be considered expenditures from the general fund.  
27 One-time allocations that have been expended for street and  
28 highway purposes, but which may not be available on an ongoing  
29 basis, including revenue provided under the Teeter Plan Bond Law  
30 of 1994 (Chapter 6.6 (commencing with Section 54773) of Part 1  
31 of Division 2 of Title 5 of the Government Code), may not be  
32 considered when calculating a city’s or county’s annual general  
33 fund expenditures.

34 (c) For any city incorporated after July 1, 2009, the Controller  
35 shall calculate an annual average expenditure for the period  
36 between July 1, 2009, and December 31, 2015, inclusive, that the  
37 city was incorporated.

38 (d) For purposes of subdivision (b), the Controller may request  
39 fiscal data from cities and counties in addition to data provided  
40 pursuant to Section 2151, for the 2009–10, 2010–11, and 2011–12

1 fiscal years. Each city and county shall furnish the data to the  
2 Controller not later than 120 days after receiving the request. The  
3 Controller may withhold payment to cities and counties that do  
4 not comply with the request for information or that provide  
5 incomplete data.

6 (e) The Controller may perform audits to ensure compliance  
7 with subdivision (b) when deemed necessary. Any city or county  
8 that has not complied with subdivision (b) shall reimburse the state  
9 for the funds it received during that fiscal year. Any funds withheld  
10 or returned as a result of a failure to comply with subdivision (b)  
11 shall be reapportioned to the other counties and cities whose  
12 expenditures are in compliance.

13 (f) If a city or county fails to comply with the requirements of  
14 subdivision (b) in a particular fiscal year, the city or county may  
15 expend during that fiscal year and the following fiscal year a total  
16 amount that is not less than the total amount required to be  
17 expended for those fiscal years for purposes of complying with  
18 subdivision (b).

19 2037. A city or county may spend its apportionment of funds  
20 under the program on transportation priorities other than those  
21 allowable pursuant to this chapter if the city's or county's average  
22 Pavement Condition Index meets or exceeds 85.

23 SEC. 8. Section 2192 of the Streets and Highways Code is  
24 amended to read:

25 2192. (a) The Trade Corridors Improvement Fund, created  
26 pursuant to subdivision (c) of Section 8879.23 of the Government  
27 Code, is hereby continued in existence to receive revenues from  
28 sources other than the Highway Safety, Traffic Reduction, Air  
29 Quality, and Port Security Bond Act of 2006. This chapter shall  
30 govern expenditure of those other revenues.

31 (b) The moneys in the fund from those other sources shall be  
32 available upon appropriation for allocation by the California  
33 Transportation Commission for infrastructure improvements in  
34 this state on federally designated Trade Corridors of National and  
35 Regional Significance, on the Primary Freight Network, and along  
36 other corridors that have a high volume of freight movement, as  
37 determined by the commission. In determining the projects eligible  
38 for funding, the commission shall consult the Transportation  
39 Agency's state freight ~~plan~~ *plan*, as described in Section 13978.8  
40 of the Government ~~Code~~, the ~~State Air Resources Board's~~

1 ~~Sustainable Freight Strategy adopted by Resolution 14-2, and the~~  
 2 ~~trade infrastructure and goods movement plan submitted to the~~  
 3 ~~commission by the Secretary of Transportation and the Secretary~~  
 4 ~~for Environmental Protection. Code.~~ The commission shall also  
 5 consult trade infrastructure and goods movement plans adopted  
 6 by regional transportation planning agencies, adopted regional  
 7 transportation plans required by state and federal law, and ~~the~~  
 8 ~~statewide port master plan prepared by the California Marine and~~  
 9 ~~Intermodal Transportation System Advisory Council~~  
 10 ~~(Cal-MITSAC) pursuant to Section 1730 of the Harbors and~~  
 11 ~~Navigation Code, plans, when determining eligible projects for~~  
 12 ~~funding. Eligible projects for these funds include, but are not~~  
 13 ~~limited to, all of the following:~~

14 (1) Highway capacity improvements and operational  
 15 improvements to more efficiently accommodate the movement of  
 16 freight, particularly for ingress and egress to and from the state's  
 17 land ports of entry and seaports, including navigable inland  
 18 waterways used to transport freight between seaports, land ports  
 19 of entry, and airports, and to relieve traffic congestion along major  
 20 trade or goods movement corridors.

21 (2) Freight rail system improvements to enhance the ability to  
 22 move goods from seaports, land ports of entry, and airports to  
 23 warehousing and distribution centers throughout California,  
 24 including projects that separate rail lines from highway or local  
 25 road traffic, improve freight rail mobility through mountainous  
 26 regions, relocate rail switching yards, and other projects that  
 27 improve the efficiency and capacity of the rail freight system.

28 (3) Projects to enhance the capacity and efficiency of ports.

29 (4) Truck corridor *capital* improvements, including dedicated  
 30 truck ~~facilities~~ *facilities*, *truck parking*, or truck toll facilities.

31 (5) Border access improvements that enhance goods movement  
 32 between California and Mexico and that maximize the state's  
 33 ability to access coordinated border infrastructure funds made  
 34 available to the state by federal law.

35 (6) Surface transportation and connector road improvements to  
 36 effectively facilitate the movement of goods, particularly for  
 37 ingress and egress to and from the state's land ports of entry,  
 38 airports, and seaports, to relieve traffic congestion along major  
 39 trade or goods movement corridors.



1 (7) *System efficiency improvements, including the development,*  
2 *demonstration, and deployment of promising Intelligent*  
3 *Transportation System (ITS) applications that integrate data from*  
4 *multiple sources to provide freight real-time traveler information,*  
5 *freight dynamic route guidance, optimization of drayage*  
6 *operations, or a combination of these.*

7 (c) (1) The commission shall allocate funds for trade  
8 infrastructure improvements from the fund consistent with Section  
9 8879.52 of the Government Code and the Trade Corridors  
10 Improvement Fund (TCIF) Guidelines adopted by the commission  
11 on November 27, 2007, or as amended by the ~~commission, and in~~  
12 ~~a manner that (A) addresses the state's most urgent needs, (B)~~  
13 ~~balances the demands of various land ports of entry, seaports, and~~  
14 ~~airports, (C) provides reasonable geographic balance between the~~  
15 ~~state's regions, and (D) places emphasis on projects that improve~~  
16 ~~trade corridor mobility while reducing emissions of diesel~~  
17 ~~particulate and other pollutant emissions.~~ *commission. In evaluating*  
18 *a potential project to be funded pursuant to this section, the*  
19 *commission shall give priority to those projects demonstrating*  
20 *one or more of the following characteristics:*

21 (A) *Addresses the state's most urgent needs.*

22 (B) *Balances the demands of various land ports of entry,*  
23 *seaports, and airports.*

24 (C) *Provides reasonable geographic balance between the state's*  
25 *regions.*

26 (D) *Leverages additional public and private funding.*

27 (E) *Provides regional benefits with a focus on collaboration*  
28 *between multiple entities.*

29 (F) *Provides the potential for cobenefits or multiple-benefit*  
30 *attributes.*

31 (G) *Improves trade corridor mobility while reducing emissions*  
32 *of diesel particulate and other pollutant emissions.*

33 (2) In addition, the commission shall also consider the following  
34 factors when allocating these funds:

35 (A) "Velocity," which means the speed by which large cargo  
36 would travel from the land port of entry or seaport through the  
37 distribution system.

38 (B) "Throughput," which means the volume of cargo that would  
39 move from the land port of entry or seaport through the distribution  
40 system.

1 (C) “Reliability,” which means a reasonably consistent and  
2 predictable amount of time for cargo to travel from one point to  
3 another on any given day or at any given time in California.

4 (D) “Congestion reduction,” which means the reduction in  
5 recurrent daily hours of delay to be achieved.

6 SEC. 9. Section 2192.1 of the Streets and Highways Code is  
7 amended to read:

8 2192.1. (a) To the extent moneys from the Greenhouse Gas  
9 Reduction Fund, attributable to the auction or sale of allowances  
10 as part of a market-based compliance mechanism relative to  
11 reduction of greenhouse gas emissions, are transferred to the Trade  
12 Corridors Improvement Fund, projects funded with those moneys  
13 shall be subject to all of the requirements of existing law applicable  
14 to the expenditure of moneys appropriated from the Greenhouse  
15 Gas Reduction Fund, including, but not limited to, ~~both~~ all of the  
16 following:

17 (1) Projects shall further the regulatory purposes of the  
18 California Global Warming Solutions Act of 2006 (Division 25.5  
19 (commencing with Section 38500) of the Health and Safety Code),  
20 including reducing emissions from greenhouse gases in the state,  
21 directing public and private investment toward disadvantaged  
22 communities, increasing the diversity of energy sources, or creating  
23 opportunities for businesses, public agencies, nonprofits, and other  
24 community institutions to participate in and benefit from statewide  
25 efforts to reduce emissions of greenhouse gases.

26 (2) Projects shall be consistent with the guidance developed by  
27 the State Air Resources Board pursuant to Section 39715 of the  
28 Health and Safety Code.

29 (3) *Projects shall be consistent with the required benefits to*  
30 *disadvantaged communities pursuant to Section 39713 of the*  
31 *Health and Safety Code.*

32 (b) All allocations of funds made by the commission pursuant  
33 to this section shall be made in a manner consistent with the criteria  
34 expressed in Section 39712 of the Health and Safety Code and  
35 with the investment plan developed by the Department of Finance  
36 pursuant to Section 39716 of the Health and Safety Code.

37 SEC. 10. Section 2192.4 is added to the Streets and Highways  
38 Code, to read:

39 2192.4. Notwithstanding subdivision (b) of Section 2103, the  
40 portion of the revenues in the Highway Users Tax Account

1 attributable to the increase in the tax rate on diesel fuel by thirty  
2 cents (\$0.30) per gallon pursuant to subdivision (b) of Section  
3 60050 of the Revenue and Taxation Code, and as adjusted pursuant  
4 to subdivision (c) of that section, shall be deposited in the Trade  
5 Corridors Improvement Fund.

6 SEC. 11. Section 9250.3 is added to the Vehicle Code, to read:

7 9250.3. (a) In addition to any other fees specified in this code,  
8 or the Revenue and Taxation Code, commencing 120 days after  
9 the effective date of the act adding this section, a registration fee  
10 of thirty-eight dollars (\$38) shall be paid to the department for  
11 registration or renewal of registration of every vehicle subject to  
12 registration under this code, except those vehicles that are expressly  
13 exempted under this code from payment of registration fees.

14 (b) Revenues from the fee, after deduction of the department's  
15 administrative costs related to this section, shall be deposited in  
16 the Road Maintenance and Rehabilitation Account created pursuant  
17 to Section 2031 of the Streets and Highways Code.

18 SEC. 12. Section 9250.6 is added to the Vehicle Code, to read:

19 9250.6. (a) In addition to any other fees specified in this code,  
20 or the Revenue and Taxation Code, commencing 120 days after  
21 the effective date of the act adding this section, a registration fee  
22 of one hundred and sixty-five dollars (\$165) shall be paid to the  
23 department for registration or renewal of registration of every  
24 zero-emission motor vehicle subject to registration under this code,  
25 except those motor vehicles that are expressly exempted under  
26 this code from payment of registration fees.

27 (b) Revenues from the fee, after deduction of the department's  
28 administrative costs related to this section, shall be deposited in  
29 the Road Maintenance and Rehabilitation Account created pursuant  
30 to Section 2031 of the Streets and Highways Code.

31 (c) This section does not apply to a commercial motor vehicle  
32 subject to Section 9400.1.

33 (d) For purposes of this section, "zero-emission motor vehicle"  
34 means a motor vehicle as described in subdivisions (c) and (d) of  
35 Section 44258 of the Health and Safety Code, or any other motor  
36 vehicle that is able to operate on any fuel other than gasoline or  
37 diesel fuel.

38 SEC. 13. Section 9400.5 is added to the Vehicle Code, to read:

39 9400.5. Notwithstanding Sections 9400.1, 9400.4, and 42205  
40 of this code, Sections 16773 and 16965 of the Government Code,

1 Section 2103 of the Streets and Highways Code, or any other law,  
2 weight fee revenues shall not be transferred from the State Highway  
3 Account to the Transportation Debt Service Fund, the  
4 Transportation Bond Direct Payment Account, or any other fund  
5 or account for the purpose of payment of the debt service on  
6 transportation general obligation bonds, and shall not be loaned  
7 to the General Fund.

8 SEC. 14. This act is an urgency statute necessary for the  
9 immediate preservation of the public peace, health, or safety within  
10 the meaning of Article IV of the Constitution and shall go into  
11 immediate effect. The facts constituting the necessity are:

12 In order to provide additional funding for road maintenance and  
13 rehabilitation purposes as quickly as possible, it is necessary for  
14 this act to take effect immediately.

O



DATE: January 11, 2016  
TO: SolanoExpress Intercity Transit Consortium  
FROM: Robert Macaulay, Director of Planning  
RE: Solano Comprehensive Transportation Plan (CTP) -Transit Element Update:  
Draft Goal Gap Analysis

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**Background:**

The Solano Comprehensive Transportation Plan (CTP) is one of the STA's primary long-range planning documents along with the Congestion Management Program (CMP) and the Metropolitan Transportation Commission's Regional Transportation Plan, known as Plan Bay Area. The CTP consists of three main elements: Active Transportation; Arterials, Highways and Freeways; and, Transit and Ridesharing.

The overall purpose of the CTP is to identify opportunities and resources to move the countywide transportation system from its current condition to a desired future condition, and to then prioritize steps to bring this change to fruition. The first step in preparing the Transit and Rideshare Element was identification of those services and facilities that the Element's policies are designed to influence; namely, intercity transit services. These intercity transit services provide connectivity between Solano County's communities, and connect Solano County with the wider Northern California mega-region, especially the Bay Area. The primary components of the Transit and Rideshare system are:

- Intercity bus service, primarily provided by FAST and Soltrans
- Intercity rail provided by the Capitol Corridor
- Ferry service from WETA
- Vanpools and carpools
- Paratransit and Mobility Management services

The State of the System and updated Goals have been approved by the Transit Committee and the STA Board. A Goal Gap Analysis has been drafted for the Transit Committee's and the Consortium's initial reviews on January 25 and 26, respectively.

The development of the Solano CTP is driven by the activities to implement its purpose statement, which is:

The Solano Comprehensive Transportation Plan will help fulfill the STA's mission by identifying a long-term and sustainable transportation system to provide mobility, reduce congestion, and ensure travel safety and economic vitality to Solano County.

Within the Solano CTP the Transit and Rideshare element Purpose Statement is:

Identify and develop mass transit and rideshare facilities, services and policies that maximize the ability of Solano residents, workers and visitors to reach destinations within Solano County, and to access regional transportation systems.

**Discussion:**

Goals are the milestones by which achievement of the Purpose Statement are measured. They lead to specific polices and performance measures that help guide the STA Board when it allocates resources to projects and programs. The 18 goals have been organized into four general categories:

1. Provide Rider Convenience and Choice
2. Develop and Maintain Infrastructure
3. Help Improve Air Quality
4. Fund Vehicles, Facilities and Services

The draft Goal Gap Analysis is attached. For each goal there is a measurement of the progress made since the last CTP-Transit Element of 2005. There are three measurements: Completed, Significant Progress and Preliminary Proposal. A description of what has transpired over the past ten years that resulted in the standard of measurement is also presented.

There are many goals that have achieved Significant Progress. A few have been Completed. Some are in the Preliminary Proposal state. Regardless of measurement, some goals are on-going in nature and will require further action.

The Goal Gap Analysis is being presented for an initial review. Once it is finalized, the next step will be to develop processes and policies to achieve the goals.

**Fiscal Impact:**

None.

**Recommendation:**

Informational.

Attachment:

- A. Draft CTP-Transit Element Goal Gap Analysis

## CTP – Transit Element Goals Gap Analysis Draft Revisions

The Transit Element is intended to guide the planning and development of a Solano transit system that will serve Solano County as it is projected to grow and change in the next twenty-five years. The Transit Element’s Purpose Statement is to

“Identify *and develop* mass transit and rideshare facilities, services and policies that maximize the ability of Solano residents, workers and visitors to reach destinations within Solano County, and to access regional transportation systems.”

This aligns with the purpose statement of the CTP which is

“The Comprehensive Transportation Plan will help fulfill the STA’s mission by identifying a long-term and sustainable transportation system to provide mobility, reduce congestion, and ensure travel safety and economic vitality to Solano County.”

These Purpose Statements are very broad goals. More specific goals are proposed to provide guidance to decision-making and actions which collectively are designed to achieve the purpose of the Transit Element. The goals vary in that some are general descriptions of the desired overall nature and state of the system, others are aspirational while others are specific and tangible. In order to implement the Purpose of the Solano CTP and the Transit Element of the Solano CTP, the following goals have been ***adopted by the STA for the Transit element***. They are presented in broad categories.

**Measuring Goals.** The following criteria are used to measure the progress on meeting the goals of the Arterials, Highways and Freeways Element:

- **Completed** – this is a goal with a specific end-point that has been reached, such as the construction of a facility or the identification of Transit Facilities of regional Significance. This also includes studies that have been adopted (even if recommendations have not yet been implemented) and the initiation of an on-going program.
- **Significant Progress** – this is a project with substantial completion; typically, more than 10% Plans, Specifications and Estimates (PS&E) but not yet into construction or completion. It also includes studies where data collection and analysis has started, but final recommendations have not been adopted.
- **Preliminary Proposal** – finally, this category covers projects that have less than 10% PS&E, plans that have not started data collection, and programs that have no administrative and/or financial commitments and no start date.

### Provide Rider Convenience and Choice

- 1) Create and operate a transit and rideshare system that provides access to county and regionally significant population centers, employment and civic amenities, focus countywide and regional transit resources to create a transit system to connect these land uses and adapts to changes in demographics.

**Significant Progress** – The countywide intercity transit and rideshare system is primarily focused on the urban areas in Solano County with the largest and most concentrated developments, while still providing connections to smaller or less concentrated communities. This is primarily done through the transportation facilities of regional significance, which are the major bus, rail and ferry terminals that can serve the largest number of people. These facilities are supplemented by park and ride lots that serve both major population or employment centers, and routes most used by Solano commuters.

While the intercity transit network primarily focuses on those commuting to destinations outside of Solano County, it also provides connections within the county, primarily along the I-80 corridor. Phase II of the Transit Corridor Study is seeking to better connect locations within Solano County such as Solano Community College campuses and Solano Mall.

These facilities are also supported by programs that connect transit users to appropriate modes and routes, and help carpool and vanpool users connect to providers. STA and the regional transit providers work with each other to provide the best integration of schedules and destinations for the primary users of the system.

Implementation of an intercity transit and rideshare system is an ongoing effort, and will never truly be completed. This is in part due to the fact that communities and demographics change over time. New housing or businesses are constructed or vacated, new technology makes using different transit and rideshare modes easier, more difficult, or more or less expensive, and people’s preferences for mobility change over time as their abilities and preferences change as well as changes in congestion, fuel prices, and other mode options.

- a. Include facilities and programs that directly support Priority Development Areas (PDAs).

**Completed.** STA has designated transit facilities of regional significance, which include all major bus facilities providing intercity bus services, the San Francisco Bay Ferry Vallejo terminal, and the existing and under construction train stations. All of these facilities are located in PDAs. No new express bus, train or ferry facilities are proposed for locations that are outside of PDAs. New park and ride lots are proposed for areas outside PDAs.

- 2) Create a reliable mass transit system that allows passengers of local transit systems to easily and conveniently connect to intercity and regional transit systems.

**Significant Progress** – Integration of the local and intercity transit systems occurs through several different methods. The FAST system, which provides both local and intercity transit bus, is operated by the City of Fairfield. FAST coordinates local and intercity route integration within its own system. FAST services also connect to the Capitol Corridor Suisun City Amtrak station, multiple BART stations, SolTrans, Napa VINE service, the Sacramento bus and light rail RT systems, YoloBus in Davis, and Dixon and Vacaville’s local bus systems. FAST also connects to



multiple transit services in Contra Costa County at the BART stations. SolTrans, which provides intercity and local transit to the cities of Benicia and Vallejo, also provides its own internal route timing integration. SolTrans also serves the SF Bay Ferry Terminal, multiple BART stations, and connects to the FAST, Napa VINE and Contra Costa County transit systems. The SolanoExpress Intercity Transit Consortium provides a forum where intercity transit providers can discuss and help coordinate schedules, route location and other coordination issues.

As noted above, the provision of local and intercity transit is an ongoing process that will constantly be adjusted to account for changes in routes and route use, mode preference, and integration with rail and ferry transit services. As a result, this goal will never be Completed.

- 3) Develop and implement programs to coordinate the provision of interregional, intercity and local transit services.

**Significant Progress** – An Intercity Transit Funding (ITF) agreement was initiated in 2006. Although the ITF was initially created to stabilize funding and service for SolanoExpress intercity routes, it has also provided a regular forum to coordinate route service details, connections, and fare changes. Regular Ridership Surveys on SolanoExpress routes are necessary to update the ITF. These Ridership Surveys have often included data collection on local routes that can assist in making decisions.

In 2006 a SolanoExpress marketing campaign was coordinated to introduce the public to newly restructured services and identity as SolanoExpress routes. The SolanoExpress restructuring and identity emphasized the streamlined services between Solano cities and to connections beyond county lines. The marketing campaign also had a component for the (then) Vallejo Ferry. A SolanoExpress website was created to centralize information for intercity services and promotions which has been maintained. FAST and SolTrans also maintain information on the SolanoExpress routes they operate. Subsequently, the SolanoExpress route system has an identity that has been promoted through maps and other promotional materials.

In 2013, fare payment was simplified with the implementation of the Clipper electronic fare card in Solano County. The three major transit operators: FAST, SolTrans, and Vacaville City Coach began to accept Clipper as well as the SF Bay Ferry. Among other benefits, the Clipper card may be used on all these and most other Bay Area regional transit systems and riders no longer need to handle paper transfers and multiple fare instruments. Use of Clipper on some local transit operators remains low while the operators incur the cost of participating. Dixon Read-Ride, Rio Vista Delta Breeze, and the Capitol Corridor do not accept Clipper.

Transit Trip Planning has improved and become more easily available over the past ten years. Regionally MTC had developed 511.org which compiled transit operator data throughout the

Bay Area and created a convenient centralized on-line location for users to plan their transit trip. The private sector has developed transit trip planning functions into popular features such as Google Map's Google Transit Planning feature as just one example. This raises the awareness of transit and makes it easier for consumers to learn about transit options.

a. Study options for coordination of local and intercity transit.

**Significant Progress** - A countywide Transit Consolidation Study was completed in 2009. Two transit operators (Benicia Transit and Vallejo Transit) consolidated and created a new organization - Solano County Transit (SolTrans) in 2011. SolTrans was formed as a joint powers authority independent from the two cities that had been operating Benicia and Vallejo Transit. SolTrans coordinates its local and intercity services with regional services such as the SF Bay Ferry and BART. Further coordination and consolidation of services remains an option.

MTC directed multi-agency Short Range Transit Plans (SRTP) be prepared at sub-regional levels including Solano County. A Solano Coordinated SRTP was completed for the first time in 2013. This Coordinated SRTP was intended to coordinate interagency service and capital planning. This process was also to identify service improvements, performance objectives and potential service functional and institutional consolidation opportunities.

A countywide I-80/I-680/I-780 Transit Corridor Study update was initiated. Phase I was completed in 2014. The Transit Corridor Study Phase II, which is developing an implementation and operation plan, is currently under development. This study is creating a vision of Solano's intercity transit in the future including its coordination with local and regional transit systems.

b. When requested, support transit operators who are interested in system consolidation.

**Preliminary Proposal:** The STA remains available to support transit operators interested in system consolidation.

4. Ensure mobility by providing services for senior, people with disabilities, and the low-income population.

a. Implement the countywide Mobility Management Plan and the Community Based Transit Plans.

**Significant Progress** – The 2013 countywide Mobility Management Plan was an implementation plan for four programs. The four programs have been implemented.

- 1) One Stop Transportation Call Center. The Mobility Call Center began operating in 2014. It was integrated with the Solano Napa Commuter Information (SNCI) call center and handles calls, mail in and internet

inquiries. In-person queries are handled primarily by its off-site location in the Suisun City Amtrak Station. The Call Center uses, and makes available to the public, a new Solano Mobility website which features a wide range of public, private and non-profit transportation services for seniors, people with disabilities and the low-income population.

- 2) Countywide Travel Training Program. This has been implemented through partnerships with multiple agencies. FAST, SolTrans, and Vacaville City Coach manages their Transit Ambassador programs. In 2015, the STA began contracting with two non-profits (Independent Living Resource Center and Connections for Life) to handle Travel Ambassador services for the balance of the county, long-distance trips and for individuals with cognitive and/or physical disabilities. Travel Training videos, Rider Guides, and other materials were produced.
- 3) Countywide ADA Eligibility Program. A countywide in-person ADA assessment eligibility program was implemented in 2013 via contract. Assessments have been conducted in all jurisdictions on a rotating schedule.
- 4) Older Driver Safety Information Program. An inventory of Older Driver Safety Training Programs was created and presented on the Solano Mobility website. Mobility options for seniors have been presented at Senior Driver Training sessions lead by the California Highway Patrol (CHP) several times a year throughout the county.

Community Based Transportation Plans (CBTPs) have been partially implemented. Several of the Mobility Management programs and activities were also priorities of the CBTPs. There are still some priority projects of the CBTPs that remain to be implemented as funding allows.

- b. To ensure long-term viability and mobility, evaluate existing delivery of Americans with Disabilities Act (ADA) and other paratransit services countywide as well as alternative delivery options.  
**Significant Progress** – ADA Paratransit services have been reviewed, evaluated, and modified in several ways in the past ten years. Service was restructured, new ADA taxi programs were created, and a new ADA assessment process was implemented. The demand for these services has been increasing and is projected to continue to increase. The evaluation and modification of services will need to continue to ensure long-term viability and mobility.
- c. Utilize the Consolidated Transportation Services Agency (CTSA), Solano Seniors and People with Disabilities Transportation Advisory Committee and Paratransit Coordinating Council (PCC) as a one of several venues to guide the identification,

development and evaluation of effective transportation services for seniors and people with disabilities and other mobility programs.

**Significant Progress** – this is another goal that will be difficult to ever actually complete. Use of these Committees to guide the identification, development, evaluation and implementation of transportation services for seniors, people with disabilities, and low-income will be an ongoing process. To the extent that these committees have been established and meet on a regular basis with STA staff support, however, that aspect of the goal has been **Completed**.

5. Implement projects and programs to address the “first mile/last mile” gap faced by transit users.

**Preliminary Proposal** – this is a new proposal, but it addresses a well-known issue with intercity bus, rail and ferry services. Namely, these transit vehicles typically move between specified hubs that may not be immediately adjacent to the residences from which people begin their trips, or the shopping, civic, entertainment or employment centers that are their destinations. The distance between the transit hub and the origins/destinations is known as the first mile/last mile.

Carpool and vanpool riders are much less likely to face this issue, because surface or structure parking is usually close by important destinations. First mile/last mile connections can be provided by a number of alternatives, including bikeshare, local shuttles, taxis, carsharing, effective pedestrian networks and, more recently, transportation network companies (TNCs) such as Lyft or Uber.

6. Seek to increase transit and rideshare usage at a rate faster than the Solano County population growth rate.

**Preliminary Proposal** – this is a new proposal, and replaces a previous goal that sought a quantifiable percentage increase in transit ridership. This new goal seeks to expand ridership at a faster rate than the population growth, which has the benefits of both a net reduction in congestion and a net reduction in per capita GHG emissions. Specific steps to achieve this goal are identified elsewhere in this plan, and in individual focused studies such as the Intercity Transit Corridor Study. Keys to increased transit use include service speed, frequency, dependability and safety, routes that pick people up or drop them off where they live or work or shop, and services that are affordable and easy to use. Keys to increasing ridesharing are that it’s convenient, dependable, flexible, safe and affordable. Capacity of conveniently located park-and-ride lots and other facilities for carpoolers and vanpoolers to meet will be needed. Uncongested HOV/HOT lanes with convenient access will attract longer distance ridesharers by reducing travel time and increasing dependability. Consideration should be given to if and how recently developing vehicle-sharing and TNC-based ridesharing services are to be accommodated.

An important aspect of this goal will be data gathering and analysis. A baseline must first be established, measuring the use of all forms of transit. After this baseline is established,

comparable information must be gathered in future years and measured against population change trend lines in order to determine if transit and rideshare usage is or is not growing faster than the county population. It will also be useful to compare Solano county data against that of nearby similar counties, and that of the Bay Area and Sacramento regions.

7. Ensure system effectiveness by preparing periodic and timely reviews of transit service performance.

**Significant Progress** – This goal is complete, but always incomplete as it is an on-going goal. Transit service performance is measured on a regular basis through a variety of means. Quarterly reporting of ridership, vehicle hours, fare revenue and farebox recovery has been required for the SolanoExpress routes as part of the ITF and is reviewed throughout the year. Annual TDA claims include performance data for local and intercity fixed route and paratransit services. SRTPs performed every few years include performance data for the past and future. The regular ITF Ridership Surveys on SolanoExpress (and sometimes local) routes collect a wide range of ridership and performance data. Operators collect and submit data to NTD (National Transit Database). In the past ten years, a locally administered countywide survey of commuters and how they commute (including the mode they use) was discontinued. Similar, but more limited, data is collected through the American Community Survey which is part of the US Census.

#### **Develop and Maintain Infrastructure**

8. Maintain and develop conveniently located transit and rideshare facilities and policies that support public transit services while leaving opportunities for private sector transit and support services to operate.

**Preliminary Proposal** – Numerous companies in the South Bay’s Silicon Valley provide complimentary private bus services to their campuses for their employees. These are colloquially known as “Google buses” as Google was one of the leaders in this field. These vehicles have the advantage of providing direct connections between employees’ residential areas and work location thus eliminating the first mile/last mile problem. These highly personalized bus services are delivered at no cost to the employee and do not use public funds. They do usually use public facilities as gathering locations in residential areas such as park and rides or transit facilities. In 2015, at least one known employer (South San Francisco’s Genentech) operated an employee bus route from Solano County. The SSF Genentech campus is a difficult location to reach by public transit (multiple transfers would be needed) and the employer operated luxury buses make the trip much more convenient. The ability for private services to supplement the public services is a valuable contribution to efforts to improve mobility, reduce congestion, and reduce GHG emissions.

9. Continue to build upon Solano residents' high rate of commuter carpool and vanpool participation by identifying convenient park and ride lot locations, constructing or expanding park and ride lots, and implementing an Express Lane system on major freeways.
- Significant Progress** – As identified in the State of the System, Solano County residents have the highest rate of car/vanpooling in the Bay Area. STA and the member agencies have built a number of carpool facilities around the county, and have identified locations for additional facilities. These carpool facilities are typically identified in Freeway Corridor Studies. In addition, transit facilities also act as park-and-ride and vanpool meeting locations.

STA has also prioritized extension and completion of the express lane network in locally adopted plans and in our requests for funding in regional plans such as Plan Bay Area.

- a. Continue to provide innovative rideshare services through Solano Napa Commuter Information.  
Significant Progress - The Solano Napa Commuter Information program has been providing rideshare services throughout this period. Services and outreach have evolved with technology improvements and integration with multi-modal marketing and outreach.
- b. Increase the inventory of park and ride spaces.  
Significant Progress – The inventory of park and ride spaces has increased with the construction of Oliver Rd and Red Top Rd PNRs in Fairfield, the Vacaville and Vallejo Transit Centers, and improvements to the Curtola PNR. One PNR was lost (Green Valley). All PNRs are well used and often at capacity especially those located at transit facilities. Additional PNRs are planned for the future.
- c. Construct park and ride lots in areas that are currently underserved.  
Significant Progress – Two PNRs were constructed in Fairfield where the FTC had been, and continues, to lack capacity for all users (public and private bus, carpool, vanpool).
- d. Monitor developments and best practices in both the private and public sectors that encourage shared rides and evaluate how they may impact carpooling and vanpooling services for commuters and others in Solano County.  
Preliminary Proposal – There has been rapid growth and change in recent years in the field of shared mobility. This includes not only transportation network companies such as Lyft, Uber and others but also carsharing, bikesharing and private transit services. Much of this is a result of the proliferation of smart phone technology and applications and greater interest by the private sector in the transportation field. One result has been a change in direction regionally by MTC in how SNCI will be delivering services and funded in the future. Monitoring private sector and adjusting to new regional funding policies will be necessary.

10. Focus transit and rideshare infrastructure investments into Transit Facilities of Regional Significance. “Transit Facilities” are permanent, fixed infrastructure such as bus, ferry and train

stations, maintenance yards, guideways, and the roadways used by transit vehicles, “Regional Significant” means connecting Solano County and its communities with the greater northern California region, or connecting communities within Solano County. Transit Facilities of Regional Significance are:

- a. All passenger rail lines, and all passenger train stations, current or planned, identified in an adopted STA Plan.

Significant Progress – Suisun City Amtrak Station is fully functioning with public and private transit service, ample parking, taxi service, bike lockers, and along pedestrian and bicycle routes. The Fairfield/Vacaville train station is nearing completion with nearby major roadway improvements initiated in 2015 and an expected station opening in 2017. In Dixon, pedestrian separation improvements have been made in the area of a potential future train station in downtown Dixon. On-time performance of the Capitol Corridor has been very good, though some concerns remain as freight train traffic is projected to increase, track access in the Suisun wetlands must be preserved in changing conditions, and potential train delays due to bridge risings across the Carquinez Straits.

- b. All ferry facilities, including terminals, channels, maintenance docks and fueling stations, current or planned, identified in an adopted STA Plan.

Significant Progress: Until 2012, Solano’s ferry facilities in Vallejo were managed by City of Vallejo/Vallejo Transit. Then and in accordance with State legislation, WETA (or the SF Bay Ferry) assumed management of the Vallejo to San Francisco ferry service and ownership of the ferry capital. WETA manages the Vallejo Ferry Terminal, dredges the channel, maintains the dock and has been moving and expanding the ferry maintenance and fueling facility located on Mare Island.

- c. Bus stations providing all of the following services:

- i. Routes to destinations outside Solano County or between two or more cities in Solano County
- ii. Peak hour headways of 1 hour or less

Significant Progress: Funding has constructed, expanded, and improved several bus stations in the past ten years. The Vacaville Transit Center and the Vallejo Transit Center and nearby waterfront shared parking structure were built. Curtola PNR is being improved. Some facilities need further improvement and new facilities are projected to be constructed and will need further investment.

- d. Maintenance and parking facilities for busses providing services identified in a, b or c above.

Significant Progress - Funding was secured to renovate the SolTrans bus maintenance facility for local and SolanoExpress bus fleet and the project was completed in 2015. The FAST maintenance facility for SolanoExpress buses may require renovation in the future.

11. Improve safety by reducing accidents and injuries (motorists, pedestrians, bicyclists and others) in the vicinity of significant transit facilities, develop a strategic plan to address the issue.

**Significant Progress** – In 2012, STA adopted its Safe Routes to Transit Plan. This Plan identified

the most common hazards and locations for transit riders in and around five Transit Facilities of Regional Significance. Issues identified with these centers are common to all transit centers, and the recommended improvements provide a template for any other locations. When existing Transit Facilities of Regional Significance are improved, safety measures from the Safe Routes to Transit Plan can then be incorporated. Likewise, when new transit centers are built, appropriate safety features can be incorporated.

- a. Quantify, and periodically update, accident statistics for roads, trails and intersections within ¼ miles of Transit Facilities of Regional Significance. **Preliminary Proposal – STA has not yet established a data gathering plan for this or other safety issues.**
- b. Establish a priority list for improvements to reduce accidents and injuries in the Safe Routes to Transit Plan. **Completed.**

12. Implement effective paratransit services.

**Significant Progress** – Paratransit services have evolved and changed over the past several years. Paratransit services have been restructured to be more efficient, increase capacity and improve mobility. Improvements in some areas are still necessary. Services continue to be evaluated and service changes implemented to meet increasing demands.

### Help Improve Air Quality

13. Reduce air pollutant emissions related to transit and rideshare by developing and implementing the Solano County Alternative Fuel and Infrastructure Plan.

**Significant Progress** – the STA alternative fuels and infrastructure as plan was adopted in 2013. STA has subsequently assisted SolTrans and the City of Dixon in preparing specific studies regarding the location of compressed natural gas fueling facilities for fleet vehicles. Implementation of the ideas from the alternative fuels and infrastructure plan will be an ongoing process.

- a. Help transit operators identify and obtain funds to offset the incremental cost of purchasing and operating alternative fuel and other clean transit vehicles.

**Preliminary Proposal** – The SolanoExpress vehicle replacement funding plan includes funding for alternative fuel (Compressed Natural Gas) vehicles. Transit operators will need continued support in identifying and obtaining funds for alternative fuel local and support vehicles.

14. Assist transit operators who wish to upgrade fixed facilities to be more energy efficient.

**Preliminary Proposal** – Facilities being renovated in 2015 included new energy- efficient features. Additional facilities could be upgraded to be more energy efficient.



## Fund Vehicles, Facilities and Services

15. Create and implement programs to help fund adequate maintenance, repair and replacement of transit vehicles and supporting infrastructure.

**Significant Progress** – this has been in large part accomplished. A funding plan has been developed and approved by the STA Board for the upcoming replacement of aging SolanoExpress vehicles. Local bus replacements have been funded through various funding plans and sources such as 5307, TDA, and Prop 1B Revenue-based funds. This will be an on-going goal as vehicles and facilities will need to be continued to be replaced, repaired and maintained.

16. Create and implement programs to help fund adequate maintenance and strategic expansion of Transit Facilities of Regional Significance.

**Preliminary Proposal** – Funding plans have been developed and implemented to complete a renovation of the SolTrans maintenance facility and the expansion the Curtola Park and Ride. Expansion and construction of additional facilities will be needed in the future.

17. To facilitate informed service and investment decisions, provide decision-makers with timely, accurate and sufficient information.

- a. Ensure the transit corridor studies are conducted and kept up-to-date for all major transit corridors including I-80/I-680/I-780, SR12, SR29 and SR 37.

**Significant Progress** – an updated I-80/I-680/I-780/SR-12 Transit Corridor Study Phase I was approved by the STA Board in 2014. The next phase is under development.

- b. Conduct countywide ridership surveys every two- three years.

**Significant Progress** – Countywide ridership surveys have been conducted every two-three years. Four have been conducted since 2006. These are required under the ITF agreement but have also provided a wealth of other information on the SolanoExpress routes and on local routes when they have been included in the survey.

18. Make investment decisions in partnership with regional mass transit providers, including local partners such as local transit providers, the Capitol Corridor Joint Powers Authority (CCJPA) and Water Emergency Transit Authority (WETA) and regional partners such as BART, MTC and Caltrans.

**Completed** – STA monitors the agendas of WETA, MTC, and participates in the Capitol Corridor JPA staff working group. STA Board members also sit on the CCJPA and SolTrans boards of directors. Caltrans and MTC staff regularly attend STA TAC and other committee meetings. SolanoExpress operators FAST and SolTrans staff, along with the other Solano transit operators, are part of the SolanoExpress Intercity Transit Consortium. This is an on-going goal.

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DATE: January 19, 2016  
TO: SolanoExpress Intercity Transit Consortium  
FROM: Robert Macaulay, Director of Planning  
Ryan Dodge, Associate Planner  
RE: Discussion of Consortium Priorities for One Bay Area Grant (OBAG) Cycle 2  
Funding Projects and Programs

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**Background:**

STA receives federal transportation funding from the Metropolitan Transportation Commission (MTC) for local projects. These are federal Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds. Every four years MTC develops policies about how the region will use this funding for projects and programs.

In May 2012, MTC approved its final policies and guidelines (Resolution 4035), for these funds known as the One Bay Area Grant (OBAG) Program. The OBAG 1 Program established program commitments and policies for investing federal funds for fiscal years 2012/13 through 2016/17. MTC has assigned to the Congestion Management Agencies (CMAs), such as STA, the role of determining how OBAG funds will be allocated within their respective county.

OBAG consolidated Local Streets and Roads (LS&R), bicycle, pedestrian, and Planning funds into a single program. MTC created OBAG as a new funding approach that also better integrates the region's federal transportation program with California's climate law (SB 375, Steinberg, 2008) and the Sustainable Communities Strategy (SCS). This is accomplished by the following principles:

- **Using transportation dollars to reward jurisdictions that accepted the Regional Housing Need Allocation (RHNA) process to produce housing.** This was accomplished by using a county fund distribution formula that considered population, past housing production, future housing commitments from Regional Housing Needs Allocation (RHNA), and added weight to acknowledge very low and low income housing. Within Solano County, LS&R funds are allocated based on a roadway formula.
- **Supporting the SCS by promoting transportation investments in Priority Development Areas (PDAs).** This was accomplished by requiring that at least 50% of all OBAG funds be spent within designated Priority Development Areas (PDAs) for Marin, Napa, Solano, and Sonoma counties only. Since the PDA program was adopted by Association of Bay Area Governments in November 2007, over 100 PDAs have been approved within the Bay Area, with twelve of them (nine initial and three additional) within Solano County.
- **Providing a higher proportion of funding to local agencies and additional investment flexibility.** The OBAG block grant program allowed each county the flexibility to invest in one or more of the following transportation categories to best meet the county's needs: Transportation for Livable Communities, bicycle and pedestrian improvements, local streets and roads preservation, Safe Routes to School, and CMA planning activities.

MTC distributed OBAG 1 funds to the Congestion Management Agencies (CMAs) based on each county's proportionate share of the regional total for each factor, in which Solano County received \$18.769 million (M):

- Population, 50%
- RHNA (total housing units), 12.5%
- RHNA (low/very low income housing units), 12.5%
- Housing Production (total housing units), 12.5%
- Housing Production (low/very low income housing units), 12.5%

MTC stipulated seven programming policies for all projects funded through OBAG 1 (see Resolution 4035 at [http://mtc.ca.gov/sites/default/files/RES-4035\\_approved.pdf](http://mtc.ca.gov/sites/default/files/RES-4035_approved.pdf)):

1. Documented public involvement
2. Federal Transportation Improvement Program (TIP) inclusion (TIP revised by MTC)
3. \$250,000 minimum average project cost AND \$100,000 minimum per project
4. Air quality conformity
5. Environmental clearance
6. Application submittal and resolution of local support
7. Project screening and compliance with regional and federal requirements; including eligibility, consistency with the RTP, project readiness, adherence to "Complete Streets", adherence to the MTC Regional Project Funding Delivery Policy, and required local match

### **Project and Program Funding Selection Process**

STA screened projects and programs for eligibility based on the following criteria:

- Projects or programs must be identified in an adopted or draft STA document.
- The project must be delivered by a public agency.
- Projects may only be programmed in jurisdictions with a Housing Element approved by the California Department of Housing and Community Development.
- Projects may only be programmed in jurisdictions that prove compliance with MTC's Complete Streets policy.
- Project funds must be able to be obligated by March 31, 2016. (MTC has extended the deadline for completion of OBAG 1 projects by one year. This will allow STA two similarly extend the date for project obligation to March 31, 2017.)

For OBAG 1, STA created a Project and Program Screening and Ranking Criteria for eligible projects and programs in order to ensure compliance with MTC Resolution 4035 and to prioritize projects and programs for funding, using the criteria listed below. Similar criteria are planned for use with OBAG 2, although the dates will need to be updated.

1. How many of goals of the Regional Transportation Plan (RTP) or the Solano Comprehensive Transportation Plan (CTP) are advanced by the project?
2. Does the project support transportation and land use connections, Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs)?
3. Does the project address safety improvements?
4. Is the project a recognized priority project in any of the STA's adopted plans, and if so what rank?
5. Is the project located in a community of concern as defined by MTC, and included in any of the STA's Community Based Transportation Plans?
6. Will the project be delivered in the first two years of the OBAG cycle (FY 12-13 or FY 13-14), or the second two years (FY 14-15 or FY 15-16)?
7. Does the project deliver an element of a Complete Street?
8. Is the project located in a jurisdiction that is taking more than its proportionate share of the county's allocation in the upcoming Regional Housing Needs Allocation process, relative to the jurisdiction's January 1, 2012 Household Population Share?
9. Does the project or program support maintaining and expanding the employment base in

Solano County?

10. Does the project or program benefit a large number of residents and businesses, including multiple jurisdictions?
11. Does the project encourage or facilitate the use of public transit or other use of alternative modes?
12. Does the project or program contribute towards the equitable distribution of benefits through the OBAG program?
13. Have adequate local match funds been identified for the project?

The STA Board programmed \$18.769 M of OBAG 1 funds for the following projects and programs:

1. Local Streets and Roads Projects, \$5.863 M
2. STA Planning, \$3.006 M
3. Dixon West B Street Bicycle Pedestrian Undercrossing, \$2.535 M
4. Vallejo Georgia Street Downtown Streetscape Projects, \$0.611 M
5. Solano Napa Commuter Information, \$0.533 M
6. STA Priority Development Area (PDA) Investment and Growth Strategy, \$0.025 M (net after backfill)
7. STA's SR2S Engineering Projects, \$1.2 M
8. STA Transit Ambassador Program, \$0.25 M
9. City of Suisun City's Train Station Improvements, \$0.415 M
10. City of Vacaville's Allison Drive Sidewalk + Class I to Transit Center, \$0.45 M
11. City of Vacaville's Ulatis Creek Class I Bike Lane (McClellan to Depot), \$0.5 M
12. City of Vallejo's Downtown Streetscape (Maine Street), \$1.095 M
13. Solano County's Vaca-Dixon Bicycle Path, \$1.8
14. Planning Grants (various), \$0.485 M

**Discussion:**

MTC has adopted guidelines for the second round of OBAG. These guidelines are provided as attachment A. The new guidelines put slightly greater emphasis on the production of housing, rather than on the promise to produce housing. MTC has also changed criteria to be used in assessing the state of good repair for roadways and transit vehicles. MTC is also replacing the single economic growth standard with two new performance measures: one regarding the creation of jobs in predominantly middle wage industries, and the other regarding vehicle delay on the regional freight network. The new guidelines will also include some criteria to deal with the displacement of existing residents in PDAs, but the MTC has not finalized that language.

STA staff plans to recommend an OBAG 2 process for Solano County that is almost identical to the original OBAG project review and selection process. This includes assessing priority projects identified by the seven cities and the county against the MTC criteria, as well as STA selected criteria such as project deliverability. When STA made its OBAG project selection four years ago, it also identified other potential funding sources for some projects that were not good candidates for the Federal OBAG funds. This included TDA Article 3 and air district funds. STA recommends to follow a similar process for OBAG 2.

STA staff is requesting feedback on this process and plans to meet with all eight member agencies, SolTrans, and each Advisory Committee to discuss OBAG 2 priorities. As noted above, one of the fundamental changes to the OBAG 2 guidelines will be new dates programming, obligation and delivery of projects.

**Fiscal Impact:**

None.

**Recommendation:**

Informational.

Attachment:  
A- MTC OBAG 2 Guidelines



TO: Joint MTC Planning Committee with the ABAG  
Administrative Committee

DATE: November 6, 2015

FR: ABAG Executive Director and MTC Executive  
Director

RE: Staff Recommendation for Remaining Performance Targets (MTC Resolution No. 4204,  
Revised)

This memorandum presents the staff recommendation for the four remaining performance targets for Plan Bay Area 2040. In September 2015, MTC and ABAG approved the Plan goals, as well as nine of the thirteen performance targets. Over the past two months, staff has sought feedback from jurisdictions and stakeholders to develop a recommendation for the remaining four targets. Staff is seeking action by the committees to refer the remaining Plan Bay Area 2040 targets for approval by the MTC Commission on November 18 and by the ABAG Executive Board on November 19.

### **Background**

Performance-based planning is a central element of the long-range planning process for MTC and ABAG. In 2013, Plan Bay Area included a set of ten performance targets that were used to evaluate over a dozen different scenarios and hundreds of transportation projects. Plan Bay Area 2040 carries over the goals from the last Plan, as well as performance targets related to greenhouse gas emissions, open space & agricultural preservation, affordability and non-auto mode share. In total, thirteen performance targets will be used to compare scenarios, highlight tradeoffs between goals, analyze proposed investments and flag issue areas where the Plan may fall short. Performance targets will guide Plan development and will be supplemented in the future by required federal performance measures.

In September, MTC and ABAG adopted the goals and nine of the thirteen performance targets (refer to **Attachment A** for more detail). At that time, policymakers also directed staff to identify four more performance targets for consideration this month; these targets relate to adequate housing, displacement risk, jobs/wages and goods movement. This memorandum highlights the staff recommendation developed in response to this direction, which is being reviewed by the Regional Advisory Working Group, Regional Equity Working Group, MTC Policy Advisory Council, and MTC Planning / ABAG Administrative Committees this month.

### **Development Process for Staff Recommendation**

Staff received clear direction from policymakers in September regarding the issue areas for each of the four remaining performance targets. However, for each issue area, there are a number of potential performance targets, each with their own strengths and weaknesses. To narrow down the field to the most promising candidates, staff scored potential targets' viability using the standard targets criteria identified in **Attachment B**. Stakeholder input was then sought at an October 6 meeting, at which point staff discussed options for the remaining performance targets. Staff received valuable feedback from approximately 50 attendees, ranging from local governments & congestion management agencies to non-governmental organizations representing equity, economic, and environmental interests.

The four proposed performance targets are highlighted in **Attachment A**, with specific methodologies included in **Attachment C**. The remainder of this memorandum discusses the rationale behind the staff recommendation for each performance target.

### **Proposed Target #2: Adequate Housing**

ABAG and MTC staff have reached consensus on the Adequate Housing target language and are recommending using MTC's proposed language with inclusion of the explanation below. The Adequate Housing target relates to a Regional Housing Control Total per the settlement agreement signed with the Building Industry Association (BIA), which increases the housing forecast by the housing equivalent to in-commute growth. The forecast of households, jobs, population, and in-commute will remain as established by the approved forecast methodology and best practices.

### **Proposed Target #7: Equitable Access - Displacement Risk**

The proposed performance target for risk of displacement seeks to eliminate displacement risk for low- and moderate-income renter households who live in one or more of the following geographies: Priority Development Areas (PDAs – the building blocks for Plan Bay Area 2040), Transit Priority Areas (TPAs – transit-rich areas defined by Senate Bill 375), or high-opportunity areas (as defined by the Kirwan Institute). This target aligns with adopted target #6, which emphasizes affordable housing production and preservation in these very same geographies.

### **Proposed Target #9: Economic Vitality - Jobs/Wages**

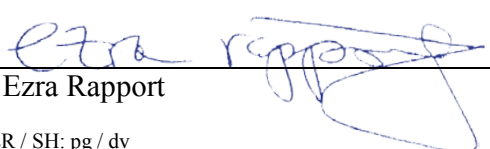
Over the past few months, there has been significant discussion with stakeholders about the issue of middle-wage jobs. Middle-wage jobs have been declining in the Bay Area, impacting the region's economic diversity and stability. The challenge related to creating a middle-wage job performance target has been that many potential performance targets do not meet the criteria established for the Plan Bay Area 2040 process. However, given the significance of this issue, staff is recommending including a performance target related to middle-wage job creation despite the fact that it will not vary between scenarios. This modeling limitation is a result of the control total framework, which does not allow for any variance in the total number or type of jobs across the scenarios. The proposed target sets a goal of growing the Bay Area's middle-wage jobs at the same rate as overall regional job growth.

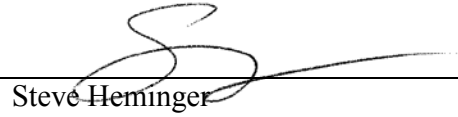
### **Proposed Target #10: Economic Vitality - Goods Movement**

The proposed performance target for goods movement was designed to reflect concerns raised at the September joint committee meeting related to goods movement and traffic congestion. Given ongoing work with the Regional Goods Movement Plan, the proposed target focuses specifically on highway corridors identified as the Regional Freight Network<sup>1</sup> in that planning effort. It prominently reintroduces the issue of highway delay into Plan Bay Area 2040 by relying upon a revised version of a performance target last included in *Transportation 2035*.

### **Next Steps**

- **November 18, 2015:** Seek ABAG Executive Board approval of all four remaining Plan Bay Area 2040 performance targets
- **November 19, 2015:** Seek MTC Commission approval of all four remaining Plan Bay Area 2040 performance targets
- **January 2016:** Release project performance assessment results for public review
- **Spring 2016:** Release scenario performance assessment results for public review

  
Ezra Rapport

  
Steve Heminger

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<sup>1</sup> The Regional Freight Network includes segments along the following highway corridors: I-880, I-80, I-580, US-101, I-680, SR-12/SR-37, SR-152 and SR-4; it was finalized earlier this year as part of the Goods Movement Plan.



## ATTACHMENT A: STAFF RECOMMENDATION FOR REMAINING PLAN BAY AREA 2040 PERFORMANCE TARGETS

Goal	#	Proposed Target*	Same Target as PBA?
Climate Protection	1	Reduce per-capita CO <sub>2</sub> emissions from cars and light-duty trucks by <b>15%</b>	✓
Adequate Housing	2	<b>House 100% of the region's projected growth by income level without displacing current low-income residents and with no increase in in-commuters over the Plan baseline year</b>	
Healthy and Safe Communities	3	Reduce adverse health impacts associated with air quality, road safety, and physical inactivity by <b>10%</b>	
Open Space and Agricultural Preservation	4	Direct <b>all</b> non-agricultural development within the urban footprint (existing urban development and UGBs)	✓
Equitable Access	5	Decrease the share of lower-income residents' household income consumed by transportation and housing by <b>10%</b>	✓
	6	Increase the share of affordable housing in PDAs, TPAs, or high-opportunity areas by <b>15%</b>	
	7	<b>Reduce the share of low- and moderate-income renter households in PDAs, TPAs, or high-opportunity areas that are at an increased risk of displacement to 0%</b>	
Economic Vitality	8	Increase by <b>20%</b> the share of jobs accessible within 30 minutes by auto or within 45 minutes by transit in congested conditions	
	9	<b>Increase by 35%** the number of jobs in predominantly middle-wage industries</b>	
	10	<b>Reduce per-capita delay on the Regional Freight Network by 20%</b>	
Transportation System Effectiveness	11	Increase non-auto mode share by <b>10%</b>	✓
	12	Reduce vehicle operating and maintenance costs due to pavement conditions by <b>100%</b>	
	13	Reduce per-rider transit delay due to aged infrastructure by <b>100%</b>	

\* = **text marked in blue** highlights staff recommendation for four remaining performance targets

\*\* = the numeric target for #9 will be revised later based on the final ABAG forecast for overall job growth

## ATTACHMENT B: PRIMARY TECHNICAL CRITERIA FOR SELECTING PERFORMANCE TARGETS

### # Criterion for an Individual Performance Target

- 1** **Targets should be able to be forecasted well.**  
A target must be able to be forecasted reasonably well using MTC's and ABAG's models for transportation and land use, respectively. This means that the target must be something that can be predicted with reasonable accuracy into future conditions, as opposed to an indicator that can only be observed.

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- 2** **Targets should be able to be influenced by regional agencies in cooperation with local agencies.**  
A target must be able to be affected or influenced by policies or practices of ABAG, MTC, BAAQMD and BCDC, in conjunction with local agencies. For example, MTC and ABAG policies can have a significant effect on accessibility of residents to jobs by virtue of their adopted policies on transportation investment and housing requirements.

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- 3** **Targets should be easy to understand.**  
A target should be a concept to which the general public can readily relate and should be represented in terms that are easy for the general public to understand.

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- 4** **Targets should address multiple areas of interest.**  
Ideally, a target should address more than one of the three "E's" – economy, environment, and equity. By influencing more than one of these factors, the target will better recognize the interactions between these goals. Additionally, by selecting targets that address multiple areas of interest, we can keep the total number of targets smaller.

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- 5** **Targets should have some existing basis for the long-term numeric goal.**  
The numeric goal associated with the target should have some basis in research literature or technical analysis performed by MTC or another organization, rather than being an arbitrarily determined value.

### # Criterion for the Set of Performance Targets

- A** **The total number of targets selected should be relatively small.**  
Targets should be selected carefully to make technical analysis feasible within the project timeline and to ensure that scenario comparison can be performed without overwhelming decision-makers with redundant quantitative data.

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- B** **Each of the targets should measure distinct criteria.**  
Once a set of targets is created, it is necessary to verify that each of the targets in the set is measuring something unique, as having multiple targets with the same goal unnecessarily complicates scenario assessment and comparison.

---

- C** **The set of targets should provide some quantifiable metric for each of the identified goals.**  
For each of the seven goals identified, the set of performance measures should provide some level of quantification for each to ensure that that particular goal is being met. Multiple goals may be measured with a single target, resulting in a smaller set of targets while still providing a metric for each of the goals.

## ATTACHMENT C: PROPOSED PERFORMANCE TARGETS – BACKGROUND INFORMATION & METHODOLOGIES

### Performance Target #2: Adequate Housing

*House 100% of the region’s projected growth by income level without displacing current low-income residents and with no increase in in-commuters over the Plan baseline year*

#### Background Information

Similar to the greenhouse gas reduction target, California Senate Bill 375 requires Plan Bay Area to house all of the region’s growth. This is an important regional issue given that long interregional trips – which typically have above-average emission impacts – can be reduced by planning for sufficient housing in the region.

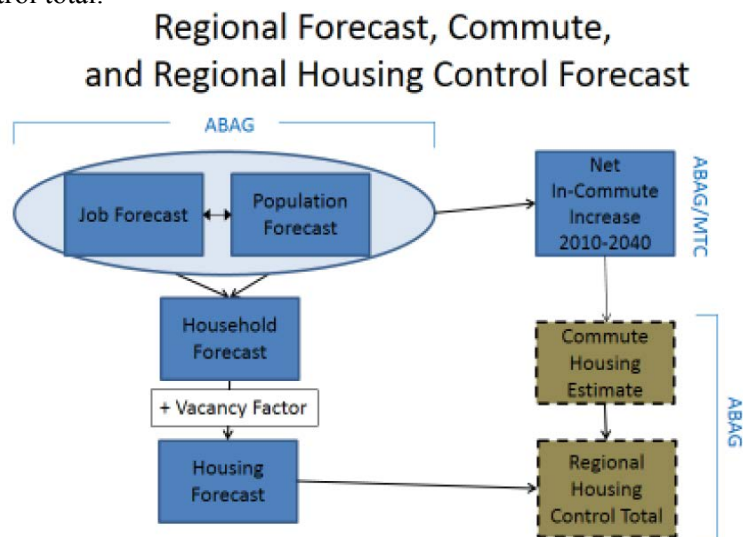
ABAG and MTC staff have reached consensus on the Adequate Housing target language and are recommending using MTC’s proposed language with inclusion of the explanation below. The Adequate Housing target relates to a Regional Housing Control Total per the settlement agreement signed with the Building Industry Association (BIA) which increases the housing forecast by the housing equivalent to in-commute growth. The forecast of households, jobs, population, and in-commute will remain as established by the approved forecast methodology and best practices.

#### Past Experience

A similar version of this target was included in Plan Bay Area adopted in 2013, although the proposal for Plan Bay Area 2040 incorporates language clarifying how the regional housing control total will be calculated as agreed to by MTC, ABAG, and the Building Industry Association as part of a 2014 legal settlement. In 2013 Plan Bay Area housed 100% of the region’s projected growth as defined under the adopted language from 2011.

#### Evaluation Methodology

Evaluation of this performance target will utilize the methodology relating to the Regional Forecast agreed to by both agencies. The regional housing control total will estimate the total number of units needed to accommodate all of the residents in the region plus the number of housing units that correspond to the in-commute increase. The number of units will include a reasonable vacancy level for circulation of units among movers. The figure below diagrams the overall regional forecast process that leads to a regional housing control total.



## **Performance Target #7: Equitable Access (Displacement Risk)**

*Proposed Target Language: Reduce the share of low- and moderate-income renter households in PDAs, TPAs, or high-opportunity areas that are at an increased risk of displacement to 0%*

### Background Information

Displacement has consistently been identified as a major concern for low-and-moderate-income households, who are most vulnerable to rising costs in the Bay Area's housing market. As households relocate to more affordable areas within and outside the region, they may lose not only their homes but also their social networks and support systems. The scale of displacement across the Bay Area has triggered major concerns among the region's elected officials who requested that displacement be directly addressed in Plan Bay Area.

The region's strong economy has brought many benefits such as employment growth, innovative technologies, and tax revenues for infrastructure improvements and public services. However, since housing production usually lags job creation, especially in a booming economy, there has been upward pressure on housing costs which is most keenly felt by households with the least resources. The working definition of displacement in this document is: *Displacement occurs when a household is forced to move from its place of residence due to conditions beyond its ability to control. These conditions may include unjust-cause eviction, rapid rent increase, or relocation due to repairs of demolition, among others.*

While there is currently no precise tool available to predict which and what number of households would be displaced from a given neighborhood, current research allows planners to measure existing and future displacement risk. According to the Regional Early Warning System for Displacement (REWS) study by the Center for Community Innovation at UC Berkeley ([www.urbandisplacement.org](http://www.urbandisplacement.org)), areas that are experiencing losses of low-income residents and affordable units are home to about 750,000 people. In general, areas of displacement and displacement risk are concentrated around high capacity transit corridors such as Caltrain on the Peninsula, BART in the East Bay, and in the region's three largest cities.

It is important to note that this approach highlights areas where low-income households are potentially vulnerable to displacement, however this study does not "predict" which specific neighborhoods will experience displacement, or how many households will be displaced in the future.

With a numeric target for displacement risk of 0%, ABAG and MTC are signaling the importance of this issue at the regional level. At the same time, regional agencies and stakeholders recognize that more specific local strategies will be needed beyond the scope of the Plan. The broader trend of risk is a function of job growth and wage disparities without an equal or greater expansion of adequate affordable housing at all income levels.

The performance target relies upon a consistent geography as target #6 (affordable housing), emphasizing minimization of displacement risk for low- and middle-income renters who live in PDAs, TPAs (transit priority areas, per Senate Bill 375), or high-opportunity areas (as defined under target #6). This ensures consistency between the region's goals for affordable housing and minimization of displacement risk.

### Past Experience

This target is not new to Plan Bay Area 2040, although it represents a more refined version of a displacement risk measure that was based on overburdened renters in Plan Bay Area 2013 Equity Analysis. Overburdened renters served as a proxy for vulnerable populations. Using this methodology, the 2013 Equity Analysis estimated that the Plan increased the risk of displacement on Communities of Concern by 36% and 8% everywhere else. Current estimates from the REWS study suggest that this

methodology may have significantly underestimated the risk of displacement on lower-income households.

### Evaluation Methodology

Regional agencies propose to measure displacement risk by measuring the decline of low and moderate-income households in PDAs, TPAs, or high-opportunity areas between the target baseline year and 2040.

In order to forecast the risk of displacement in 2040 relative to conditions in the baseline year, the analysis will compare the following three data points [*note that “lower-income” is defined as including both low- and moderate-income households*]:

- Number of lower-income renter households in the target baseline year in each census tract or TAZ;
- Number of lower-income households in 2040 as projected by ABAG through its demographic forecast; and
- Number of lower-income renter households in each census tract or TAZ in 2040 through UrbanSim, the land use model.

Working under the assumption that UrbanSim will be used for forecasting future renter household location patterns, the analysis will estimate which zones (e.g., census tracts or TAZs) gained or lost the total number and share of lower-income households – “projected” vs. “actual”. Zones designated as PDAs, TPAs, or high-opportunity areas that lost lower-income households (beyond 2 standard deviations from the regional mean to account for margin of error) would be defined as areas where there is risk of displacement. The share of lower-income households at risk of displacement would be calculated by dividing the number of lower-income households living in census tracts flagged as PDAs, TPAs, or high-opportunity areas with an increased risk of displacement by the total number of lower-income households living in census tracts flagged as PDAs, TPAs, or high-opportunity areas in 2040.

The relative risk of displacement for each Plan scenario will be estimated using this methodology. Relative risk is expected to vary between scenarios, since each scenario will allocate households across the region based on different growth patterns. A comparison of these relative risks will determine which scenario maximizes benefits or adverse impacts on lower-income households.

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### **Performance Target #9: Economic Vitality (Jobs/Wages)**

*Proposed Target Language: Increase by 35%\* the number of jobs in predominantly middle-wage industries*

*\* = indicates that the numeric target will be revised based on the final ABAG forecast for overall job growth*

### Background Information

As home to some of the world’s most innovative and successful businesses, the Bay Area boasted a gross regional product of \$631 billion in 2013, making it one of the world’s largest economies. However, the region’s economic prosperity is unevenly felt, as 36% of the region’s 1.1 million workers earn less than \$18 per hour with the majority of those earning even less than \$12 per hour. As the Bay Area’s cost of living (particularly housing costs) continues to skyrocket, a decent quality of life is becoming increasingly out of reach for hundreds of thousands of workers, particularly those without higher education.

The proposed performance target acknowledges the importance of middle-wage jobs in the Bay Area’s economy. The numeric target is based on a goal to preserve the target baseline year share of middle-wage jobs - by growing middle-wage jobs at the same rate as the region’s overall growth in total jobs.

The exact numeric target will be updated in early 2016 to make it fully consistent with the overall job growth rate forecast from the finalized control totals.

### Past Experience

This target is new to Plan Bay Area 2040, as the issue of middle-wage jobs was not specifically addressed in Plan Bay Area.

### Evaluation Methodology

The number of jobs in predominantly middle-wage industries would be forecast using ABAG's Forecast of Housing, Population and Jobs. This target expects a proportional growth of jobs in predominantly middle-wage industries to the region's overall growth in jobs; preliminary forecasts show overall job growth of approximately 35% between the target baseline year and 2040.

Given that some industries have a higher proportion of middle-wage jobs than others, ABAG will use the number of jobs in predominantly middle-wage industries as a proxy for the number of middle-wage jobs. Presently, forecasting limitations do not allow us to project the number of jobs in individual occupations (i.e., how many nurses there will be in 2040); however, ABAG can project the sectoral makeup of jobs within different industries. The share of middle-wage jobs within each industry will be identified using baseline data for wage breakdowns by industry; the share of middle-wage jobs in a given industry today will be assumed to be the same in 2040 for the purpose of target forecasting.

Notably, this target will not differ between scenarios, typically a requirement for performance targets. All regional forecast totals are held constant throughout the Plan process in order to focus on the Plan's different transportation investments and land use patterns and to assure consistency within the EIR analysis. In this sense, this performance target is more of an aspirational target, rather than a measure that can be compared across scenarios.

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## **Performance Target #10: Economic Vitality (Goods Movement)**

*Proposed Target Language: Reduce per-capita delay on the Regional Freight Network by 20%*

### Background Information

This target reflects the importance of goods movement as a component of the region's overall economy. In addition to ensuring access to and from the Port of Oakland – a major economic engine for the Bay Area – goods movement is critical in supporting agricultural and industrial sectors in the region. This proposed target focuses specifically on how trucks – the primary mode for goods movement – are affected by traffic congestion. While truck traffic cannot be forecasted with a high level of precision, this performance target captures the delay on high-volume truck corridors already identified by the Regional Goods Movement Plan.

The numeric target, reflecting a goal of reducing per-capita delay on these corridors by 20 percent, was based on *Transportation 2035* (adopted in 2009). That plan was the most recent long-range regional plan to incorporate a delay target, as Plan Bay Area did not have a specific target related to goods movement. While *Transportation 2035* focused on delay across the entire network, this performance target is slightly refined to focus in on goods movement corridors under the overarching goal of Economic Vitality.

## Past Experience

This target is similar to a performance target used in *Transportation 2035*; however, no targets related to congestion reduction or goods movement were included in Plan Bay Area. In *Transportation 2035*, per-capita congestion increased as a result of capacity-constrained infrastructure (combined with robust pre-recession employment forecasts). Plan Bay Area congestion forecasts, included in the Environmental Impact Report (EIR), also showed a significant increase in congestion between baseline year and horizon year conditions.

## Evaluation Methodology

In addition to calculating total delay, Travel Model One can output vehicle hours of delay for specific corridors. To calculate this target, the appropriate corridors will be flagged for analysis based on the Regional Freight Network from the ongoing goods movement plan; these include segments of the following highway corridors: I-880, I-80, I-580, US-101, I-680, SR-12/SR-37, SR-152 and SR-4. Vehicle hours of delay on this network will be calculated for a typical weekday and will be based on the differential between forecasted and free-flow speeds. The total vehicle hours of delay accrued on the network identified above will then be divided by the regional population to calculate the per-capita delay along these freeway segments. Note that rail freight delay – which is a relatively small component of both overall goods movement and goods movement delay in the Bay Area – is not reflected in the target due to travel model limitations.

Date: September 23, 2015  
W.I.: 1212  
Referred by: Planning Committee  
Revised: 11/18/15-C

ABSTRACT

Resolution No. 4204, Revised

This resolution adopts the goals and performance targets for Plan Bay Area 2040.

This resolution was amended on November 18, 2015 to reflect the selection of the four remaining performance targets for Plan Bay Area 2040, previously included as placeholders in September 2015.

Further discussion of this action is contained in the MTC Executive Director's Memoranda to the Planning Committee dated September 4, 2015 and November 6, 2015 and to the Commission dated September 16, 2015 and November 11, 2015.



Date: September 23, 2015  
W.I.: 1212  
Referred by: Planning Committee

Re: Adoption of Goals and Performance Targets for Plan Bay Area 2040

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4204

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, SB 375, Chapter 728, Statutes of 2008, amended Sections 65080, 65400, 65583, 65584.01, 65584.02, 65584.04, 65587, and 65588 of, and added Sections 14522.1, 14522.2, and 65080.01 to, the Government Code, and amended Section 21061.3 of, to add Section 21159.28 to, and to add Chapter 4.2 (commencing with Section 21155) to Division 13 of, the Public Resources Code, relating to environmental quality; and

WHEREAS, SB 375 requires MTC and Association of Bay Area Governments (“ABAG”) to adopt a Sustainable Communities Strategy (SCS), referred to as Plan Bay Area 2040 (“the Plan”); and

WHEREAS, SB 375 specifies how MTC and the ABAG are to collaborate in the preparation of the Plan; and

WHEREAS, MTC and ABAG may elect to set performance targets for the purpose of evaluating land use and transportation scenarios to help inform selection of a draft and final Plan; and

WHEREAS, goals and performance targets adopted by MTC and ABAG will be applied in the planning process at the regional level and do not constitute standards, policies or restrictions that apply to decisions under the jurisdiction of local governments; and

WHEREAS, MTC and ABAG have solicited extensive input from local governments, partner transportation agencies, the MTC Policy Advisory Council, the Regional Equity Working Group, and other regional stakeholders on goals and performance targets; and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, lists a set of goals and performance targets representing environmental, economic and equity outcomes MTC and ABAG hope to achieve through the Plan; and

WHEREAS, the goals and performance targets in Attachment A provide a framework for both quantitative and qualitative assessment of potential transportation projects to inform decisions about the projects to be included in the financially constrained element of the Plan; and

WHEREAS, MTC and ABAG will periodically measure progress toward the performance targets in order to assess the impacts of regional and local policies and investments, modify or adjust programs or policies, modify or adjust performance targets, or inform development of future Plan updates, now, therefore be it

RESOLVED, MTC adopts the goals and performance targets set forth in Attachment A.

METROPOLITAN TRANSPORTATION COMMISSION

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David Cortese, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on September 23, 2015.

## Goals and Performance Targets for Plan Bay Area 2040

Goal	#	Performance Target
Climate Protection	<b>1</b>	Reduce per-capita CO <sub>2</sub> emissions from cars and light-duty trucks by <b>15%</b>
Adequate Housing	<b>2</b>	House <b>100%</b> of the region’s projected growth by income level without displacing current low-income residents and with no increase in in-commuters over the Plan baseline year
Healthy and Safe Communities	<b>3</b>	Reduce adverse health impacts associated with air quality, road safety, and physical inactivity by <b>10%</b>
Open Space and Agricultural Preservation	<b>4</b>	Direct <b>all</b> non-agricultural development within the urban footprint (existing urban development and UGBs)
Equitable Access	<b>5</b>	Decrease the share of lower-income residents’ household income consumed by transportation and housing by <b>10%</b>
	<b>6</b>	Increase the share of affordable housing in PDAs, TPAs, or high-opportunity areas by <b>15%</b>
	<b>7</b>	Reduce the share of low- and moderate-income renter households in PDAs, TPAs, or high-opportunity areas that are at an increased risk of displacement to <b>0%</b>
Economic Vitality	<b>8</b>	Increase by <b>20%</b> the share of jobs accessible within 30 minutes by auto or within 45 minutes by transit in congested conditions
	<b>9</b>	Increase by <b>35%*</b> the number of jobs in predominantly middle-wage industries
	<b>10</b>	Reduce per-capita delay on the Regional Freight Network by <b>20%</b>
Transportation System Effectiveness	<b>11</b>	Increase non-auto mode share by <b>10%</b>
	<b>12</b>	Reduce vehicle operating and maintenance costs due to pavement conditions by <b>100%</b>
	<b>13</b>	Reduce per-rider transit delay due to aged infrastructure by <b>100%</b>

Date: September 23, 2015  
W.I.: 1212  
Referred by: Planning Committee

Attachment A  
Resolution No. 4204  
Page 2 of 2

*\* = the numeric target for #9 will be revised later based on the final ABAG forecast for overall job growth*

October 16, 2015

Dave Vautin  
Metropolitan Transportation Commission  
101 8th Street  
Oakland, CA 94607  
[dvautin@mtc.ca.gov](mailto:dvautin@mtc.ca.gov)

**Re: Feedback on proposed Plan Bay Area Performance Target #9 (Jobs/Wages)**

Dear Mr. Vautin:

Thank you for all your work on the Jobs/Wages Performance Target (Target #9) for Plan Bay Area. As members and supporters of the Bay Area Quality Jobs Network of the 6 Wins, we would like to offer the following comments on the proposed Options #1 and #2 (as provided in the “Remaining Targets” memo dated Oct. 6, 2015):

**Proposed Option #1 Focuses on the Bay Area’s Biggest Economic Challenge**

Of the two options proposed for Target #9, we strongly support Option #1, “Increase by 35%\* the number of jobs in predominantly middle-wage industries.”

This target focuses directly on the primary problem: the growth of wage inequality and the rapidly shrinking share of middle-wage, family-supporting jobs accessible to Bay Area residents.

Land use and transportation planning and investment plays a significant role in shaping economic development. With appropriate economic development goals the Plan Bay Area 2040 and its implementing projects can reflect an intent to retain and create more middle- wage jobs and make those jobs accessible to Bay Area’s lower-income residents. We understand that Plan Bay Area is certainly not the only factor affecting the jobs mix. But neither is it the only factor affecting the housing market (Target #2), pavement conditions (Target #12), or residents’ levels of physical activity (Target #3). In the same vein, Option #1 will open up a space in Plan Bay Area to focus on the ways in which regional and local growth patterns and decision-making do impact the jobs mix, and to do our share to address this challenge.

In contrast, Option #2, “Increase by 35%\* the number of jobs in predominantly middle-wage industries accessible within 30 minutes by auto or 45 minutes by transit in congested conditions,” does not address the primary problem, and furthermore, is a near-duplicate of the already adopted Target #8 (Reso. No. 4204, adopted 9/23/15). Ensuring a robust transportation network that links people to jobs is certainly important. But there is no obvious reason to create a second target that measures the same metric for middle-wage jobs only. We have not seen any data suggesting that existing middle-wage workers have substantially *more* difficulty getting to work than do existing low-wage workers.

Increasing transportation access to middle-wage jobs without also working to increase the number and share of jobs which are middle-wage is likely to have little impact, since we already have too many people chasing after far too few middle-wage jobs.

### **The Bay Area Needs to Both *Preserve* and *Expand* Middle-Wage Jobs**

We understand that the benchmark for this target (currently 35%) is proposed to set a goal of keeping the share of middle-wage jobs stable, rather than targeting an increased share. While we strongly believe that the Bay Area needs to not just maintain, but increase its share of middle-wage jobs, stopping the bleeding is the first step.

If the final adopted target remains at a level consonant with preserving rather than increasing middle-wage jobs, we urge MTC and ABAG to simultaneously adopt a strong statement committing to revisit the topic between now and the next update of Plan Bay Area to work towards strategies that would enable us to set and reach a more ambitious goal for PBA 2022.

### **Modeling Constraints Should Not Dictate Our Region's Goals**

We understand that the model used to analyze alternative scenarios for Plan Bay Area (UrbanSim) does not currently have the capacity to forecast the impacts of different scenarios or programs on the jobs mix, and that as a consequence, the model output would show no difference between varied scenarios with respect to performance on Option #1.

While it would certainly be ideal to be able to model this target, the model limitations should not lead us to avoid setting goals on critical issues impacting the region. Rather, let's acknowledge that we do not currently have the technical capacity to accurately forecast it, and instead focus on gaining good understanding of current conditions as a baseline, and use those to inform planning, program and policy approaches.

We would further suggest a long-term goal to work towards being able to incorporate these indicators into the modelling methodology in time for the next update of Plan Bay Area.

### **We Need to Measure Wages Accurately to Reflect Geographic Differences and Recognize that Labor Markets Can Change**

The formulation “predominantly middle-wage industries”, used in both options for the Jobs/Wages Performance Target, is problematic. Using industries as a proxy for wages embeds at least two assumptions: that the wage distribution in an industry is the same everywhere in the Bay Area, and that the wage distribution stays the same over time. These assumptions fail to acknowledge the ability of policies or strategies that change industry dynamics to bring low-wage jobs up to a livable wage; or conversely, to push wages downward in formerly middle-wage industries.

In short: Wage distribution is not an inherent or immutable characteristic of an industry.

- It varies over time.
- It varies by geography. A single industry, like food manufacturing, might be considered low-wage in one part of the Bay Area but middle-wage in another part.
- It varies widely within an industry sector. For example, retail is overall one of the biggest low-wage sectors; but there are middle-wage retailers. And health care is considered a middle-wage sector, but there are some health care industries that are almost entirely low-wage, such as home health care.
- Finally, it varies depending on a wide range of public policies. Some of those, like trade and immigration, are outside of the region's ability to impact. But there are others that can be influenced locally and in which many local governments are already engaged: minimum wages, zoning requirements, local, targeted or first source hiring, business attraction/retention strategies, and more.

Following are two possible approaches which might help the regional agencies to obtain an accurate picture of current conditions:

1) If we cannot get accurate data on wages for individual jobs (as opposed to using industry averages as a proxy), consider looking at people instead (i.e., household rather than establishment data): average weekly wages for full-time workers, or annual earnings from work. This doesn't translate directly to an hourly wage rate, but it gives a more holistic picture of workers' pay that includes the impacts of underemployment.

– OR –

2) If the regional agencies prefer to maintain the industry approach, use detailed industries – ideally 6-digit NAICS[i] – and differentiate by geography at least down to the county level. We cannot assume that the middle-wage industries in San Francisco (for example) are the same as the middle-wage industries in Napa.

Thank you for the opportunity to provide input on this critical priority for the Bay Area.

Sincerely,

Angela Glover Blackwell, President and CEO, PolicyLink

Belén Seara, Director of Community Relations, San Mateo County Union Community Alliance

Bob Allen, Urban Habitat

David Zisser, Public Advocates

Louise Auerhahn, Director of Economic & Workforce Policy, Working Partnerships USA

Rev. Earl W. Koteen, Sunflower Alliance

Rick Auerbach, Staff, West Berkeley Artisans & Industrial Companies

Tim Frank, Director, Center for Sustainable Neighborhoods

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[i] Higher-level NAICS codes hide major variation between detailed industries. For example, here are average weekly wages for a few selected industries in Alameda County:

Industries within NAICS 5617:

<u>6-digit industry</u>	<u>Average weekly wage</u>
NAICS 561710 Exterminating and pest control services	\$989
NAICS 561720 Janitorial services	\$442
NAICS 561730 Landscaping services	\$688
NAICS 561740 Carpet and upholstery cleaning services	\$556
NAICS 561790 Other services to buildings and dwellings	\$702

Industries within NAICS 33441:

<u>6-digit industry</u>	<u>Average weekly wage</u>
NAICS 334412 Bare printed circuit board manufacturing	\$1,114
NAICS 334413 Semiconductors and related device mfg.	\$2,098
NAICS 334416 Capacitor, transformer, and inductor mfg.	\$1,453
NAICS 334417 Electronic connector manufacturing	\$1,829
NAICS 334418 Printed circuit assembly manufacturing	\$1,216
NAICS 334419 Other electronic component manufacturing	\$960

Industries within NAICS 54151:

<u>6-digit industry</u>	<u>Average weekly wage</u>
NAICS 541511 Custom computer programming services	\$3,375
NAICS 541512 Computer systems design services	\$2,047
NAICS 541513 Computer facilities management services	\$5,968
NAICS 541519 Other computer related services	\$1,162

(Source: Quarterly Census of Employment and Wages - Bureau of Labor Statistics, 2014Q1)



# Plan Bay Area 2040



## STAFF RECOMMENDATION FOR REMAINING PERFORMANCE TARGETS

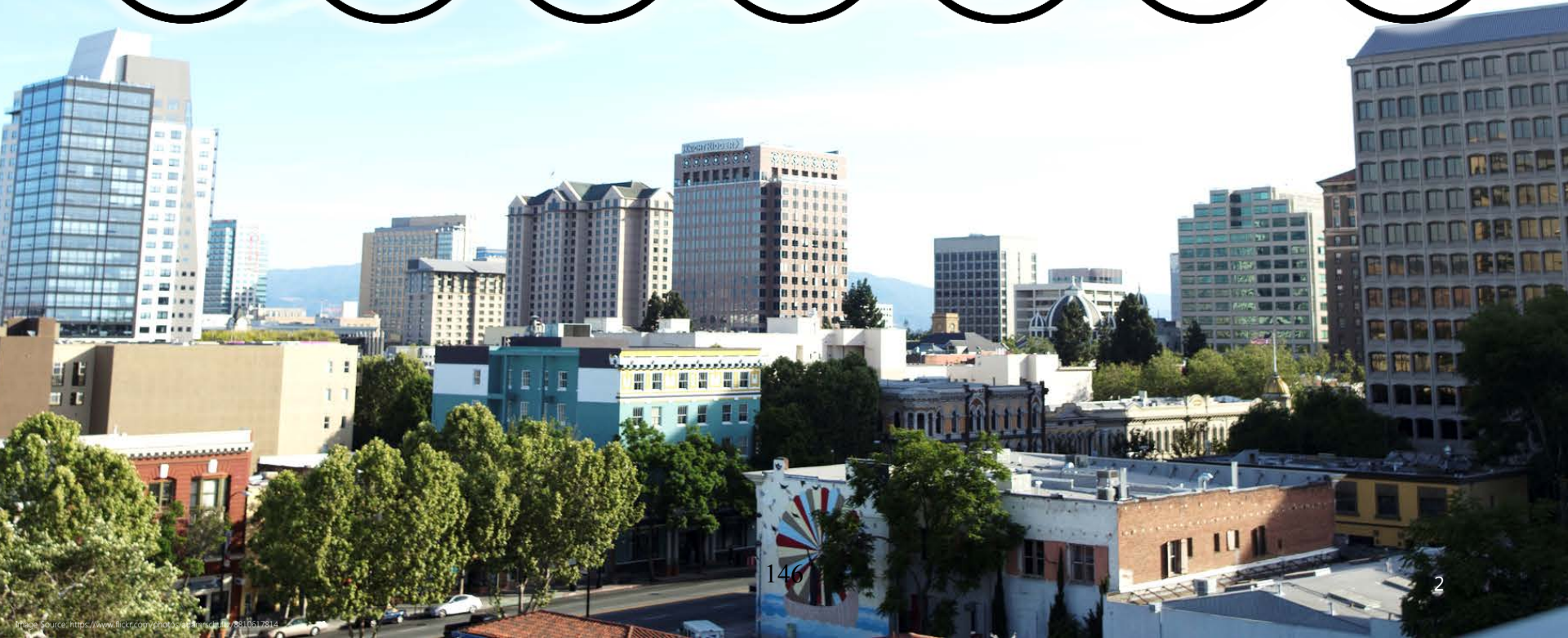


Image Source: <https://www.flickr.com/photos/warzauwyrn/2596160235>






**Joint MTC Planning Committee with the ABAG Administrative Committee**  
November 13, 2015

# Plan BayArea 2040

**Plan goals, along with nine of the thirteen performance targets, were approved by MTC and ABAG in September.**



# Goals & Performance Targets *(adopted in September)*

	CLIMATE PROTECTION	<b>1</b>	Reduce per-capita CO <sub>2</sub> emissions from cars and light-duty trucks by <b>15%</b>
	ADEQUATE HOUSING	<b>2</b>	----- Placeholder -----
	HEALTHY AND SAFE COMMUNITIES	<b>3</b>	Reduce adverse health impacts associated with air quality, road safety, and physical inactivity by <b>10%</b>
	OPEN SPACE AND AGRICULTURAL PRESERVATION	<b>4</b>	Direct <b>all</b> non-agricultural development within the urban footprint (existing urban development and UGBs)
		<b>5</b>	Decrease the share of lower-income residents' household income consumed by transportation and housing by <b>10%</b>
	EQUITABLE ACCESS	<b>6</b>	Increase the share of affordable housing in PDAs, TPAs, or high-opportunity areas by <b>15%</b>
		<b>7</b>	----- Placeholder -----

# Goals & Performance Targets *(adopted in September)*



## ECONOMIC VITALITY

**8**

Increase by **20%** the share of jobs accessible within 30 minutes by auto or within 45 minutes by transit in congested conditions

**9**

----- Placeholder -----

**10**

----- Placeholder -----



## TRANSPORTATION SYSTEM EFFECTIVENESS

**11**

Increase non-auto mode share by **10%\*\***

**12**

Reduce vehicle operating and maintenance costs due to pavement conditions by **100%**

**13**

Reduce per-rider transit delay due to aged infrastructure by **100%**

## Proposed Target #2: Adequate Housing

**House 100% of the region's projected growth by income level without displacing current low-income residents and with no increase in in-commuters over the Plan baseline year**

*Proposed target language aligns with MTC recommendation from September 2015 meeting. ABAG and MTC now reached consensus on target language listed above.*



# Proposed Target #7: Equitable Access – Displacement Risk

**Reduce the share of low- and moderate-income renter households in PDAs, TPAs, or high-opportunity areas that are at an increased risk of displacement to 0%**

***Why was this target selected as the staff recommendation?***

- Emphasizes ensuring no increase in risk of displacement compared to 2010 (*land use forecast baseline*)



# Proposed Target #9: Economic Vitality – Jobs/Wages

## Increase by 35%\* the number of jobs in predominantly middle-wage industries

*\* = numeric target will be revised later based on final  
ABAG overall job growth forecast*

### ***Why was this target selected as the staff recommendation?***

- Most responsive option available for responding to stakeholder concerns about living-wage job growth
- Simple and easy to understand (i.e., preserve the year 2010 share of jobs in middle-wage industries)



# Proposed Target #10: Economic Vitality – Goods Movement

## Reduce per-capita delay on the Regional Freight Network by 20%

*Why was this target selected  
as the staff recommendation?*

- Reflects concerns amongst stakeholders about nexus between traffic congestion and goods movement
- Focuses specifically on corridors with high truck volumes identified in the Regional Goods Movement Plan
- Restores delay target from *Transportation 2035*





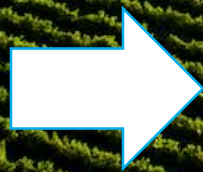
# Plan BayArea 2040

**With the adoption of the remaining performance targets, the planning process can advance to the project & scenario evaluation phase.**



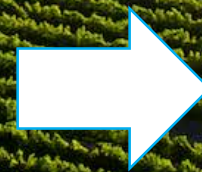
**2015**

**Goals & Targets**  
Project Evaluation



**2016**

Scenario Evaluation  
Tradeoff Discussions



**2017**

EIR Process  
Plan Approval

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DATE : January 19, 2016  
TO: SolanoExpress Intercity Transit Consortium  
FROM: Sean Hurley, Commute Consultant  
RE: Mobility Call Center/Transportation Info Depot Monthly Updates

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**Background:**

The Solano Napa Commuter Information (SNCI) expanded their services to include the **Solano Mobility Call Center** in February 2014. In addition to providing commuters and Solano/Napa county employers with information on a variety of transit services and incentive programs, the Mobility Call Center provides seniors and people with disabilities various mobility information. The **Transportation Info Depot** opened in November 2014. The main objective in having staff at the Suisun-Fairfield Train Depot is to create public awareness of the services provided by SNCI.

**Discussion:**

***Solano Mobility Call Center and Transportation Info Depot***

There has been a steady number of ADA/Mobility inquiries. For the month of December 2015, the call center received a total of 76 calls with 59 of those being ADA/Mobility related. The Call Center assisted 7 walk in customers and had four Adult Clipper Sales. Seven Regional Transit Connection (RTC) applications were processed during this time period.

**Transportation Info Depot**

For the Month of December 2015, staff has:

- Assisted 400 patrons with transit information
- Sold 4 Adult Clipper Cards

**Recommendation:**

Informational.

Attachment:

- A. Call Center/Info Depot Activity Chart

Call Center/Info Depot Activity	15-Oct	15-Nov	15-Dec	FY 15/16 Totals	2015 Calendar Year Totals
<b><u>Emergency Ride Home</u></b>					
New Employees	9	4	5	32	91
New Employers	0	0	0	0	5
Trips Taken	1	2	4	20	50
<b><u>Bucks for Bikes</u></b>					
New Applications	2	3	2	9	20
Incentives Awarded	0	1	1	4	10
Follow up Surveys sent	0	16	1	25	60
<b><u>Train Depot Activity</u></b>					
Amtrak	305	257	271	1698	3310
Greyhound	63	45	63	410	870
General Transit Questions	17	22	23	124	239
Trip Planning	27	15	25	108	185
RTC Questions	1	0	3	7	24
Clipper Questions	5	2	4	24	57
Other - Taxi, Misc	3	3	11	29	86
<b>Totals:</b>	<b>421</b>	<b>344</b>	<b>400</b>	<b>2400</b>	<b>4771</b>
<b><u>Mobility Call Center Telephone Calls</u></b>					
ADA Paratransit Eligibility	33	39	37	220	353
RTC Questions	18	24	10	122	251
Adult Clipper Questions	4	6	2	20	32
Senior Clipper Questions	2	2	1	13	29
Senior Trip Planning	1	5	1	17	39
Transit Training - Trainer	0	2	1	3	5
Transit Training - Trainee	0	3	0	5	7
Taxi Scrip Local	13	12	11	86	118
Taxi Scrip InterCity	12	8	0	52	64
Materials Mailed	2	5	3	24	65
<b><u>Calls Referred to Outside Agencies</u></b>					
* NonProfit	4	2	3	30	45
* Private	2	1	5	19	30
*Transit Agency	0	1	2	3	18
<b>Totals:</b>	<b>89</b>	<b>105</b>	<b>76</b>	<b>593</b>	<b>994</b>
<b>Call Center Customer Walk-In Totals:</b>	<b>12</b>	<b>17</b>	<b>7</b>	<b>83</b>	<b>217</b>
<b><u>Clipper Cards Sales</u></b>					
Senior	10	3	0	21	39
Adult	9	6	0	53	84
Youth	0	0	0	2	2
<b>Totals:</b>	<b>19</b>	<b>9</b>	<b>0</b>	<b>76</b>	<b>125</b>
<b><u>RTC Apps processed to Date</u></b>	<b>26</b>	<b>21</b>	<b>7</b>	<b>91</b>	<b>198</b>
<b><u>Bike Link Cards Sold</u></b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>6</b>



DATE: January 14, 2016  
 TO: SolanoExpress Intercity Transit Consortium  
 FROM: Drew Hart, Associate Planner  
 RE: Summary of Funding Opportunities

**Discussion:**

Below is a list of funding opportunities that will be available to STA member agencies during the next few months, broken up by Federal, State, and Local. Attachment A provides further details for each program.

	FUND SOURCE	AMOUNT AVAILABLE	APPLICATION DEADLINE
<b>Regional</b>			
1.	Carl Moyer Memorial Air Quality Standards Attainment Program (for San Francisco Bay Area)	Approximately <b>\$15 million</b>	Due On First-Come, First Served Basis
2.	Carl Moyer Off-Road Equipment Replacement Program (for Sacramento Metropolitan Area)	Approximately <b>\$10 million</b>	Due On First-Come, First-Served Basis
3.	Air Resources Board (ARB) Clean Vehicle Rebate Project (CVRP)	Up to <b>\$2,500</b> rebate per light-duty vehicle	Due On First-Come, First-Served Basis (Waitlist)
4.	Bay Area Air Quality Management District (BAAQMD) Hybrid Electric Vehicle Purchase Vouchers (HVIP) (for fleets)	Approximately <b>\$10,000 to \$45,000</b> per qualified request	Due On First-Come, First-Served Basis
5.	TDA Article 3	<b>\$443,000</b>	No Deadline
<b>State</b>			
1.	Affordable Housing Sustainable Communities Program*	Approximately <b>\$400 million</b>	February 2016
<b>Federal</b>			

\*New funding opportunity

**Fiscal Impact:**

None.

**Recommendation:**

Informational.

Attachment:

- A. Detailed Funding Opportunities Summary

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The following funding opportunities will be available to the STA member agencies during the next few months. Please distribute this information to the appropriate departments in your jurisdiction.

Fund Source	Application Contact**	Application Deadline/Eligibility	Amount Available	Program Description	Proposed Submittal	Additional Information
<b>Regional Grants<sup>1</sup></b>						
<b>Carl Moyer Memorial Air Quality Standards Attainment Program (for San Francisco Bay Area)</b>	Anthony Fournier Bay Area Air Quality Management District (415) 749-4961 <a href="mailto:afournier@baaqmd.gov">afournier@baaqmd.gov</a>	Ongoing. Application Due On First-Come, First Served Basis  Eligible Project Sponsors: private non-profit organizations, state or local governmental authorities, and operators of public transportation services	Approx. <b>\$15 million</b>	Carl Moyer Memorial Air Quality Standards Attainment Program provides incentive grants for cleaner-than-required engines, equipment, and other sources of pollution providing early or extra emission reductions.	N/A	Eligible Projects: cleaner on-road, off-road, marine, locomotive and stationary agricultural pump engines <a href="http://www.baaqmd.gov/Divisions/Strategic-Incentives/Funding-Sources/Carl-Moyer-Program.aspx">http://www.baaqmd.gov/Divisions/Strategic-Incentives/Funding-Sources/Carl-Moyer-Program.aspx</a>
<b>Carl Moyer Off-Road Equipment Replacement Program (for Sacramento Metropolitan Area)</b>	Gary A. Bailey Sacramento Metropolitan Air Quality Management District (916) 874-4893 <a href="mailto:gbailey@airquality.org">gbailey@airquality.org</a>	Ongoing. Application Due On First-Come, First-Served Basis  Eligible Project Sponsors: private non-profit organizations, state or local governmental authorities, and operators of public transportation services	Approx. <b>\$10 million</b> , maximum per project is \$4.5 million	The Off-Road Equipment Replacement Program (ERP), an extension of the Carl Moyer Program, provides grant funds to replace Tier 0, high-polluting off-road equipment with the cleanest available emission level equipment.	N/A	Eligible Projects: install particulate traps, replace older heavy-duty engines with newer and cleaner engines and add a particulate trap, purchase new vehicles or equipment, replace heavy-duty equipment with electric equipment, install electric idling-reduction equipment <a href="http://www.airquality.org/mobile/moyererp/index.shtml">http://www.airquality.org/mobile/moyererp/index.shtml</a>
<b>Air Resources Board (ARB) Clean Vehicle Rebate Project (CVRP)*</b>	Graciela Garcia ARB (916) 323-2781 <a href="mailto:ggarcia@arb.ca.gov">ggarcia@arb.ca.gov</a>	Application Due On First-Come, First-Served Basis (Currently applicants are put on waitlist)	Up to <b>\$5,000</b> rebate per light-duty vehicle	The Zero-Emission and Plug-In Hybrid Light-Duty Vehicle (Clean Vehicle) Rebate Project is intended to encourage and accelerate zero-emission vehicle deployment and technology innovation. Rebates for clean vehicles are now available through the Clean Vehicle Rebate Project (CVRP) funded by the Air Resources Board (ARB) and implemented statewide by the California Center for Sustainable Energy (CCSE).	N/A	Eligible Projects: Purchase or lease of zero-emission and plug-in hybrid light-duty vehicles <a href="http://www.arb.ca.gov/mspr/og/aqip/cvrp.htm">http://www.arb.ca.gov/mspr/og/aqip/cvrp.htm</a>

<sup>1</sup> Regional includes opportunities and programs administered by the Solano Transportation Authority and/or regionally in the San Francisco Bay Area and greater Sacramento

Fund Source	Application Contact**	Application Deadline/Eligibility	Amount Available	Program Description	Proposed Submittal	Additional Information
<b>Regional Grants<sup>1</sup></b>						
<b>Bay Area Air Quality Management District (BAAQMD) Hybrid Electric Vehicle Purchase Vouchers (HVIP)*</b>	To learn more about how to request a voucher, contact: <b>888-457-HVIP</b> <a href="mailto:info@californiahvip.org">info@californiahvip.org</a>	Application Due On First-Come, First-Served Basis	Approx. <b>\$10,000 to \$45,000</b> per qualified request	The California Air Resources Board (ARB) created the HVIP to speed the market introduction of low-emitting hybrid trucks and buses. It does this by reducing the cost of these vehicles for truck and bus fleets that purchase and operate the vehicles in the State of California. The HVIP voucher is intended to reduce about half the incremental costs of purchasing hybrid heavy-duty trucks and buses.	N/A	Eligible Projects: Purchase of low-emission hybrid trucks and buses <a href="http://www.californiahvip.org/">http://www.californiahvip.org/</a>
<b>TDA Article 3</b>	Cheryl Chi Metropolitan Planning Commission <b>(510) 817-5939</b> cchi@mtc.ca.gov	No deadline	Approx. <b>\$110,000</b>	The Metropolitan Transportation Commission (MTC) administers TDA Article funding for each of the nine Bay Area counties with assistance from each of the county Congestion Management Agencies (e.g. STA). The STA works with the Pedestrian Advisory Committee (PAC), Bicycle Advisory Committee (BAC) and staff from the seven cities and the County to prioritize projects for potential TDA Article 3 funding.	N/A	

\*New Funding Opportunity

\*\*STA staff, Drew Hart, can be contacted directly at (707) 399-3214 or [dhart@sta.ca.gov](mailto:dhart@sta.ca.gov) for assistance with finding more information about any of the funding opportunities listed in this report

Fund Source	Application Contact**	Application Deadline/Eligibility	Amount Available	Program Description	Proposed Submittal	Additional Information
<b>State Grants</b>						
<b>Affordable Housing Sustainable Communities Program</b>	Drew Hart STA 707/399.3214 dhart@sta.ca.gov	February 2016	Approx. <b>\$400 million</b>	The purpose of the AHSC Program is to reduce greenhouse gas (GHG) emissions through projects that connect land-use, housing, and transportation to support infill and compact development	N/A	<a href="http://www.sgc.ca.gov/docs/Draft_2015-16_Affordable_Housing_and_Sustainable_Communities_Program_Guidelines.pdf">http://www.sgc.ca.gov/docs/Draft_2015-16_Affordable_Housing_and_Sustainable_Communities_Program_Guidelines.pdf</a>