

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 13-14, 2021

From: MITCH WEISS, Executive Director

Reference Number: 4.3, Information

Prepared By: Matthew Yosgott,
Deputy Director, SB 1 Programming

Published Date: October 1, 2021

Subject: Update on SB 1 Program Guidelines Development

Summary:

On August 24, 2021, California Transportation Commission (Commission) staff held the 2022 SB 1 Competitive Programs Kick-off Workshop. This workshop was an introduction to the SB 1 Competitive Program Guideline development process for all competitive programs and is being followed by a series of program-specific workshops over the next several months. Commission staff have held initial program-specific workshops for the Local Partnership Program, the Solutions for Congested Corridors Program, and the Trade Corridor Enhancement Program.

The ongoing series of SB 1 Competitive Program Workshops allows Commission staff to receive feedback from interested stakeholders on proposed guidelines changes. While Commission staff have formulated discussion topics across several policy areas to address ideas from the first two program cycles of each program, staff provide this item as an opportunity for Commissioners to provide guidance early in the guidelines development process.

Commission staff have taken lessons learned from previous cycles and stakeholder feedback to develop the following topics for discussion in the upcoming program guidelines process. Please note, these concepts may evolve over time as Commission staff continue to receive and respond to stakeholder feedback. Below is an initial summary, by program, of some the changes Commission staff plan to discuss in guideline development workshops.

Trade Corridor Enhancement Program:

- Addressing Climate Action Plan for Transportation Infrastructure (CAPTI) Strategy 1.4 regarding the integration of Zero Emission Vehicle infrastructure projects within the program's evaluation criteria
- Integration of equity and how it will factor into project selection

- Addressing CAPTI Strategy 3.3 regarding how effectively and meaningfully applicants engage their local communities around a project's nomination
- Updated regional funding targets based upon more recent data
- Availability of the *Performance Metrics Guidebook*, which is an instructional guide for how applicants should calculate each of the required project performance metrics

Local Partnership Program:

- In the competitive program, addressing CAPTI Strategy 3.3 regarding how effectively and meaningfully applicants engage their local communities around a project's nomination
- In the competitive program, addressing CAPTI Strategy 7.1 by proposing changes to the Regional and Local Transportation, Land Use, and Housing Goals evaluation criteria to integrate pro-housing principles, and other potential changes to the competitive program's nine evaluation criteria
- Integration of equity and how it will factor into project selection
- Potential revisions to the matching requirements for small jurisdictions
- In the formulaic program, potential revisions to the timely use of funds requirements for project cost savings
- Availability of the *Performance Metrics Guidebook*, which is an instructional guide for how applicants should calculate each of the required project performance metrics

Solutions for Congested Corridors Program:

- Addressing CAPTI Strategy 1.1 regarding the prioritization of projects that provide travelers with options to opt out of congestion
- Addressing CAPTI Strategy 1.2 and proceeding with the requirement that Comprehensive Multimodal Corridor Plans (Corridor Plan) are in direct alignment with the Corridor Plan Guidelines
- Potential addition of an evaluation criteria regarding Corridor Plans
- Integration of equity and how it will factor into project selection
- Addressing CAPTI Strategy 3.3 regarding how effectively and meaningfully applicants engage their local and regional communities around a project's nomination
- Addressing CAPTI Strategy 7.1 by proposing changes to the efficient land use evaluation criteria to integrate pro-housing principles
- Inclusion of the *Performance Metrics Guidebook*, which is an instructional guide for how applicants can calculate each of the required project performance metrics

Background:

In 2017, the Legislature passed, and the Governor signed, Senate Bill 1 (Beall, 2017), also known as the Road Repair and Accountability Act of 2017. Senate Bill 1 (SB 1) provided the first significant, stable, and on-going increase in state transportation funding in more than two

decades. In providing this funding, the Legislature increased the Commission's role in a number of existing programs and created new programs for the Commission to oversee. Along with this increased role, the Commission was tasked with creating program policy for each of the newly created programs through a robust public guidelines development process. Each set of program guidelines would govern how the programs are implemented, facilitated, allocated, and reported on.

As stated in the Legislature's findings and declarations of SB 1, "this act presents a balance of new revenues and reasonable reforms to ensure efficiency, accountability, and performance from each dollar invested to improve California's transportation system." SB 1 further states that this comprehensive, reasonable transportation funding package will:

1. Ensure transportation needs are addressed,
2. Fairly distribute the economic impact of increased funding, and
3. Direct increased revenue to the state's highest transportation needs.

The Commission approved an initial SB 1 implementation plan at its May 2017 Commission meeting consistent with the declarations of SB 1. Following adoption of the implementation plan, the Commission began the guidelines development process for the new and existing programs under SB 1: the Local Partnership Program, the Local Streets and Roads Program, the Solutions for Congested Corridors Program, the Trade Corridor Enhancement Account, the State Highway Operation and Protection Program, the State Transportation Improvement Program, and the Active Transportation Program.

The development of guidelines included workshops open to state and federal agencies, tribal governments, regional and local agencies, as well as organizations representing environmental, social equity, land-use, business, and other interested stakeholder perspectives.

Currently, two cycles of guidelines have been adopted and calls for projects have been issued for the Local Partnership Program, the Trade Corridor Enhancement Program, and the Solutions for Congested Corridors Program. The Commission anticipates adopting guidelines and issuing a call for projects for the upcoming third cycle of these programs at the August 2022 Commission meeting.