

Preliminary Modifications for the Draft Preferred Scenario

March 18, 2015

The Discussion Draft Preferred Scenario (Discussion Draft) for the 2016 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) was vetted with member and partner agencies over a six-week period that ended on March 9th. This supplemental packet contains a summary of the comments received from local agencies, as well as SACOG staff's preliminary assessment of how the Discussion Draft land use and transportation assumptions might change based on comments received during the vetting period. Changes to the Discussion draft would produce a Draft Preferred Scenario – comprised of a 2020 and 2036 land use forecast and transportation project list – that fits within the technical and policy bounds defined by the Board's adopted Framework for a Draft Preferred Scenario (Framework 2.0). Framework 2.0 directs several actions for a Draft Preferred Scenario, with three primary directives:

- 1) Develop a Preferred Scenario (a transportation project list and land use forecast) that meets federal air quality conformity requirements and achieves state greenhouse gas targets.
- 2) Develop a land use forecast that meets federal and state requirements and supports the aforementioned air quality objectives; and
- 3) Shift budget to system maintenance (Fix-it-First) investments and find new, reasonably foreseeable revenues to put towards those investments, consistent with the Board's adopted policy themes for this plan update.

Consistent with regular briefings throughout the MTP/SCS update process, staff will brief the SACOG Board on the preliminary changes to the Discussion Draft at its March 19th meeting. Because the scale of most comments was on the order of refinement, staff was able to review all comments received and assess the effects of proposed changes in time for the Board's March meeting. We believe this is attributable to the transparent scenario development process that included regular presentations and periodic check-ins with the SACOG Board and member agency staff, which resulted in staff and local agencies working from the same set of information on the Draft Preferred Scenario. Staff is still coordinating with some sponsor agencies on a small number of proposed changes to the Draft Preferred Scenario. Complete staff-recommended changes for the Draft Preferred Scenario will be posted online and emailed out to the SACOG Board and member agencies no later than a full week before the April 2nd Transportation and Land Use and Natural Resources Committee meetings; however, staff will endeavor to post recommended changes earlier to allow sufficient time for all parties to review.

Land Use Forecast: Summary of Comments and Changes

During the vetting period, SACOG received requests for changes to the Discussion Draft Preferred Scenario from the following five jurisdictions: Elk Grove, Folsom, Placer County, Rocklin and West Sacramento. Three jurisdictions - Elk Grove, Placer County and Rocklin – requested additional housing and employment growth. West Sacramento requested the removal of two Developing Communities within its city limits, which would result in less projected housing growth. Folsom suggested changing the location of employment growth within the city limits, which would not change the jurisdiction's total employment projection. The sum of these requested edits amounts to approximately an additional 4,100 new homes and 12,400 new employees, which is 1 percent and 3 percent of the regional growth

forecast, respectively. Not all of these requests can be accommodated within the Board's adopted regional growth forecast.

SACOG staff has reviewed the proposed changes and is communicating with these jurisdictions on how much of these requests staff believes can be accommodated in the Draft Preferred Scenario. Staff's preliminary assessment is that a small amount – 8 percent of the requested housing and 2 percent of the requested employment – is consistent with the Framework for the Draft Preferred Scenario and will be incorporated into the staff recommendation that goes to the Board in April. Staff is still following up with individual jurisdiction but at this time does not believe that there will be any objections from the commenting agencies.

Transportation Project List & Budget: Summary of Comments and Changes

During the vetting period, SACOG received feedback or requests for changes to the Discussion Draft Preferred Scenario from the following 13 jurisdictions:

City of Elk Grove	Yolo County
City of Folsom	Yuba County
City of Rancho Cordova	Caltrans District 3
City of Sacramento	Capital SouthEast Connector JPA
City of West Sacramento	El Dorado County Transportation Commission
City of Woodland	Placer County Transportation Planning Agency
Sacramento County	

The comments generally consisted of refinements to project scopes, costs, and timing of projects. A number of comments were received requesting to add projects not included in the Discussion Draft back in for the Draft Preferred Scenario. In general, requests to add or expand projects were accompanied by suggestions of projects that could be delayed until after 2036 or otherwise removed from the Draft Preferred Scenario. In total, SACOG received about 40 requests to add projects or increase the scope of projects included in the Discussion Draft. Another 20 comments suggested scope reductions to existing or new projects that would slim down the total project cost and reduce the budget impact of including the project in the Draft Preferred Scenario. Staff received about 50 comments suggesting projects or concurring with SACOG recommendations for projects that could be removed or delayed from the DPS. SACOG staff is addressing all of these suggested modifications with local staff on a case-by-case basis.

For reference, the net impact of all the requested changes would increase the road and highway expansion budget by about \$100 million, which is less than one-half of a percent of the \$35.2 billion Discussion Draft budget. However, SACOG staff is engaged in ongoing conversations with local agencies to find ways to accommodate only the best performing and cost effective project additions by downsizing project scopes and refining cost estimates. Where SACOG staff recommended in the Discussion Draft re-phasing of a project to the post-2036 timeframe, the answers to three questions, drawn from the travel forecasts prepared for the Discussion Draft project list, guided the recommendations:

- 1) Is the roadway congested during peak demand periods, either in the base year (2012) or the planning horizon year?

- 2) Is the increase in capacity on the roadway greater than the projected increase in travel on the roadway?
- 3) Is the roadway significantly under-utilized during peak periods?

These three screening questions were used to flag a relatively small subset of projects for further discussion with sponsoring agencies; staff met and coordinated with these agencies during the six-week vetting period for the Discussion Draft to review flagged projects and determine if projects could be delayed or scaled down. ¹ SACOG staff is continuing these discussions with a few project sponsors, notably the SouthEast Connector JPA regarding the timing and extents of the Connector project as it relates to the Draft Preferred Scenario.

As the Board knows from a March 9th, 2015 joint letter from SACOG and the SouthEast Connector JPA, there are ongoing discussions that could possibly result in a joint recommendation that would defer over \$100 million in construction costs through 2036. No final decisions have been made regarding the project and continued dialogue and analysis is needed before a final joint recommendation is reached.

Other conversations with local agencies have been successful at identifying portions of larger projects that show strong performance potential, but can be implemented at a much lower cost than the full improvements. SACOG staff is still working through the magnitude of the cost impact that the scaling of projects will have on the overall road and highway expansion budget, but it is likely that costs can be held at a level equal to or up to \$100 million less than the Discussion Draft.

SACOG staff is also investigating other budget categories including the system management, operations, and ITS budget and programs and planning budget to determine if any funding from these categories can be made available for maintenance or rehabilitation projects.

Staff's initial analysis of sponsor agency comments, ongoing dialogue with local staff, and continuing technical analysis create the possibility that SACOG staff may be able to recommend shifting up to an additional \$100 to \$200 million into fix-it-first investments. This additional funding would likely come from a scaling back of capacity increasing projects included in the Discussion Draft list and a repurposing of some funds currently included in other non-capacity budget categories. Based on staff's initial analysis of comments and the ongoing dialogue with local agency staff, resolution of all comments could add \$100 to \$200 million to nearly \$2 billion already shifted to the fix-it-first investment budget, relative to the current plan.

At this time staff believes the majority of the requested changes can either be included in the Draft Preferred Scenario or, if not, the sponsor agency will not contest the exclusion of their requests.

¹ This screening analysis is good planning practice and also consistent with the federal and state laws and regulations that govern the MTP/SCS update. Federal law requires metropolitan planning organizations (MPOs) to use the latest available estimates and assumptions for population, land use, travel, employment, congestion, and economic activity in the regional transportation plan ((23 C.F.R. § 450.322 (e)). SB 375 requires that the regional transportation plan must be an "internally consistent" document. This means that the contents of the Policy, Action, Financial Elements and SCS must be consistent with one another. As a result, transportation investments and the forecasted development pattern in the SCS should be complementary and not contradictory (Gov. Code § 65080 (b)).

SB 375 Greenhouse Gas Targets

As staff models revised projects and receives feedback on the project list, we have also been tracking the Discussion Draft's performance against the SB 375 greenhouse gas reduction targets for 2035 (recall from prior Board briefings that the Discussion Draft did not meet the year 2035 target for greenhouse gas emissions reductions). Over the last several weeks staff has been continually running scenarios to identify the collection of transportation and land use changes to the Discussion Draft that could allow the scenario to achieve its greenhouse gas targets. Staff has conducted a half dozen model runs to date and a run completed yesterday meets the year 2035 target of -16 percent per capita. Staff will continue modeling changes to the Discussion Draft as we coordinate with member agencies on proposed changes and as part of developing the staff recommendation for the Draft Preferred Scenario. The latest model results were accomplished with the inclusion of a combination of "off-model" greenhouse gas reduction programs.

Table 1 lists the proposed programs and the range of reductions staff believes will be acceptable for use in calculating the greenhouse gas reductions of the MTP/SCS. The reported ranges for ITS/TSM, TDM and car sharing, and increased rates of work-at-home are based on research on program effects prepared by SACOG in February 2012, that were submitted to and accepted by CARB. Additional research on program effects since that time does not suggest the range of any of these effects has changed. The estimate of GHG reduction effects of increased electric vehicle market penetration was prepared by SACOG staff, and is an estimate of the effect of local, SACOG member agency policies would have in increasing the market penetration of EV's in the SACOG region, over-and-above what might be expected due to the combination of state policies, rebates, and other factors. A major component of this program is the Plug-In Electric Vehicle Infrastructure and Readiness Plan (TakeCharge), adopted by the SACOG Board in December of 2013, which outlines strategies and infrastructure requirements to meet the needs of PEVs on the region's roads today through 2035. These estimates have not been reviewed by CARB staff, although they fall within a range of effects which other MPO's have submitted to CARB for similar programs. Based on the range of effects, and some of the uncertainties inherent in programmatic estimates, the final submittal to CARB will reflect a midpoint in the range of combined off model adjustments.

Table 1. Summary of Potential Off-Model Reductions

Program/Factor	Low	Mid	High
ITS/TSM	0.09%	0.36%	0.62%
TDM and Car Sharing	1.41%	2.00%	2.60%
Increased Work-at-Home	0.13%	0.26%	0.39%
Increased EV Market Penetration	<u>0.20%</u>	<u>0.55%</u>	<u>0.90%</u>
Combined Adjustments	1.84%	3.17%	4.50%

Source: SACOG, March 2015.

Member Agency, Stakeholder and Public Input

Process to Date

Collaboration between SACOG and local agencies began in late 2013. This effort included work on the land use assumptions, the call for transportation projects, and development of regional-scale land use and transportation scenarios. The following partner and member agency collaboration has occurred to date:

- The first vetting of the plan update assumptions occurred in Summer 2013, with local staff review of the 2012 existing conditions land uses.
- In Fall 2013, local staff provided input on the proposed scope, cost, and timing of transportation investments for consideration in the plan update.
- The next period of land use review occurred in Winter 2013 with local staff review of the modeled inventory of adopted and proposed local land use plans.
- In 2014, staff hosted two open workshops for Board members and stakeholders on the travel demand model that is used in the MTP/SCS. The meetings were a way to share the data inputs and assumptions, model development and maintenance program, comparison to other models, local and regional applications, and state and federal oversight of the model.
- In July 2014, both transportation and land use assumptions of the regional scenarios were vetted through local staffs in preparation for the October public workshops and information to the SACOG Board.
- For each of the aforementioned milestones, staff has also been coordinating with partner agency staff at the El Dorado County Transportation Commission (EDCTC) and Placer County Transportation Planning Agency (PCTPA). The objective has been to align planning assumptions as each of these agencies concurrently update their long-range transportation plans.
- In Winter 2015, the Discussion Draft Preferred Scenario, which consists of a land use forecast and transportation project list, was vetted through local agencies for a six-week period to allow for adequate local review.
- In February 2015, during the six-week vetting of the Discussion Draft Preferred Scenario, SACOG held six elected official information meetings (one in each county in the region) to present the Discussion Draft and solicit questions and comments on it.

Additionally, most of the research and discussion items presented to the SACOG Board throughout the year have also been shared with the SACOG staff advisory committees, including the Regional Planning Partnership, the Transit Coordinating Committee, the Bicycle and Pedestrian Advisory Committee and the Planners Committee. Many of the key items relating to the policy framework issues have also been shared with and informed by the “Sounding Board,” a cross-sector stakeholder group formed for this 2016 MTP/SCS Update.

The Sounding Board was one component of a three-pronged approach to public engagement for the 2016 MTP/SCS Update, which consisted of public workshops, a public attitudes survey, and quarterly meetings of the stakeholder Sounding Board. The public engagement process began in 2013 with the adoption of the Public Participation Plan (PPP). The PPP is a guide that contains the state and federal regulatory framework for outreach and communications. After the adoption of the PPP, staff developed a detailed Outreach and Communications Plan, which the Board supported and staff implemented.

Outreach and engagement also included regular use of electronic communications, social media, special presentations, and traditional media releases.

Public workshops for the 2016 MTP/SCS Update were completed in Fall 2014. The results of public opinion from the in-person and online workshops plus the results of a public attitudes survey were presented to the SACOG Board in November 2014 and March 2015.

Process Ahead (April and beyond)

The following coordination will occur after the Board acts on the Draft Preferred Scenario (Framework 3.0) in April:

- In April and May 2015 SACOG staff will work with member agencies on the phasing of projects over the multiple air quality conformity milestone years that apply to the MTP/SCS.
- In May 2015 the stakeholder Sounding Board will be convened to listen to and provide feedback on the updates to the policies and strategies of the draft plan.
- In August 2015, member and partner agencies and the stakeholder Sounding Board will have the opportunity to review the administrative draft of the 2016 MTP/SCS and provide feedback.
- In September 2015, pending SACOG Board action, the draft MTP/SCS will be released for a 60-day public comment period during which time three public hearings will be conducted on the draft plan and environmental impact report.