

HIGHLIGHTS OF THE 2021

ANNUAL REPORT

TO THE CALIFORNIA LEGISLATURE

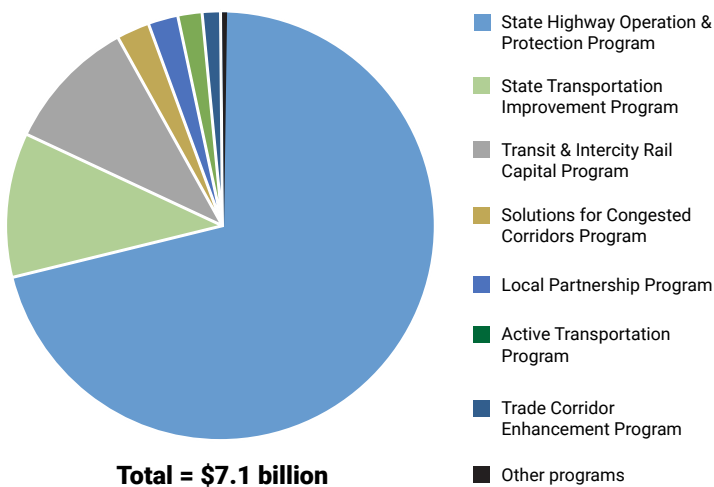


CALIFORNIA
TRANSPORTATION
COMMISSION

YEAR IN REVIEW

Commission Meetings and Events. In 2021, the Commission held seven regular business meetings, two joint meetings with the California Air Resources Board and the California Department of Housing and Community Development, three Road Charge Technical Advisory Committee meetings, four Equity Advisory Roundtable meetings, and over two dozen workshops. Meetings and events were held virtually in accordance with public health guidance and state legislation/executive orders related to the COVID pandemic. The December 8-9, 2021 Commission meeting utilized a hybrid in-person, virtual format.

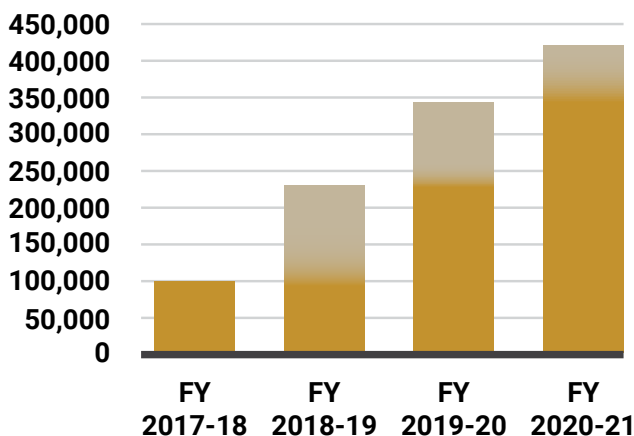
PROJECT ALLOCATIONS FY 2020-21



Program funding determined by legislation, not the Commission.

Projects Funded. At its regular business meetings, the Commission continued to allocate funds to vital road, highway, active transportation, transit, and intercity rail projects. Projects are benefitting communities throughout California, including those most disadvantaged. These projects bring roadways up to a state of good repair, as required by Senate Bill 1 (Beall, Chapter 5, 2017), the Road Repair and Accountability Act, while they also advance state climate goals, reduce congestion, enhance goods movement, create a strong economy and high-paying jobs, and make streets more accessible and safer for bicyclists and pedestrians. Highway capacity projects make up a small share of investments and are intended to serve strategic purposes, including enhancing goods movement; improving safety for travelers and construction workers; and implementing high-occupancy vehicle lanes and pricing options, such as express lanes, that can increase multi-modal travel options to reduce congestion and support new mobility choices.

Jobs Created (cumulative)



Jobs Created. Overall, in Fiscal Year 2020-21, the Commission allocated \$7.1 billion in transportation funds, which will create over 79,000 jobs and lead to diverse transportation improvements throughout the state. Since the Road Repair and Accountability Act was enacted, the Commission has allocated over \$30 billion from all fund sources creating over 420,000 jobs.

Federal Infrastructure Legislation. Throughout 2021, the Commission, the California State Transportation Agency, and the California Department of Transportation, together engaged with California's Congressional delegation to highlight state priorities for federal infrastructure legislation. The Infrastructure Investment and Jobs Act, which was signed into law on November 15, 2021, includes multiple state priorities, such as increased flexibility to use federal freight program funds on multi-modal projects.

Equity and Public Engagement

In 2021, the Commission continued its work towards improving equity outcomes throughout the state through the following initiatives:

Racial Equity Statement. On January 27, 2021, the Commission adopted its Racial Equity Statement. This statement acknowledges historical and present racial inequity in the transportation sector and outlines the Commission's commitment to addressing racial inequity in our work moving forward.

Equity Advisory Roundtable. In April 2021, the Commission held its first Equity Advisory Roundtable meeting. The Roundtable brings together equity experts, practitioners, and community leaders from throughout the state to collaborate with Commission staff over a series of virtual meetings to develop recommendations to the Commission related to specific equity activities. The Roundtable also met three more times in 2021.

Community Listening Sessions. Throughout 2021, the Commission, the California Department of Transportation (Caltrans), and the California State Transportation Agency (CalSTA) collaborated

on developing plans for a listening session tour, to take place in early 2022. The goal is to garner public feedback about how state transportation systems have impacted their communities, and use this information to inform specific policies, programs, or legislative recommendations to address equity, environmental justice, and community-oriented concerns.

Equity Advisory Committee(s). In 2021, the Commission also began working, in partnership with Caltrans and CalSTA, to explore the establishment of an Equity Advisory Committee or Committees. This effort aligns with the Commission's Racial Equity Statement and seeks to elevate community voices in how government agencies plan and fund transportation projects.

Equity-Focused Staffing. In 2021, the Commission redirected an existing transportation planner position and borrowed a position from Caltrans to focus exclusively on equity, and have requested new permanent positions in the state budget to ensure that the Commission can continue to make progress in this critical policy area.

Transportation, Climate, and Housing

In 2021, the Commission continued to work collaboratively to coordinate transportation, climate, and housing efforts as follows:

CAPTI Implementation. At its August meeting, the Commission endorsed the Climate Action Plan for Transportation Infrastructure (CAPTI) framework and strategies to invest discretionary transportation dollars to combat and adapt to climate change while supporting public health, safety, and equity. Beginning six days after the Commission's action, Commission staff began facilitating public dialogue to implement CAPTI strategies at competitive program guidelines development workshops.

Pro-housing Policy. During the year, Commission staff continued coordination with staff from the California Department of Housing and Community Development to refine housing-specific evaluation criteria and guidance for

Commission competitive programs guidelines.

Joint Meetings. In April and November, the Commission held joint meetings with the California Air Resources Board and the California Department of Housing and Community Development that included, among other topics, interagency coordination on housing, vehicle miles traveled reduction, and equity; and community-based organization efforts to deepen community engagement and prioritize the needs of underserved communities.

ZEV Market Development Strategy. Commission staff contributed to the development of California's Zero-Emission Vehicle (ZEV) Market Development Strategy (published in February 2021), which is meant to help accelerate the zero-emission vehicle marketplace to deliver climate and air quality benefits to all Californians.

RECOMMENDATIONS

Ensuring adequate funding for California's transportation system has been a longstanding priority for the Commission. In 2021, a key recommendation from the Commission's 2020 Annual report was enacted through Senate Bill 339 (Wiener). This legislation authorizes a new road charge pilot program to test revenue collection, in order to prepare for the eventual replacement of the state gas tax with a more sustainable financing mechanism. The Commission and the Commission's Road Charge Technical Advisory Committee have begun working on implementation of this bill. Additionally, the Commission has identified two significant infrastructure funding needs for consideration in 2022 from the state's anticipated \$31 billion General Fund surplus. Using the General Fund surplus for the Commission's proposed infrastructure augmentations also would help satisfy the State Appropriations Limit (also known as the Gann Limit).

Active Transportation Augmentation (\$2 Billion)

The Commission recommends augmenting the Active Transportation Program with \$2 billion in one-time funds from the state's General Fund surplus. This augmentation would help address the substantial backlog of projects for this program and fund new, transformative projects, such as bicycle highways. Projects funded with the augmentation would advance state climate goals and benefit disadvantaged communities throughout the state, expanding mobility options and enhancing connectivity to housing, health care facilities, grocery stores, essential community services, transit, schools, jobs, and recreation.

Additionally, the Commission recommends:

- Repaying aviation funds loaned to the General Fund during initial stages of the COVID pandemic. The repaid funds could then be used for airport improvements, including acquisition and development projects.
- Removing statutory restrictions on Caltrans's contracting with Native American tribal governments in order to reduce project delays and uncertainties.
- Authorizing the Commission to allocate all of Caltrans's capital outlay support resources in order to provide a more complete picture of the department's capital outlay support workload.

The California Transportation Commission was established in 1978 as an independent state entity. The Commission is responsible for funding highway, local road, transit, intercity passenger rail, active transportation, and aeronautics projects throughout California. The Commission also advises and assists the California State Transportation Agency Secretary and the Legislature on state transportation policies and plans.

Transit Augmentation (\$2.5 Billion)

The Commission recommends augmenting the State Transportation Improvement Program with \$2.5 billion in one-time funds from the state's General Fund surplus, to be dedicated to transit projects. This augmentation would address a lack of new funding for transit projects from the Public Transportation Account. Projects funded would advance climate goals and improve transportation equity by providing enhanced mobility options for residents throughout the state. Projects could include inter-modal and transit facility improvements; zero-emission buses and their infrastructure; rail improvements; and grade separations.

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