

TRANSPAC Transportation Partnership and Cooperation

Clayton, Concord, Martinez, Pleasant Hill, Walnut Creek and Contra Costa County
2300 Contra Costa Boulevard, Ste. 360, Pleasant Hill, CA 94523 (925) 969-0841

TRANSPAC TAC MEETING NOTICE AND AGENDA THURSDAY, NOVEMBER 20, 2008 (NOTE DATE AND LOCATION CHANGE) 9 AM TO 11 AM in the CONFERENCE ROOM (Room 210) 2300 CONTRA COSTA BOULEVARD PLEASANT HILL (925) 969-0841

NOTE: This agenda was produced prior to the November 13, 2008 TRANSPAC meeting

- 1. Report/Discussion on the November 17, 2008 Authority Workshop on Growth Management Program issues. Note: The attachment from the November 5, 2008 Planning Committee meeting is attached and the reformatted/revised staff report from the November 19, 2008 CCTA meeting will be distributed at this meeting.**
- 2. Discussion on the initiation of Measure J CC – Transportation for Livable Communities Program (TLC) [attachment].** CCTA staff has initiated Program development, see attached staff report. These funds are to be allocated by the regions pursuant to CCTA guidelines and approval. The staff report also indicates that CCTA staff will establish a committee to assist this effort.
- 3. Preliminary Discussion of State-Local Partnership Program Funds.** CCTA staff estimates that the State-Local Partnership Program will provide approximately \$15 to \$20 million available as matching funds directly to the Authority. At present, the timing for availability of the funds is uncertain, but initial applications are due to the California Transportation Commission in February. Staff recommends that the funds be used to offset anticipated lower levels of Measure J sales tax funds, be allocated to each sub-region of the county consistent with the percentage of the capital program in that sub-region, and be treated as sales tax funds for purposes of expenditure, as was done for the original Partnership Program. At its November 6, 2008 meeting, the APC concurred in this approach.
- 4. Central County Action Plan.** The plan has been distributed for review and comments are due on December 3, 2008 (extended from November 3). Comments will be reviewed at the December 11, 2008 or the February 12, 2009 TRANSPAC meeting.
- 5. Other and unfinished business** as well as updates on ongoing plans, studies and programs. The December 18, 2008 meeting is canceled. The next TAC meeting is scheduled for **January 22, 2009 (NOTE DATE)** unless otherwise determined.

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Subject	Preparation for an Authority Workshop to Discuss Growth Management Program (GMP) Issues in November 2008.
Summary of Issues	The Authority has expressed general support for holding a full-Authority workshop in November to discuss the Measure J Growth Management Program and possible changes to it, in response to the complex and changing environment created by recent regional and state initiatives. The Planning Committee is asked to provide direction to help shape the workshop.
Recommendations	Staff recommends that the Planning Committee review and comment on the attached table, which staff proposes to use at the workshop as the basis for consideration of potential changes to the Measure J GMP.
Financial Implications	Compliance with the Measure J GMP is required for each city, town, and Contra Costa County to receive its share of 18 percent of annual revenue, which is estimated to total \$13.29 million for FY 2008-09. Streamlining the review of compliance could save Authority and local jurisdiction staff time, but a detailed estimate of savings has not been made.
Options	Direct a different approach for the workshop, and/or request additional, more detailed information.
Attachments	A. Table: Review of Growth Management Program, November 12, 2008.
Changes from Committee	<i>Approved: the committee’s suggested clarifications to the Board Item and simplification of the matrix have been incorporated herein.</i>

Background

The Authority’s Measure C Growth Management Program was conceived 20 years ago, and has been in effect for 18 years. Circumstances have changed dramatically since 1988. The Measure C program of capital projects is virtually complete, representing about \$1.6 billion in capital investment. Over \$243 million in sub-regional fees have been collected, and Contra Costa’s population has grown approximately 25 percent.

The 2006 passage of AB 32, with its requirement to reduce greenhouse gas (GhG) emissions to 1990 levels by 2020, and the 2008 passage of SB 375, which makes GhG emissions reductions the overarching goal of the regional transportation planning process, are only the latest in a series of changes impacting the Authority’s programs.

At the regional level, the Metropolitan Transportation Commission (MTC) has increased its influence and impact by becoming the Bay Area Toll Authority (for toll bridges) and by creating a number of new programs and initiatives. Most recently, MTC has included a “freeway performance initiative” (FPI) and a regional high occupancy toll (HOT) lanes network concept in its draft 2009 Regional Transportation Plan (RTP). Both initiatives could have major impacts on the Authority’s programs, with implications for the GMP’s approach to performance standards (multi-modal transportation service objectives – MTSOs) and management of the freeway system. The Authority is also working in partnership with the Alameda County CMA (ACCMA) on the I-80 Integrated Corridor Management (ICM) project, an innovative effort

seeking to jointly manage the I-80 corridor through Alameda and Contra Costa counties, as well as the parallel San Pablo Avenue and arterials leading to the freeway.

The Measure C GMP has provided significant value over the past 18 years, fostering greatly enhanced cooperative planning among local jurisdictions, facilitating development of four sub-regional fee programs including a bi-county program in the Tri-Valley, enhanced the consistency and depth of the transportation planning done for Contra Costa and the Tri-Valley, created transportation demand management (TDM) programs, and made other improvements. However, with all of the changes in the external environment over the past 20 years, and with the approaching completion of the Measure C program, it appears to be a propitious time to review the upcoming Measure J program and determine whether or not it should be streamlined. In that regard, simplification of the GMP, and its related checklist, could result in local jurisdictions receiving their shares of the 18 percent funds sooner, and with less staff effort, than has been the case in the past. Given the paucity of local funds available for local streets and roads and other transportation improvements, that goal alone warrants a review of the GMP. At its October 15, 2008 meeting, the Authority indicated its strong interest in such a review, and has tentatively scheduled a workshop for November 19, 2008.

Consideration of Changes to GMP Components

The Authority will need to carefully consider whether or not it wishes to make any changes to the Measure J Expenditure Plan GMP in response to the changes in the external environment affecting the Authority and the cities, towns and Contra Costa County. The attached table contains suggestions for specific changes, most of which would necessitate the Authority's formal process for revising the Expenditure Plan. The attached table revises prospective changes and provides, for each of the seven components of the Measure J GMP:

- (a) Authority staff observations regarding the component and its elements;
- (b) Perspective regarding the "value added" in today's environment by each component; and
- (c) An approach to potentially desirable changes.

Summary of Staff Proposed Changes to Measure J GMP Components

1. Adopt a Growth Management Element (GME) Within Each Jurisdiction's General Plan. This component could be greatly simplified by allowing a Measure J compliance correspondence table in lieu of, or as an option to, a separate general plan element.
2. Adopt a Development Mitigation Program. No changes are recommended.
3. Address Housing Options. (Includes two other elements as well.) Staff recommends deleting 3.1 and 3.2, and moving 3.3 to Component 4.
4. Cooperative, Multi-Jurisdictional Planning. (Four elements.) Staff recommends moving 3.3 to 4, deleting 4.3, and seeks direction regarding potential changes to application of multi-modal transportation service objectives (MTSOs), and to the general plan amendment review process.
5. Adopt an Urban Limit Line (ULL). No changes recommended.
6. Adopt a Five-Year Capital Improvement Program (CIP). Recommend deletion.
7. Adopt a Transportation Systems Management (TSM) Ordinance or Resolution. May be desirable to retain as part of the effort to reduce vehicle miles traveled (VMT) and associated greenhouse gas emissions under AB 32. Staff seeks direction.

1. Adopt a Growth Management Element (GME)

The GMP Element “outlines the jurisdiction’s goals and policies for managing growth and requirements for achieving those goals,” and “must show how the jurisdiction will comply with sections 2-7 . . .”

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>All jurisdictions have a Measure C-compliant GME as part of their general plans. The GME includes acknowledgement that the jurisdiction will support and use the Authority’s transportation demand model and land use data base, and apply the Authority’s analytical framework when assessing the transportation impacts of its General Plan, a general plan amendment (GPA), and development projects.</p> <p>Local jurisdictions are currently updating their GMEs to reflect Measure J, which eliminated performance standards for local streets and for public services. Since a core reason for the separate GME was to insure that each local General Plan incorporated the performance standards that were eliminated as part of Measure J, this requirement appears less critical. The Authority did release a Measure J “Model GME” in June 2007.</p> <p>The GME does provide a clear, documented link between the Measure J GMP and a local General Plan. However, Authority policy allows (within the GME documentation), the use of a “correspondence table” referencing the specific pages within a general plan where each component of the GMP is addressed, rather than a separate General Plan element.</p> <p>Amendment or elimination of this component would require an amendment to the Expenditure Plan (the “PLAN”).</p>	<p>Authority staff believes that the GME requirement accomplishes the following:</p> <ul style="list-style-type: none"> ▪ Interlinks and confirms each jurisdiction’s General Plan compliance with the requirements of the GMP; ▪ Provides an adopted and consistent framework across all jurisdictions for assessing the impacts of a general plan, GPA, or development project; ▪ Reinforces for each jurisdiction and its staff the need to fulfill core requirements of the GMP. ▪ Consolidates policies regarding how the jurisdiction plans to manage growth. <p>Are these expected benefits worth the costs of including an extra element in the general plan, and assuring consistency with it?</p> <p>How do the requirements relate to the focus in SB 375 on more dense, transit-oriented, and/or mixed use development?</p>	<p>The GM Task Force discussion suggested that, given the elimination of LOS and performance standards under Measure J, requiring a separate element may not be warranted. Staff recommends revising this component to explicitly include the option for a simple “Measure J GMP Correspondence Table” in a local jurisdiction’s General Plan in lieu of a GME. Such an approach may prove more efficient for many local jurisdictions.</p> <p>A sample “Measure J Correspondence Table” could be :</p> <ul style="list-style-type: none"> ▪ Transportation mitigation fees: Circulation element (or chapter), pages xx –yy; ▪ Multi-jurisdictional cooperative planning: Land Use and/or Circulation element(s), pages aa-bb; ▪ Consideration of facilitating transit, bicycle and pedestrian travel as part of development review: Circulation and/or Land Use element(s), pages cc-dd; ▪ Urban Limit Line: Land Use element, p. qq; ▪ Travel Demand Ordinance or Resolution: Circulation element, pp. gg-hh; ▪ Etc. <p>Mixed-use, transit-oriented development, particularly at higher densities, may lead to a revised growth management policies for some local jurisdictions.</p>

2. Adopt a Development Mitigation Program

"Each jurisdiction must adopt, or maintain in place, a development mitigation program to ensure that new growth is paying its share of the costs associated with that growth. This program shall consist of both a program to mitigate impacts on local streets and other facilities and a regional program to fund regional and subregional transportation projects..."

Authority Staff Observations	Value Added?	Potential Approach
<p>As of July 1, 2007, the program will have generated over \$243 million for regional projects, and has contributed significantly in several areas to major infrastructure improvements. While annual fee revenues fluctuate with the economy, creating some uncertainties relative to the timing of project construction, the program has been successful to date.</p> <p>With the recent decline in housing prices, the aggregate development fees have risen as a percentage of the cost of new housing.</p> <p>At this juncture, fees for local infrastructure appear to be a given, and the Authority could potentially delete that reference if it chose. Sub-regional fees are likely to continue to be critical looking ahead, due to the limited funding compared to needs, and the potential shift in emphasis under SB 375, which appears focused largely on density and on transit-oriented and mixed-use development.</p>	<p>Sub-regional fee programs have funded projects that otherwise would probably not have gone forward, or would have taken longer to fund.</p> <p>Under SB 375, sub-regional fee programs may become the primary source of funding for improvements in areas that are not judged by MTC/ABAG to be compatible with the "sustainable communities strategy" (SCS); i.e., do not contribute to "achieving, if there is a feasible way to do so," the greenhouse gas (GHG) emissions reductions target set by the California Air Resources Board (CARB). (This assumes such projects could still be found in conformity with federal and California air quality conformity requirements.)</p> <p>On the other hand, SB 375 may reduce the need for fees for regionally significant projects needed to support transit-oriented development or infill called for in the SCS.</p>	<p>Retention of this component underscores a primary objective of the GMP: "(a)ssure that new residential, business and commercial growth pays for the facilities required to meet the demands resulting from that growth."</p> <p>Local jurisdictions are largely committed, with or without this requirement, to local fee programs. Multi-jurisdictional planning to mitigate impacts on the regional network is less assured without this component.</p> <p>Given the value added to date, and the anticipated facilities needed in the future, staff recommends retaining this component without modification.</p>

3.1 Housing Options: Report on Plans & Accomplishments

“Each jurisdiction shall demonstrate reasonable progress in providing housing opportunities for all income levels as part of a report on the implementation of the actions outlined in its adopted Housing Element.”

Authority Staff Observations	Value Added?	Potential Approach
<p>The reporting process provides some measure of whether or not a jurisdiction is satisfying its obligations under the regional housing needs assessment (RHNA) process, and whether it is effectively planning towards accomplishing those objectives in the future. The reports have been aligned with the State Housing and Community Development (HCD) Department’s requirements.</p> <p>To change or delete this item would require an amendment to the PLAN.</p>	<p>This requirement is redundant with state law and enforcement mechanisms. Moreover, SB 375 aligns the RHNA process with the RTP process, and the housing allocation plan must allocate housing units consistent with the SCS. SB 375 requires rezoning if necessary to meet the housing needs of all income levels within three years of adoption of the housing element, and has other provisions designed to enforce housing opportunities.</p> <p><u>Deleting this element would simplify the workload for local jurisdictions. Because the report is subject to the provisions of State law, cities and towns find its preparation time-consuming, and delays in preparing the report have often resulted in delays in receipt of the local streets and roads funds by some jurisdictions. Deleting the requirement does not change the need to comply with state law, but would result in earlier receipt and application of the local streets and roads funds to critical maintenance needs.</u></p>	<p>There is general consensus on the part of city and RTPC staff at the GMP Task Force that HCD requirements, the RHNA process, and the new provisions of SB 375 make this provision redundant and unnecessary. However, County staff believes the provision should be retained, <u>noting that the redundancy was known at the time the Measure J GMP was adopted.</u></p> <p>Authority staff recommends deleting this requirement. The timing for completion of the required reports often delays local jurisdiction receipt of the local streets and roads funds. The greater emphasis on RHNA and zoning requirements in SB 375 make this requirement unnecessary.</p> <p><u>This would require amending the PLAN.</u></p>

3.2 Impacts on Transportation

The impacts of development on transportation are already addressed through compliance with CEQA and in section 4.

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>The impacts of development on transportation are already addressed through compliance with CEQA and in section 4.</p> <p>To change or delete this item would require an amendment to the PLAN.</p>	<p>SB 375 changes the focus of the RTP to reducing GHG emissions. CEQA will still require transportation analyses for general plans, GPAs and projects.</p>	<p>This Item is covered in Component 4 and can be deleted from this component.</p> <p><u>This would require amending the PLAN.</u></p>

3.3 Support Bicycling, Walking and Transit

Incorporate policies and standards that support for transit, bicycling & walking into the development review procedure.

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>MTC requires consideration of "routine accommodation" when planning transportation projects. Measure J goes a step further, requiring consideration for these modes during local review of development projects. This component could be moved elsewhere in the GMP, for example to section 4.</p> <p>To change or delete this item would require an amendment to the PLAN.</p>	<p>SB 375 envisions transit, bicycling and walking to play a greater role in development decisions.</p>	<p>This Item should be moved to Component 4.</p> <p><u>This would require amending the PLAN.</u></p>

4.1 Cooperative, Multi-Jurisdictional Planning: Regional Routes, MTSOs and Actions

Identify Routes of Regional Significance, establish MTSOs for them and actions for achieving those objectives

Authority Staff Observations	Value Added?	Potential Approach
<p>Performance “objectives” for “regional” routes are consistent with performance evaluation mandates in state statutes. The CMP requires a program to analyze the impacts of land use decisions on the regional network (now being fulfilled through the Action Plans) and the Contra Costa CMP uses measures taken from the Action Plans.</p> <p>Outside the GMP, project impacts are assessed using LOS as the default threshold. Eliminating MTSOs wouldn’t necessarily remove the requirement for need-to-have-hard targets (thresholds of significance) in EIRs. MTSOs give the RTPCs the flexibility to set whatever multimodal threshold they want. Having mutually agreed-upon MTSOs leads to a consistent approach for assessing the impact of land use decisions on regional routes. In addition, neither Measure C nor Measure J require that jurisdictions meet the MTSOs, only that they work together to identify and implement actions that work towards achieving those objectives.</p> <p>While reasonable in concept, this approach has proven difficult in practice. Alternative proposals include: (a) replace firm objectives with an assessment of whether or not a proposed project moves the needle in the “right” direction on a particular measuring scale; (b) establish systemwide measures for monitoring conditions and assessing cumulative impacts, while decoupling the MTSOs from the GPA and</p>	<p>SB 375 does not focus directly on system performance, since it makes reduction of GHG emissions the overarching objective of the RTP. System performance could, however, affect GHG emissions, since more congestion can result in higher CO2 emissions. Government Code Section 65089(b)(2) (congestion management program) requires performance evaluations for projects, and it is expected to remain of interest at the federal level as well.</p> <p>Cooperative, multi-jurisdictional planning has been successful and needs to be continued. However, the combination of traffic forecasts significantly exceeding future available capacity on freeways and some arterials, the regional focus on freeway performance (i.e., ramp metering) and HOT lanes, emerging collaborative management of the freeway system and some arterials, and SB 375 have changed the context for setting performance objectives (MTSOs).</p>	<p>The details of how cooperative planning are carried out, particularly with respect to issues of setting performance standards (MTSOs), the GPA review process, and the future approach to Action Plans, warrants discussion. Some options for discussion:</p> <ol style="list-style-type: none"> (1) Continue to set MTSOs and use them in evaluating impacts of land use decisions on regional routes; (2) Continue to measure performance, but eliminate benchmarks, and instead, measure the direction of change resulting from proposed major development projects and GPAs. (3) Decouple the MTSOs from the land use analysis procedure and rely solely on CEQA; relegate MTSOs to the regional and state requirements; and continue monitoring/forecasting system performance. (4) Abandon MTSOs entirely, shift to system performance, and rely entirely on the ULL and CEQA for evaluation of project and GPA impacts. <p>At a minimum, staff suggests that the Authority should clarify that MTSOs are “objectives” to evaluate the forecast impact of development projects on regional routes, but that compliance will not depend on projecting that the forecasts can be met.</p>

4.1 Cooperative, Multi-Jurisdictional Planning: Regional Routes, MTSOs and Actions

Identify Routes of Regional Significance, establish MTSOs for them and actions for achieving those objectives

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>development review process; or (c) abandon MTSOs entirely, and rely solely on CEQA and the ULL.</p> <p>The combination of forecast traffic significantly exceeding future available capacity on freeways and some arterials, the regional focus on freeway performance (i.e., ramp metering) and HOT lanes, emerging collaborative management of the freeway system and some arterials, and SB 375 have changed the context for setting performance objectives (MTSOs).</p> <p>Changes may require revisions to the PLAN.</p>		

4.2 Cooperative, Multi-Jurisdictional Planning: Modeling and GPA Review

Apply the Authority's travel demand model and technical procedures to the analysis of General Plan Amendments (GPAs) and developments exceeding specified thresholds (current policy requirements include measurable objectives, and a conflict resolution process)

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>Use of a standardized simulation model and technical procedures for analysis provides a uniform and consistent basis for evaluating the impacts of development and GPAs, and should be retained. However, the Authority may wish to greatly simplify the process for GPA review by deleting the formal external review process (depending on CEQA instead). Draft GMP Task Force recommendations include focusing the conflict resolution process only on facilitation. Detailed review of GPAs could be revised to a notification of environmental review to affected jurisdictions, with formal review on an as requested basis.</p> <p>Changes may require revisions to the PLAN.</p>	<p>Consistent modeling and analysis become more important under SB 375. The CTC's adopted AB 32 RTP modeling guidelines place more emphasis on detailed modeling to assess the implications of alternative growth scenarios on VMT -- and hence GhG emissions. Furthermore, if Contra Costa wishes to make the best case for a county-derived, preferred growth scenario, standardized modeling is essential.</p>	<p>Staff believes that retaining Item 4.2 is warranted, albeit with some simplifications to the GPA review process. Specifically, there is staff-level agreement that:</p> <ul style="list-style-type: none"> ▪ Any development that is consistent with an adopted general plan, and whose numbers are contained in the Action Plan horizon year forecast (e.g., 2030, 2035, etc.), need not go through the MTSO analysis process; and ▪ The Authority's role in conflict resolution will be facilitation, without Authority findings of "good faith" on the part of either party at the conclusion of the effort.

4.3 Cooperative, Multi-Jurisdictional Planning: Mitigation Programs

Create mitigation programs per #2

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>See discussion under #2 above</p> <p>This element is redundant with Component 2.</p>	<p>See discussion under #2 above</p>	<p>This element can be deleted as it is redundant with Component 2.</p>

Develop other plans, programs & studies

4.4 Cooperative, Multi-Jurisdictional Planning: Cooperative Studies.

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>Cooperative planning at the RTPC level, and between RTPCs, has generally been successful, and staff believes it should continue to be a primary focus of the Authority's planning programs, albeit with some simplifications in the process.</p>	<p><u>RTPC involvement in the development of plans, programs and studies, beyond the preparation of the Action Plans, has resulted in extremely useful information and approaches to addressing transportation issues in Contra Costa. These studies include the East County Transit Study which led to the eBART project, the East-Central Traffic Management Study, and the I-680 corridor management project.</u></p>	<p><u>No changes are proposed. The involvement of local jurisdiction in these cooperative planning efforts has been useful for both the jurisdictions themselves and the county and region generally.</u></p>

5. Adopt an Urban Limit Line (ULL)

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>The Authority has invested approximately 3-1/2 to 4 years of effort in formalizing the requirements for a voter-approved ULL. While not sufficient to promote infill, density and mixed-use developments, the ULL does provide a boundary to urbanized growth. No changes are proposed.</p>	<p>Supportive of SB 375's general objectives to promote infill development, but not required under that legislation.</p> <p>The ULL was a core provision of the 2004 renewal effort, and has been identified by Authority members as essential to retain.</p>	<p>The ULL requirement is not in question.</p>

6. Five-year Capital Improvement Program (CIP)

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>The PLAN requires each jurisdiction to prepare and maintain a five-year CIP that outlines the capital projects needed to implement the goals and policies of the jurisdiction's General Plan. Projects are forwarded to the Authority for inclusion in the Authority's database of transportation projects, and for consideration as part of the transportation model.</p> <p>This component is largely a remnant of Measure C, which required each local jurisdiction to demonstrate it planned to achieve the adopted local performance standards.</p>	<p>This component is no longer needed to show how jurisdictions will achieve the local facilities and streets and roads standards. If Item 3.1 is retained, this component may be needed to show how jurisdictions plan to carry out actions related to the housing element implementation. A CIP is legally required for identification of projects contained in a local development mitigation program (the GMP requirement is redundant to that requirement).</p> <p>Under SB 375, proposed improvements incorporated in the modeling done to develop the County-proposed SCS, if there is one, will be helpful in assessing both VMT and network speeds (speeds may ultimately play some role in assessing GHG emissions beyond VMT).</p>	<p>The GMP Task Force members observed that project lists are collected every two years by the Authority for the congestion management program (CMP), and every four years for the RTP. A local CIP is also necessary under state law for imposition of a mitigation fee program. These sources should be sufficient for local and Authority purposes.</p> <p>Consequently, this requirement is largely redundant and staff recommends that it be deleted. <u>This change would require amending the PLAN.</u></p>

7. Transportation Systems Management (TSM) Ordinance or Resolution

<i>Authority Staff Observations</i>	<i>Value Added?</i>	<i>Potential Approach</i>
<p>Under Measures C and J, all local jurisdictions are required to adopt a local ordinance or resolution that conforms to the Authority's adopted TSM Ordinance. Cities with a small employment base may adopt alternative mitigation measures.</p> <p>Measure J includes one percent (1%) of the annual revenue stream that is dedicated to TSM – currently ~\$740,000. In addition, the TFCA revenues totaling over \$1.3 million annually are largely dedicated for this purpose. With that financial commitment, retaining this requirement in the PLAN may not be necessary. While the requirement raises the visibility of TDM, whether the requirement to have local resolutions and ordinances adds value beyond that commitment should be assessed.</p> <p>Deleting the requirement would require an amendment to the PLAN.</p>	<p>One of the prime objectives of SB 375 is to reduce vehicle miles traveled (VMT). With the TDM programs fully funded, the question is whether or not requiring the cities, towns and County to have a TSM resolution or ordinance adds significant value to pursuing the objective of reducing VMT.</p>	<p>The primary suggestion of the GMP Task Force was to update the model ordinance and model resolution to emphasize reduction of VMT and reduction of GhG as goals of the program.</p> <p>From a public relations standpoint, retaining the program appears to be desirable, particularly, given AB 32 and SB 375, with the revised emphasis.</p>

Subject	Preliminary Discussion of Measure J CC-TLC Program
Summary of Issues	The Measure J Expenditure Plan sets aside 5.4 percent of sales tax revenues (estimated at \$108 million in 2004 dollars) for the Transportation for Livable Communities program. These funds are to be allocated to the sub-regions, and then distributed to individual, qualifying projects subject to Authority guidelines and approval. Staff has prepared an initial discussion of the issues that must be addressed in developing the CC-TLC program guidelines and is establishing a committee to help in this program. Staff has also developed a schedule for starting the program.
Recommendations	Authorize staff to begin developing guidelines for the CC-TLC program and approve the proposed schedule.
Financial Implications	The Measure J Strategic Plan includes the first six years of funding for the TLC program. The recent downturn in sales tax revenues is likely to reduce the amount of funding available for this and other Measure J programs. The downturn could lead to cash flow problems for projects now in development and for which bonds are to be used to advance funding. Options for addressing these issues will be addressed over approximately the next 6 months.
Options	
Attachments	A. Background and Initial Discussion: Contra Costa Transportation for Livable Communities Program
Changes from Committee	

Background

Measure J, approved by the voters in 2004, added the new Transportation for Livable Communities program. This program is intended to fund transportation projects that:

- a) Facilitate, support and/or catalyze developments, especially affordable housing, transit-oriented or mixed-use development, or
- b) Encourage the use of alternatives to the single occupant vehicle and promote walking, bicycling and/or transit usage.

The program can fund both planning and capital grants. *Planning grants* must “support development of community-oriented plans that link transportation investments with land-use decisions.” *Capital grants* specifically will fund the planning and construction of five categories of projects:

1. Local transit facilities
2. Intersection improvements and pedestrian facilities
3. Pedestrian plazas, walkways and other streetscape improvements that encourage walking
4. Traffic calming measures
5. Bicycle facilities

Whether capital or planning, each project must “catalyze, facilitate or support projects that meet the CC-TLC program’s goals.”

Expected Funding

Over the 25-year life of the measure, the CC-TLC program will receive 5.4 percent of the revenues generated. The Expenditure Plan estimated that the program would receive \$108 million (in \$2004): \$100 million (five percent of revenues) to be divided among the regions by population and \$8 million (0.4 percent of revenues) to go specifically to West County.

The actual amounts allocated, however, will depend on the actual revenues received. Our original estimate was that Measure J would generate approximately \$2 billion over the 25-year life of the measure. The recent downturn in economic activity, however, is likely to lower forecast revenues we expect to receive under Measure J. The slowdown is likely to continue into the early years of Measure J. The first Measure J Strategic Plan, which the Authority adopted in May, had already lowered forecast revenues from the original estimates and more recent information indicates a probable further decline.

Besides reducing the estimate of funding available to this and other programs overall, the downturn is already causing cash flow problems for projects slated for early development, which may have implications beyond those projects.

Proposed Schedule

- February 2009* Release draft CC-TLC Program Guidelines
- May 2009* Adopt CC-TLC Program Guidelines
- July 2009* Release initial CC-TLC “Call for Projects”
- October 2009* RTPCs recommend 3- or 5-year allocations of their share of CC-TLC funding
- December 2009* Authority releases draft CC-TLC Strategic Plan
- March 2010* Authority adopts final CC-TLC Strategic Plan

Attachment A

Item 2 – November 5, 2008

CONTRA COSTA TRANSPORTATION FOR LIVABLE COMMUNITIES

Background and Discussion

Measure J, approved by the voters in 2004, added a new program, Transportation for Livable Communities. Over the 25-year life of the measure, the CC-TLC program will receive 5.4 percent of the revenues generated. The Expenditure Plan estimated that this would translate into \$108 million (in \$2004) for the CC-TLC program. Of this amount, \$100 million (five percent of revenues) will be divided among the regions by population and the remaining \$8 million (0.4 percent of revenues) will go specifically to West County. The actual amounts allocated, however, will depend on the actual revenues (see below).

BACKGROUND

Purpose of the TLC Program

According to Measure J, the purpose of the CC-TLC program is to fund transportation projects that:

- a) Facilitate, support and/or catalyze developments, especially affordable housing, transit-oriented or mixed-use development, or
- b) Encourage the use of alternatives to the single occupant vehicle and promote walking, bicycling and/or transit usage.

Part IV of the measure lists the more specific goals of the program:

- Help create walkable, pedestrian-friendly neighborhoods and business districts;
- Promote innovative solutions, including compact building design and context-sensitive site planning that is integrated with the transportation system;
- Help create walkable, pedestrian-friendly access linking housing and job centers to transit;
- Help create affordable housing;
- Encourage a mixture of land uses and support a community's development or redevelopment activities; and

Background and Discussion

- Provide for a variety of transportation choices to enhance a community's mobility, identity, and quality of life.

Eligible Projects

The measure identifies a number of project types that would typically be eligible for funding through the CC-TLC program. These include "pedestrian, bicycle, and streetscape facilities, traffic calming and transit access improvements." Part IV of Measure J goes into more detail on what types of projects are eligible. It notes that both planning and capital projects are eligible. *Planning grants* must "support development of community-oriented plans that link transportation investments with land-use decisions." *Capital grants* specifically will fund the planning and construction of five categories of projects:

1. Local transit facilities
2. Intersection improvements and pedestrian facilities
3. Pedestrian plazas, walkways and other streetscape improvements that encourage walking
4. Traffic calming measures
5. Bicycle facilities

Whether capital or planning, each project must "catalyze, facilitate or support projects that meet the CC-TLC program's goals." While funds will not be available for operations, some funding can be used for betterments related to the project.

Expected Funding

The following table outlines the estimated amounts of funding available in the Strategic Plan through the CC-TLC program to fund eligible projects. Over the 25-year life of the program, we estimated that the regions will get between \$19 and \$31 million, or between \$3.83 and \$6.37 million for every five-year programming cycle. These amounts will probably be reduced by the current recession.

Cycle	SWAT	TRANS-PAC	TRANS-PLAN	WCCTAC	CC Total	Total with W County
2009-13	\$3.83	\$5.88	\$5.53	\$6.37	\$20.00	\$21.60
2014-	\$3.87	\$5.68	\$5.81	\$6.24	\$20.00	\$21.60

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2019–						
23	\$3.89	\$5.49	\$6.10	\$6.13	\$20.00	\$21.60
2024–						
28	\$3.89	\$5.42	\$6.20	\$6.08	\$20.00	\$21.60
2029–						
33	\$3.90	\$5.39	\$6.26	\$6.06	\$20.00	\$21.60
TOTAL	\$19.37	\$27.86	\$29.90	\$30.87	\$100.00	\$108.00

(The table is based on a straight-line extrapolation of the funding estimated to be available for the program in Measure J and the forecast population shares for each of the RTPCs. As noted above, the actual allocations will be based on actual revenues received and estimated population to be updated every five years.)

SELECTING PROJECTS

Under Measure J, the Authority is given the responsibility of preparing overall criteria for selecting projects for funding in consultation with the RTPCs. These criteria would be used by the RTPCs to select projects and plans for funding and by the Authority to confirm them.

Most funding programs use three categories of criteria to select projects for funding: eligibility, readiness and the degree to which the application furthers the program’s goals. The criteria that MTC uses for their TLC program use this tripartite system (although staff believes it perhaps too involved).

Eligibility

The measure includes several requirements for eligibility:

1. Is the expenditure allowable under the State law establishing the Authority?
2. Is it one of the project types listed above or similar projects that also meet the goals of 1) supporting affordable housing, and pedestrian- and transit-friendly development, and 2) encouraging walking, bicycling and transit use?

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3. Is the project sponsor a local jurisdiction or transit agency within Contra Costa? (Non-profit agencies may partner with local jurisdictions or transit agencies.)
4. Has the Authority found the local jurisdiction (if the sponsor is not a transit agency) in compliance with the GMP at the time of grant approval?

Readiness

Neither Measure C nor Measure J set deadlines for expenditure of the funds programmed. The Authority, however, encourages expeditious use of Measure C funds and requires project proponents to agree to a project development schedule. Nonetheless, the Authority has had to deal projects that had significant delays in project implementation, including the need to reprogram the funds to other projects.

The issue, as staff sees it, is whether to use “readiness” as a criterion for selecting projects or only as a requirement in the Authority’s project delivery procedures. MTC, in its criteria for its TLC program (attached), includes seven criteria for judging project readiness: collaborative process, full funding, dependence on another project, environmental review, right-of-way, utilities, and internal review. MTC considers them as screening criteria rather than ranking criteria, although they do affect rankings.

Program Purposes

The goals for the CC-TLC program included in the measure should provide the basis for the criteria. Specifically, the program funds projects that:

1. Help create walkable, pedestrian-friendly neighborhoods and business districts;
2. Promote innovative solutions, including compact building design and context-sensitive site planning that is integrated with the transportation system;
3. Help create walkable, pedestrian-friendly access linking housing and job centers to transit;
4. Help create affordable housing;

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5. Encourage a mixture of land uses and support a community's development or redevelopment activities; and
6. Provide for a variety of transportation choices to enhance a community's mobility, identity, and quality of life.

In addition, the measure says that, "Preference would be given to projects that maximize transportation benefits linked to providing affordable housing near transit or in downtown areas."

These goals could be used, with some elaboration, as the criteria used to determine how well each project meets the purposes of the CC-TLC program. The first capital evaluation criterion in the MTC process asks whether the "project addresses one or more TLC program goals, and demonstrates how well the goals are met." (Interestingly, the next three criteria, in essence, also ask how well the project meets the four goals.)

PROGRAMMING THE FUNDS

The basic process for programming is defined in the measure: "Funding would be allocated to the subregions and then distributed to individual, qualifying projects after Authority approval. It would not be allocated to local jurisdictions on an 'as-of-right' formula basis." The Authority would approve expenditures through the Strategic Plan.

The Authority will fund the CC-TLC program, as with the other Measure J programs, on a "pay-as-you-go" basis.

Staff foresees the following basic process:

1. At the beginning of each five year funding cycle (2009–13, 2014–18, 2019–23, 2023–28, and 2029–34), the Authority will identify population shares for each RTPC and the approximate amount of funding that each will have to allocate during the cycle (estimated funding would adjust the estimates in the most recent Strategic Plan to reflect subsequent sales tax revenues)
2. The RTPCs will issue a "call for projects" for the CC-TLC program

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3. Using program guidelines and criteria, the RTPCs will identify the projects that they recommend to be funded during the cycle and the fiscal years in which funds would be programmed
4. The RTPCs will submit their recommended program of projects to the Authority
5. The Authority will review the lists submitted, confirm that the projects are eligible and meet program criteria, and develop a final program of CC-TLC projects
6. The Authority will incorporate the projects into the *Strategic Plan*.

The last of these steps raises the question of what “incorporate the projects into the *Strategic Plan*” means. The specific language is: “authorize expenditures through the Authority’s *Strategic Plan*.” (In addition, the language for the extra West County funding is: “WCCTAC will propose programming specific projects through the Authority’s *Strategic Plan*.”) This phrase could be interpreted as meaning that all projects must be explicitly listed in the *Strategic Plan*. Another option, however, would be to prepare a separate CC-TLC “strategic plan”. Given that the CC-TLC program could fund somewhat different kinds of projects and may be on a different schedule than the *Strategic Plan*, this second option may be easier to carry out.

In addition, Measure J allows RTPCs to submit either a three- or a five-year funding program. If one or more RTPC opts for submitting a three-year TLC program, we may need to prepare a separate CC-TLC update in any case, depending on the actual *Strategic Plan* schedule.

OTHER ISSUES

Should We Set Minimum and Maximum Funding Requests?

The most recent MTC regional TLC call for projects set a minimum of \$500,000 and \$3 million while we set a minimum of \$300,000 and a maximum of \$1 million. An earlier MTC TLC planning grant program set a maximum of \$75,000.

The simplest option would be to let the RTPCs decide whether to set *any* limits on the amount of funding requested within, of course, the maximum available. As noted above, the funding pots are not that large. SWAT would have less than

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\$5 million in each five-year cycle and the other regions would have between \$5 and \$6 million in each cycle. Some projects that would be eligible for CC-TLC funding — for example, bicycle-pedestrian bridges or significant downtown pedestrian improvements — could exceed the \$3 million limit for MTC's regional TLC program. If the RTPCs agree that they are good projects and the region's priority, then perhaps the Authority should fund them even though they use up most or all of that region's share. On the other hand, if the Authority and regions want to ensure that we fund more TLC projects and in more locations, then a limit might be called for. Staff suggests that a \$3 million limit (in \$2004) may be appropriate, and seeks feedback from the RTPCs.

Planning grants represent a special issue which is dealt with next.

How Should We Treat Planning Grants?

Measure J allows planning activities to be funded through the CC-TLC program. While there are good arguments for having no maximum funding request for capital projects, there are reasons why a limit on planning grants may be appropriate. Plans are generally much less expensive than projects — \$200,000 would be a substantial cost for a plan (with CEQA review excluded) — and the purpose of the CC-TLC is projects. Plans are meant to be the way to identify and conceptualize projects that the CC-TLC program could fund. Staff suggests that planning grants be limited to a maximum of \$200,000.

Should TLC Projects Go Through the Same Review Procedures?

The Authority is in the process of its updating project funding and review procedures from Measure C to Measure J. These procedures apply to all projects funded with sales tax revenues and cover such subjects as peer review, invoicing, and eligible costs.

One option being considered is whether those procedures should provide for a more limited review process for some types of projects. The project type could be defined by cost, with lower cost projects presumably needing less design review. The procedures could also identify specific project types that would need less review. Using cost as a threshold would be simple but could miss some projects that could benefit from closer review. On the other hand, it would be difficult to define a comprehensive list of project types that could get the abbreviated review beforehand.

