

Memorandum

To: Chairman and Commissioners

Date: June 25, 2009



From: BIMLA G. RHINEHART
Executive Director

File No:
Book Item 4.11
Action

Ref: TRAFFIC CONGESTION RELIEF PROGRAM (TCRP) ALLOCATION PLAN

ISSUE

The remaining Tier 1 capacity is only \$15.8 million in fiscal year (FY) 2015-16 but requests for moving Tier 2 projects to Tier 1 on this month's agenda total approximately \$74 million.

RECOMMENDATION

Staff recommends that the Commission approve the following three (3) actions related to the Traffic Congestion Relief Program (TCRP) Allocation Plan.

- **Recommendation # 1** - Amend the TCRP Allocation Plan (attached as revised on May 14, 2009) to move the following three Tier 2 projects to Tier 1 in FY 2015-16:

TCRP #	PROJECT TITLE	AMOUNT	(PHASE)
28	Richmond Transit Village - BART Parking Structure	\$ 2,820,000	(CON)
98	Peach Avenue, widen to four-lane arterial	\$ 1,400,000	(R/W)
146	Route 10 – Palm Drive Interchange	\$ 10,000,000	(CON)
TOTAL		\$ 14,220,000	

Commission approval of this request increases Tier 1 commitments to \$577.4 million, obligating most of the \$579 million provided by the Proposition 1A loan repayments, the only reliable funds available for future TCRP allocations.

- **Recommendation # 2** – Deny Sacramento Regional Transit's request to move nearly \$60 million from Tier 2 to Tier 1 for their TCRP Project # 115 as Tier 1 capacity is insufficient.
- **Recommendation # 3** – Adopt a revised policy for future TCRP allocations for Tier 2 projects. The existing policy stipulates that Tier 2 projects will be allocated on a first-come, first-served basis, based on availability of funding.

The revised policy would add that the Commission intends to give priority for allocation of available funding to Tier 2 projects that have incurred costs eligible for reimbursement, in accordance with the approved TCRP application for the project, and as long as the phase of work seeking reimbursement has been completed. If requests for Tier 2 allocations exceed the available funding, the available funds will be allocated on a pro-rated basis.

BACKGROUND

Under current statute, a total of \$1.061 billion is scheduled to be available for future TCRP allocations including the \$579 million to be repaid as required by Proposition 1A and \$482 million to be repaid from Tribal Gaming revenues.

At the September 2008 CTC meeting, due to the continuing uncertainty of the TCRP funds, the Commission adopted a TCRP Allocation Plan. The stated purpose of the Plan is to best utilize the limited available funding capacity for TCRP projects. The remaining TCRP projects were divided into two tiers. Projects in Tier 1 have first call on available resources in any given fiscal year.

Tier 1 of the Allocation Plan includes: 1) projects with approved Letters of No Prejudice (LONPs); 2) CMIA projects with scheduled allocations in accordance with the CMIA Baseline Agreement schedule and funding plan; and, 3) projects with an approved project-specific allocation plan, in which the agency has agreed to scheduled allocations over several years.

The September 2008 Allocation Plan also indicated that unless Tier 2 projects were moved by Commission action to Tier 1 funding for projects in Tier 2 would be allocated on a first-come, first-served basis, based on availability of any additional funding.

The September 2008 Allocation Plan was developed working in concert with the regions' TCRP Working Group and with the Department. The available annual funding capacity assumed that the Proposition 1A and the tribal gaming repayments would be made in accordance with the schedules under the then existing law. However since the adoption of the September 2008 Allocation Plan, repayments from tribal gaming revenues did not occur as anticipated, thus, staff recommends that movements to Tier 1 be limited to capacity provided by Proposition 1A loan repayments (\$82.7 million per year), with the last repayment scheduled for FY 2015-16.

Lastly, staff recommends that until additional funding becomes available for the Program, no further actions be taken on the TCRP Allocation Plan.