



AGENDA ITEM NO. 13-11-13

**BOARD OF DIRECTORS
NOVEMBER 15, 2013**

ACTION REQUESTED - APPROVE

2014 STATE TRANSPORTATION IMPROVEMENT PROGRAM File Number 1500000

Introduction

The California Transportation Commission (CTC) adopted the 2014 Fund Estimate on August 6, 2013. The Fund Estimate is the set of revenue assumptions that are used to develop the 2014 State Transportation Improvement Program (STIP). The 2014 Fund Estimate, which covers FY 2015 to FY 2019, adds about \$1.26 billion of new capacity statewide over the five-year period, with the majority of the capacity coming in the latter two years. Rather than an annual estimate, the Fund Estimate includes funding "targets." This report discusses the Transportation Committee recommendation for the 2014 STIP.

Recommendation

The Transportation Committee recommends that the Board of Directors approve the programming and submission of the 2014 State Transportation Improvement Program to the California Transportation Commission in substantially the same form as shown on Table 2 of this report.

Discussion

Background

The STIP is a five-year program of projects that is updated every two years. The funds are divided into two broad programs: the regional component, comprising 75 percent of the funds; and the interregional component, comprising the remaining 25 percent. Within the regional component, the funds are further divided: 40 percent to North counties and 60 percent to South counties, and then finally distributed by a county share formula to each of the regions. The county share formula is based on two main factors, population and lane miles of maintained state highway. Regional Transportation Planning Agencies, such as SANDAG, are responsible for submitting the programming requests for the county share.

During each new STIP cycle, two new years are added and funding capacity is provided, allowing regions the opportunity to program new projects or to program later phases of work for existing projects already in the development process. The current 2012 STIP, which covers the period from FY 2013 to FY 2017, provided approximately \$54.1 million of new capacity, which was used mainly to fund three segments of the Interstate 5 (I-5) Managed Lanes Project.

Current 2012 STIP

The 2012 STIP, as shown in Table 1 below, consisted of \$93.3 million of programming from the previous 2010 cycle, and \$54.1 million of new capacity; SANDAG also was able to advance an additional \$29.1 million, for a total programming of approximately \$176.5 million.

Table 1: Current 2012 STIP (\$000s)

| Project | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | Total |
|---|----------------|----------------|----------------|----------------|----------------|--------------|
| 1. I-5 North HOV/Managed Lanes | \$0 | \$0 | \$107,112 | \$0 | \$0 | \$107,112 |
| 2. I-5 Soundwalls | 0 | 0 | 0 | 0 | 15,000 | 15,000 |
| 3. I-5 San Elijo Bridge Replacement | | | | | 30,000 | 30,000 |
| 4. Sweetwater Bikeway – Plaza Bonita (TE) | 1,224 | | | | | 1,224 |
| 5. TE Reserve | 0 | 0 | 8,454 | 9,983 | 0 | 18,437 |
| 6. Regional Planning, Programming, and Monitoring (PPM) | 854 | 854 | 854 | 854 | 1,294 | 4,710 |
| 7. Total | \$2,078 | \$854 | \$116,420 | \$10,837 | \$46,294 | \$176,483 |

Proposed 2014 STIP

Table 2 shows the Transportation Committee's recommendation for the 2014 STIP, which would continue to implement the practice established with the 2004 STIP that prioritizes projects for funding as follows:

1. Focus on projects that are ready to go
2. Focus on completing projects currently programmed in the STIP
3. Focus on *TransNet* Early Action Program projects

As stated, the 2014 STIP Fund Estimate contains STIP targets of approximately \$1.26 billion of new capacity statewide, mostly in the out years (FY 2018 to FY 2019). Of the statewide capacity, the CTC has estimated that new programming capacity for the San Diego region is approximately \$67.3 million. Deducting the \$29.1 million that was advanced as part of the 2012 STIP cycle, a net target of approximately \$38.2 million in new programming capacity remains. As shown in Table 2, the 2014 STIP proposal totals \$235.6 million, consisting of \$173.5 million remaining from the 2012 cycle, \$38.2 million of new capacity, and an additional \$23.9 million proposed to be advanced as part of the 2014 STIP. This advance request would be consistent with previous submittals and also with CTC policy, which allows regions, under limited circumstances, to advance STIP shares from beyond the horizon of the five-year STIP period.

The 2014 STIP proposal is aggressive not only in the total request, but also in the year in which we seek funding. The CTC has indicated that the new capacity is available mostly in FY 2018 and FY 2019. As shown in Table 2, however, the bulk of the funds (nearly \$213 million out of nearly \$235.6 million) is proposed to be programmed in FY 2016. The success of any proposal to advance programming would be largely dependent on the amount and timing of programming requests of other regions around the state. Therefore, the timing of the programming of the San Diego region's funds is not assured. However, CTC staff has indicated that regions should request to program in the year of project need. Once all regions have submitted their proposals, the CTC will determine how much, if any, would need to be shifted to future years beyond FY 2016. Staff will work with CTC staff to ensure that the programming provides the most effective support possible for the timely completion of the I-5 North Coast Corridor improvements.

One change from previous STIP cycles is that the federal Transportation Enhancement (TE) Program has been eliminated from the STIP. The current federal transportation authorization, known as Moving Ahead for Progress in the 21st Century (MAP-21), created a separate Transportation Alternatives Program (TAP) that incorporates TE elements. Enacted this year, Senate Bill 99 (Committee on Budget and Fiscal Review) consolidated various non-motorized programs, including TAP, into a larger statewide Active Transportation Program (ATP). The CTC has begun seeking input from regional agencies in order to complete program guidelines by March 2014. Yet to be determined is whether the new ATP would follow the STIP process. For purposes of the 2014 STIP, the prior TE programming capacity from the 2012 STIP has been converted to regular STIP shares.

Table 2: Proposed 2014 STIP (\$000s)

| Project | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | Total |
|--|----------------|----------------|----------------|----------------|----------------|--------------|
| 1.I-5 North Coast Corridor | | | | | | |
| a. I-5 North Coast HOV Lanes | \$0 | \$69,000 | \$0 | \$0 | \$0 | \$69,000 |
| b. I-5 San Elijo Lagoon Bridge Replacement | 0 | 107,112 | 0 | 0 | 0 | 107,112 |
| c. I-5 Soundwalls | 0 | 36,000 | 0 | 0 | 0 | 36,000 |
| 2.Inland Rail Trail | 18,437 | | | | | 18,437 |
| 3.Regional PPM | 854 | 854 | 1,105 | 1,105 | 1,105 | 5,023 |
| 4.Total | \$19,291 | \$212,966 | \$1,105 | \$1,105 | \$1,105 | \$235,572 |

Summary of Proposed 2014 STIP Program

1. **The I-5 North Coast Corridor** is one of the region's key *TransNet* Early Action Program projects. Three project elements are proposed for funding: (a) I-5 North Coast High Occupancy Vehicle (HOV) Lanes – this first stage of the I-5 North Coast Corridor consists of extending the existing HOV lanes (one in each direction) from Manchester Avenue to State Route 78, construction of the MacKinnon Avenue and Santa Fe Drive bridges, and relocation of fiber optic lines, at \$69 million; (b) the I-5/San Elijo Lagoon Bridge replacement, at approximately \$107.1 million; and (c) construction of soundwalls for noise abatement along the I-5 North

Coast Corridor, at \$36 million. The total proposed STIP funding amount for these three projects is approximately \$212 million, as shown in Table 2. The proposed funding would include approximately \$152.1 million previously programmed on the corridor, plus approximately \$59.9 million in new programming. The total request of approximately \$212.1 million in STIP funds would leverage an additional \$250 million in other regional funds, including *TransNet* and federal formula funds, for a total project funding of \$461.8 million. The project cost and scope remain the same between the 2012 STIP and the proposed 2014 STIP. The changes are related to programming within the fiscal years and between the three elements described that reflect a more efficient use of state funds as well as other funds to implement the project.

2. **Inland Rail Trail:** As noted above, there are no more TE funds within the STIP; however, the TE Reserve previously programmed in the 2012 STIP has been converted to regular STIP shares. With the Board's prior approval to use TE funds to support the Regional Bike Network, the Transportation Committee recommends programming approximately \$18.4 million in previous TE Reserve funds to the Inland Rail Trail (IRT). (This is consistent with Board practice for funding projects in prior STIP cycles, as described above.) The IRT is a 21-mile, Class 1 bicycle trail that runs along the SPRINTER rail line from Escondido to Oceanside. To date, approximately 6.7 miles have been constructed. The proposed STIP funding would help construct an additional 7.1 miles, from North Pacific Street in San Marcos to North Melrose Drive at the Vista/Oceanside border. The IRT environmental document was federally approved in August 2013, the design phase is anticipated to be complete by June 2014, and the project would be ready to advertise for construction soon thereafter. A budget amendment to fund future phases of the IRT is proposed as part of Agenda Item No. 14: Proposed FY 2014 Program Budget Amendment for Two Regional Bike Early Action Projects and FY 2014 Article 3 Transportation Development Act Claim.
3. **Regional Planning, Programming, and Monitoring:** This program is available to regions to help fund agency staff costs and other operations related to transportation planning and program monitoring. By statute, a region can seek up to 5 percent of its county share to fund PPM activities. Historically, SANDAG has requested less than the maximum percentage allowed. The Board of Directors approved the use of 3 percent of the STIP share for the 2012 STIP cycle. Consistent with this approach, a set aside 3 percent of the 2014 STIP funds for PPM is proposed; this would provide \$854,000 per year for FY 2015 to FY 2016, and \$1,105,000 per year for FY 2017 to FY 2019.

It should be noted that upon review of the regional STIP submittal from SANDAG as well as from the other regions, the CTC may not be able to program all the new funding capacity, nor the funding that is proposed to be advanced in the years that are proposed. The CTC may request that the programming proposal be revised to better fit the statewide programming picture. Staff will work with CTC staff to ensure that the funds are programmed on the I-5 North Coast Corridor to ensure that the project's schedule is not delayed. Substantive changes to the programming recommendation would be brought back to the Transportation Committee for further discussion and approval.

Social Equity

SANDAG, as a recipient of federal funds, is obligated to ensure nondiscrimination in all its programs and activities, and to ensure that no programs administered or projects implemented by SANDAG lead to discrimination based on minority or income status. For the two projects identified for STIP funding, the environmental process included analysis to ensure nondiscrimination.

The I-5 North Coast Corridor identified 12 block groups that have meaningfully greater populations of minority and/or low-income individuals based on the 2000 census data. The impacts associated with construction and operation are generally not isolated to communities or areas with minority and/or low-income populations, and instead are present along the entirety of the proposed project through communities and areas that exhibit a wide demographic range. Impacts associated with the project are generally not anticipated to disproportionately impact low-income and/or minority populations. The preferred alternative is not identified as having untoward environmental justice impacts. Outreach during the environmental process included preparation and distribution of multilingual (English/Spanish) materials, and interpreters have been available at all public hearings.

Public outreach meetings for the IRT Project were conducted in the cities of Vista and San Marcos in addition to notifications to residents living within 300 feet of the project. The environmental document identified no impacts to residents of the project area.

The social equity analysis for the Regional PPM effort will be included with the SANDAG FY 2015 Program Budget.

Next Steps

Upon Board approval, the 2014 STIP will be submitted to the CTC by the December 15, 2013, deadline. The CTC is scheduled to adopt the 2014 STIP on March 20, 2014.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Sookyung Kim, (619) 699-6909, sookyung.kim@sandag.org