



SACOG Board of Directors

January 28, 2015

2016 Metropolitan Transportation Plan/Sustainable Communities Strategy Update: Preliminary Revenue and Budget Assumptions

Issue: What are the preliminary revenue and budget assumptions for the 2016 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) update?

Recommendation: That the Board provide feedback to staff regarding the preliminary assumptions staff is developing as part of the discussion draft preferred scenario for the 2016 MTP/SCS.

Committee Action/Discussion: One of the Board's key policy issues in the 2016 MTP/SCS update is the question of how much of the region's transportation maintenance and preservation needs can be addressed in the plan. This coming February and March, staff will be seeking Board input on two critical questions that help to address this policy issue: 1) How much of the MTP/SCS budget should be shifted toward maintenance? And 2) For new cap & trade revenues that could reasonably be expected to come to the region during the MTP/SCS planning period, how should those revenues be spent?

The January board workshop is intended to brief the board on what staff has learned to date as it develops options for increased investment in maintenance in the MTP/SCS. The presentation will explain information included in the attachments described below.

In December the Board adopted a Framework for a Draft Preferred Scenario (Framework 2.0, as described in Attachment A), which directs staff to develop a draft land use forecast, transportation revenue forecast and budget, and transportation project list. A large part of this work is focused on identifying a range of possible revenue and budget strategies that could shift more investment into road and transit maintenance than the current plan. Attachments B and C are summary tables of the Preliminary Discussion Draft Preferred Scenario (Discussion Draft) expenditures and revenues.

Attachment B shows staff's first cut at how much of the plan expenditures could be allocated to projects across various budget categories compared to the current plan. To make room for additional fix-it-first projects and to account for a lower revenue forecast, the Discussion Draft does not include every project considered for inclusion in the 2016 plan update. The final set of columns in the expenditure table summarizes the total cost of projects not included in the Discussion Draft. These are projects that were removed by local staff during previous review periods, projects in the current plan that could be delayed to post-2036 without significant impact to regional performance metrics, or new projects nominated for the 2016 update that did not show significant performance value or are tied to growth not assumed to occur by the horizon year of the plan. Attachment B also provides a summary of base and new revenues that would support the investments included in the Discussion Draft. Attachment C describes assumptions regarding potential statewide cap and trade revenues, which would be new revenues to this plan update.

Staff sent the Discussion Draft, including the transportation project list and land use assumptions, to local agency staffs on January 26th for a six-week review period. The purpose of this vetting period is to receive input from local agencies on a discussion draft preferred land use and transportation scenario before the

SACOG Board adopts one in April 2015 (Framework 3.0, as described in Attachment A). To support local review of the Discussion Draft, staff presented the scenario to the SACOG Regional Planning Partnership and Planners Committee on January 28. Staff will present additional detailed information on the Discussion Draft to the SACOG Board Committees in their February meetings, and to the MTP/SCS stakeholder sounding board group on February 6. In the month of February, staff will also present the Discussion Draft at elected official information meetings that will be held in each of the six counties in the region (Attachment D).

Approved by:

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Chief Executive Officer

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2016 MTP/SCS Update: Schedule of Board Actions Leading to Final Plan Adoption

(Updated January 12, 2015 to reflect Board adoption of Framework 2.0)

Board Action	Date of Action	Contents/Direction
Framework 1.0: Policy Framework	Adopted December 2013	<ul style="list-style-type: none"> • Set implementation-focused theme for plan update with five policy themes: transportation funding, investment strategy, investment timing, land use forecast, plan effects. • Set region-level growth projections of population, employment and housing for the plan horizon year (2036). • Set overall schedule for the plan update.
Framework 1.5: Scenarios Development Framework	Adopted March 2014	<ul style="list-style-type: none"> • Set parameters for three regional land use and transportation scenarios for use in public workshops and plan development. • Initiated phasing analysis of transportation investments in current plan. • Initiated analysis of different levels and types of transportation revenue sources. • Set schedule for creation of Framework 2.0.
Framework 2.0: Draft Preferred Scenario Framework	Adopted December 2014	<ul style="list-style-type: none"> • Sets guidelines, task and process for developing a draft preferred scenario (land use forecast, revenue forecast, project list, performance outcomes). • Sets a minimum of six weeks for review and vetting of a preliminary draft preferred scenario.
Framework 3.0: Draft Preferred Scenario	Targeted for April 2015	<ul style="list-style-type: none"> • Sets details of Draft Preferred Scenario (for years 2020, 2035, and 2036) for use in development of Draft Plan and EIR: <ul style="list-style-type: none"> ○ Land use forecast ○ Revenue Forecast ○ Budget and Project List ○ Performance Outcomes
Draft Plan (2016 MTP/SCS)	Targeted for September 2015	<ul style="list-style-type: none"> • Release Draft 2016 MTP/SCS for public comment. Draft Plan includes written discussion of the detailed land use and transportation information above plus: policies and strategies, an environmental justice analysis, discussion of natural resources.
Final Plan (2016 MTP/SCS)	Targeted for February 2016	<ul style="list-style-type: none"> • Adopt 2016 MTP/SCS, certify Final EIR, adopt air quality conformity finding.

1) Expenditures	Budget Category	A. Current MTP/SCS		B. Base Revenue Expenditures by Budget Category		C. Base + New Revenue Expenditures by Budget Category		D. Not in Discussion Draft Preferred Scenario		
		Plan Expenditures	% of Total Expenditures	Expenditures	% of Total	Expenditures	% of Total	Projects removed by sponsor agency	Current plan projects delayed to post-2036 in Discussion DPS	New projects proposed by sponsors, but not included in Discussion DPS
	Maintenance & Rehabilitation	\$10.5	32%	\$10.8	34%	\$12.3	35%	\$0.1	\$0.0	\$0.0
	System Management, Operations, and ITS	\$0.8	2%	\$0.8	2%	\$1.5	4%	\$0.1	\$0.0	\$0.0
	Road & Highway Capacity	\$6.4	20%	\$6.2	19%	\$6.2	18%	\$1.6	\$0.5	\$0.9
	Bicycle & Pedestrian	\$2.5	8%	\$2.6	8%	\$2.8	8%	\$0.1	\$0.0	\$0.0
	Transit Capital	\$3.3	10%	\$3.0	9%	\$3.5	10%	\$0.3	\$0.5	\$0.1
	Transit Operations & Maintenance	\$7.1	22%	\$6.9	22%	\$7.1	20%	\$0.0	\$0.4	\$0.0
	Programs & Planning	\$1.8	6%	\$1.8	6%	\$1.8	5%	\$0.0	\$0.0	\$0.0
	TOTAL EXPENDITURES	\$32.4	100%	\$32.1	100%	\$35.2	100%	\$2.2	\$1.4	\$1.0

2) Revenues	Revenue Source	Discussion DPS Budget	Notes
		Base Revenues	\$32.1
	<i>Federal Highway</i>	\$2.1	
	<i>Federal Transit</i>	\$1.4	
	<i>State Fuel Taxes</i>	\$9.2	
	<i>State Transit</i>	\$1.2	
	<i>Sales Tax</i>	\$6.1	
	<i>Other Local Revenues</i>	\$9.9	
	<i>Transit Fares</i>	\$2.2	
	New Revenues	\$3.1	
	Highway Bridge Program (Bridge Maintenance & Preservation)	\$0.6	These additional revenues more fully account for funds from the Highway Bridge Program (HBP). The purpose of the HBP is to replace or rehabilitate public highway bridges over waterways, other topographical barriers, other highways, or railroads when the State and the Federal Highway Administration determine that a bridge is significantly important and is unsafe because of structural deficiencies, physical deterioration, or functional obsolescence.
	Placer 1/2 cent Sales Tax	\$1.5	Based on the Placer County Transportation Planning Agency draft RTP financial element.
	Cap & Trade (by 2020)	\$0.2	Cap and Trade revenues are made up of the 35% of auction proceeds that are allocated to Affordable Housing & Sustainable Communities (20%) (with 10% available to projects that reduce VMT and auto trips under the Sustainable Communities program), Intercity Rail (10%), and Low Carbon Transit (5%). The region's capture of these revenues assumes SACOG member agencies receive revenues roughly equivalent the region's share of statewide population. Consistent with Board direction to focus this plan update on fix-it-first projects, the Discussion DPS assumes revenues captured under the Sustainable Communities program would support roadway rehabilitation projects that provide strong complete streets opportunities that encourage biking, walking, and transit use.
	Cap & Trade (2021-2036)	\$0.8	The Governor's budgets for FY 14/15 and 15/16 allocate an additional 20% to ARB's Low Carbon Transportation Program. Assuming SACOG agencies are eligible for these programs, this could create an another roughly \$700 million for the plan.
	TOTAL REVENUES (Base + New)	\$35.2	

Potential Statewide Cap and Trade Revenues				
	Program Share	Potential Revenues By 2020	Potential Revenues 2021-2036	Assumptions and Program Descriptions
Total Auction Proceeds	100%	\$11.5	\$46.7	Assumes all available state-owned allowances will be purchased at the minimum reserve price through 2020. For 2021 to 2036, assume 5% growth in reserve price as set by the state and maintain a consistent number of allowances available in each fiscal year based on the average number of allowances sold between FYs 2013/14 and 2019/20. Actual revenues available will vary depending on state policy, technology, and the market prices for allowances.
High Speed Rail	25%	\$2.9	\$11.7	These funds will support the construction of the California High-Speed Rail project.
Other Programs (allocated annually)	40%	\$4.6	\$18.7	These funds will be allocated annually to support a variety of other programs aimed at reducing greenhouse gas emissions such as clean energy, energy conservation, low or zero emission vehicles, and fire prevention and urban forestry.
Affordable Housing and Sustainable Communities	20%	\$2.3	\$9.3	
Affordable Housing	10%	\$1.2	\$4.7	Half (10% of the 20%) must be used for affordable housing that supports infill and compact development.
Sustainable Communities	10%	\$1.2	\$4.7	Half (10% of the 20%) may be available for projects aimed at reducing auto trips and vehicle miles traveled in regional transportation plans/sustainable community strategies, including complete streets and active transportation style projects.
Intercity Rail	10%	\$1.2	\$4.7	These funds are for commuter and inter-regional rail and bus rapid transit projects.
Low Carbon Transit Operations	5%	\$0.6	\$2.3	Funding goes out under the State Transit Assistance formula for new and expanded service (including equipment); and 50% of the funding must be expended for disadvantaged communities.

Potential Discussion DPS Cap and Trade Revenues				
	Share of Statewide Revenues	Potential Revenues By 2020	Potential Revenues 2021-2036	Assumptions and Program Descriptions
Sustainable Communities	Equal to population Share (roughly 6.2% increasing to 7% by 2036)	\$0.1	\$0.3	Included in expanded Discussion DPS Maintenance and Rehabilitation budget to support fix-it-first investments that present complete streets and active transportation opportunities.
Intercity Rail		\$0.1	\$0.3	Included in expanded Discussion DPS transit capital budget for eligible intercity rail and BRT projects.
Low Carbon Transit Operations		\$0.04	\$0.2	Included in expanded Discussion DPS transit operating budget for new and expanded service in eligible communities. Funds are distributed via existing State Transit Assistance formulas to transit operators.
Total		\$0.2	\$0.8	

MTP/SCS Elected Official Information Meetings

In accordance with the statutory requirements of SB 375, SACOG is conducting Elected Official Information Meetings in each of the six counties in the SACOG region. The information sessions are intended to provide an early opportunity for city council members and county board of supervisors to hear a staff briefing on a draft MTP/SCS and give input and recommendations. City council members and county board of supervisors in the six-county SACOG (El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba) region are asked to attend and to share this invitation with their jurisdictional staff. No action will be taken in these meetings.

El Dorado County

Thursday, February 5

5-6:30 p.m. **Dinner will be served**

Office of Emergency Services Conference Room
Building A, Downstairs from El Dorado County
BOS Chambers
301 Fair Lane
Placerville, CA 95667

*Meeting will occur after the El Dorado County
Transportation Commission meeting.*

Yolo County

Monday, February 9

5:30-6:45 p.m. **Dinner will be served**

Yolo County Transit District Office
350 Industrial Way
Woodland, CA 95776

*Meeting will occur prior to the Yolo County
Transit District meeting.*

Sutter County

Tuesday, February 17

3:30-5 p.m.

Yuba City Council Chambers
1201 Civic Center Boulevard
Yuba City, CA 95993

*Meeting will occur after the Yuba City
Council meeting.*

Yuba County

Tuesday, February 24

12-1:30 p.m. **Lunch will be served**

Yuba County Government Center
Board Chambers
915 8th Street
Marysville, CA 95901

*Meeting will occur after the Yuba County Board
of Supervisors meeting.*

Placer County

Wednesday, February 25

9-10:30 a.m.

Placer County Transportation Planning Agency
299 Nevada Street
Auburn, CA 95603

*Meeting will occur during the Placer County
Transportation Planning Agency meeting.*

Sacramento County

Thursday, February 26

11:30 a.m. – 1 p.m. **Lunch will be served**

Sacramento County Offices
700 H Street, Third Floor Community Room
Sacramento, CA 95814

*Meeting will occur between the Sacramento
Metropolitan Air Quality Management District
meeting and the Sacramento Transportation
Authority meeting.*

For questions or to RSVP contact Rosie Ramos at 916-340-6208 or rramos@sacog.org.