AGENDA

TRANSPORTATION AGENCY FOR MONTEREY COUNTY
SERVICE AUTHORITY FOR FREEWAYS EMERGENCIES
AND
MONTEREY COUNTY REGIONAL DEVELOPMENT IMPACT FEE
JOINT POWERS AGENCY

EXECUTIVE COMMITTEE

Members are: Jane Parker (Chair),
Kimbley Craig (1st Vice Chair), Fernando Armenta (2nd Vice Chair),
Jerry Edelen (Past Chair),
Dave Potter (County representative), Alejandro Chavez (City representative)

Wednesday, June 4, 2014
TAMC Conference Room
55-B Plaza Circle, Salinas

***9:00 a.m.***

Complete agenda packets are on display at the Transportation Agency for Monterey County office and at these public libraries: Carmel, Monterey, Salinas Steinbeck Branch, Seaside, Prunedale, and King City. Any person who has a question concerning an item on this agenda may call the Agency Secretary to make inquiry concerning the nature of the item described on the agenda. Please recycle this agenda.

1. **ROLL CALL:** Call to order and self-introductions. If you are unable to attend, please contact Elouise Rodriguez, Senior Administrative Assistant. Your courtesy to the other members to assure a quorum is appreciated.

2. **PUBLIC COMMENTS:** Any member of the public may address the Committee on any item not on the agenda but within the jurisdiction of Transportation Agency and Executive Committee. Comments on items on today's agenda may be given when that agenda item is discussed.
BEGINNING OF CONSENT AGENDA: Approve the staff recommendations for items 3.1-3.4 below by majority vote with one motion. Any member may pull an item off the Consent Agenda to be moved to the end of the CONSENT AGENDA for discussion and action.

3.1 APPROVE enclosed minutes from the Executive Committee meeting of May 7, 2014. – Rodriguez Pages 4 - 7

3.2 RECOMMEND that Board of Directors APPROVE evaluation form, procedure, and timeline for completing annual evaluation for Executive Director and Counsel. – Goel Pages 8 - 13

3.3 RECEIVE state legislative update. – Watson Pages 14 - 20

3.4 RECEIVE update on federal legislative activities. – Watson Pages 21 - 26

END OF CONSENT AGENDA

4. RECEIVE report by EMC Research on draft results of the Regional Transportation Plan Priorities and Preferences Survey between May 14 and May 23, 2014. – Leonard/Bernstein Pages 27 - 28

5. RECEIVE report by Douglas Yount on the Salinas General Plan Economic Development Element; and PROVIDE input on the plan. – Yount/Green Pages 29 - 31

6. RECEIVE report on draft agenda for TAMP Board meeting of June 25, 2014. – Hale (Handout)

7. ADJOURN
NOTE:
There is no July meeting.

Next Executive Committee meeting is:
Wednesday, August 6, 2014
Please mark your calendars.

Documents relating to an item on the open session that are distributed to the Committee less than 72 hours prior to the meeting shall be available for public inspection at the office of the Transportation Agency for Monterey County, 55-B Plaza Circle, Salinas, CA. Documents distributed to the Committee at the meeting by staff will be available at the meeting; documents distributed to the Committee by members of the public shall be made available after the meeting.

Transportation Agency for Monterey County
55-B Plaza Circle, Salinas, CA 93901-2902
Monday thru Friday
8:00 a.m. – 5:00 p.m.
TEL: 831-775-0903
FAX: 831-775-0897

If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals requesting a disability-related modification or accommodation, including auxiliary aids or services, may contact Transportation Agency at 831-775-0903. Auxiliary aids or services include wheelchair accessible facilities, sign language interpreters, Spanish Language interpreters and printed materials, and printed materials in large print, Braille or on disk. These requests may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting, and should be made at least 72 hours before the meeting. All reasonable efforts will be made to accommodate the request.
DRAFT MINUTES

TRANSPORTATION AGENCY FOR MONTEREY COUNTY
SERVICE AUTHORITY FOR FREeways EMERGENcies AND MONTEREY
COUNTY REGIONAL DEVELOPMENT IMPACT FEE
JOINT POWERS AGENCY

EXECUTIVE COMMITTEE MEETING

Members are: Jane Parker (Chair),
Kimbley Craig (1st Vice Chair), Fernando Armenta (2nd Vice Chair),
Jerry Edelen (Past Chair),
Dave Potter (County representative), Alejandro Chavez (City representative)

Wednesday, May 7, 2014
*** 9:00 a.m. ***
Transportation Agency Conference Room
55-B Plaza Circle, Salinas

1. CALL TO ORDER: Chair Parker called the meeting to order at 9:00 a.m. Board
members present: Armenta, Chavez, Craig, and Edelen. Staff present: Cook, Goel, Hale,
Leonard, Muck, Rodriguez and Watson. Others present: Agency Counsel Reimann, Sam
Teel, MCHA; Ruth Bernstein and Sara LaBatt of EMC Research. Committee member
Potter arrived after approval of the consent agenda. Chair Parker announced it was Kay
Reimann’s Birthday, and led the Happy Birthday Song.

2. PUBLIC COMMENTS: None.

3. CONSENT AGENDA
On a motion by Board member Craig and seconded by Board member Armenta, the
committee voted 5 – 0, with Boardmember Potter not present, to approve the consent
agenda.

3.1 APPROVED minutes from the Executive Committee meeting of April 2, 2014.

END OF CONSENT
4. The Executive Committee **RECEIVED** the presentation and provided input on goals and strategies for public opinion survey.

Ruth Bernstein, EMC Research, reported on the strategies for the public opinion survey. She highlighted what went right and what went wrong in the 2008 Measure Z Campaign. She noted that what went right; there was a high turnout and a broad local coalition, and what went wrong; the campaign started late with no campaign structure and only raised one-third of the targeted budget, noting there were great messages and endorsements, but not enough money to communicate. Ms. Bernstein reported on what needs to be done if the Agency decides to move forward in 2016 and noted that it is important which questions should be asked in the poll. Past Chair Edelen commented that the need to become a “Self Help County” to receive matching funds from CTC should be emphasized, noting that this will help us get a 2/3 vote. He also suggested doing away with the Highway 156 tolling and instead go for a ¾ cent sales tax. Board member Armenta commented that if we are going to move forward with a sales tax measure in 2016, we need to start now. Chair Parker suggested adding project questions related to moving people from Salinas to the Peninsula, expanded bus services and the multimodal corridor, noting that some segments have no funding. Vice Chair Craig suggested asking as part of the poll where they get their information, such as if they are on Facebook and social media, or if they utilize traditional media.

The issue of combining a TAMC and MST sales tax measure in 2016 was discussed. The Executive Committee asked that Executive Director Hale mention at the next MST Board meeting the possibility of waiting until 2016 for a TAMC and MST joint sales tax measure.

Sara LaBatt, EMC Research, highlighted the polling research plan. She noted that annual telephone surveys of a representative sample of Monterey County Voters, additional tracking survey prior to November 2016 ballot deadline and interviewing in English and Spanish. The survey is planned to be conducted before Memorial Day and will include the revised ballot question and project and program questions.

*Board member Potter left at 10:30 a.m.*
5. On a motion by Board member Edelen and seconded by Board member Chavez the Executive Committee RECOMMENDED that the Board APPROVE Resolution 2014-04 adopting the fiscal year 14/15 budget and work program and estimated budgets for fiscal years 15/16 and 16/17.

Rita Goel, Director of Finance & Administration, presented the fiscal year 14/15 budget and estimated budgets for fiscal years 15/16 and 16/17. She highlighted the following minor changes since the budget was last presented to the Board in February. Changes are in the operating budget; noting the revenue changed due to Complete Streets Project Implementation funds added by $72,200 and Change of $72,200 to the undesignated reserve. Changes to the expenditure in the direct budget include and addition of $708,800, due to implementation of $588,800 for Complete Streets Project implementation and $75,000 for SR156 West Project legal review. The next step is the final adoption at the Board meeting on May 28, 2014.

Todd Muck, Deputy Executive Director, highlighted the draft work program for fiscal year 14/15. He reported that the work program is required in order to meet federal and state review deadlines. The annual Agency Work Program describes the activities to be accomplished during the fiscal year beginning July 1 and ending June 30. He also noted that the purpose of a work program is to guide the Agency’s projects & programs, and communicate tasks and schedules.

6. The Executive Committee RECEIVED an update on status of the Metropolitan Transportation Plan/Regional Transportation Plan Environmental Impact Report and PROVIDED staff direction as appropriate.

Andy Cook, Senior Transportation Planner reported that the public review period for the Draft Monterey County Regional Transportation Plan closed on April 8. The Agency received formal comment letters on the draft plan from Caltrans and the Monterey Regional Airport District. Both letters requested that additional language be added to the final plan discussing long-term improvements addressing ground access at the Monterey Regional Airport. Mr. Cook also reported that AMBAG serves as the lead agency for the coordinated Environmental Impact Report that analyzes the program-level environmental impacts of projects identified in the Monterey County Regional Transportation Plan. Both AMBAG and TAMC received a comment letter from Michael Weaver, Chair of the Highway 68 Coalition, on the Draft Environmental Impact Report. The Agency subsequently also received a request from Mr. Weaver requesting that the Agency prepare a separate environmental document for the Draft Regional Transportation Plan. In response to these comments, staff has requested that legal counsel review the environmental documents and response to comments prepared by AMBAG. Mr. Cook advised that staff would provide a report to the Board at its May meeting summarizing comments received on the Draft Regional Transportation Plan during the public review period, and that the Board would be asked to adopt the Final Regional Transportation Plan at its June 25, 2014 regular meeting.
7. Received a report on the draft agenda for TAMC Board meeting of May 22, 2014.

Executive Director Hale reviewed the May 22, 2014 draft agenda and took committee comments. She noted the draft agenda calls for the Board to receive a briefing on Highway 156 tolling evaluation, public outreach process and proposed pre-development agreement, and the approval of adopting the fiscal year 14/15 budget and work program and estimated budgets for fiscal years 15/16 and 16/17.

8 ADJOURNMENT
Chair Parker adjourned the meeting at 11:11 a.m.

[Signature]
Elouise Rodriguez, Senior Administrative Assistant
Memorandum

To: Executive Committee

From: Rita Goel, Director of Finance & Administration

Meeting Date: June 4, 2014

Subject: EVALUATION OF EXECUTIVE DIRECTOR AND COUNSEL

RECOMMENDED ACTION:

RECOMMEND that Board of Directors APPROVE evaluation form, procedure, and timeline for completing annual evaluation for Executive Director and Counsel.

SUMMARY:

The Agency Bylaws require an annual evaluation of the Executive Director and Counsel.

FINANCIAL IMPACT:

None.

DISCUSSION:

Attached with this report are evaluation forms for the Agency’s Executive Director Debra L. Hale and Counsel Kathryn Reimann. The attached evaluation forms were revised in 2012 in response to recommendations from Board Members. The proposed procedure and timeline for completing the annual evaluation is:

1. **June 30, 2014** – Staff mail to voting members of the Board of Directors the enclosed evaluation forms for the Executive Director and Counsel, enclosing a stamped envelope addressed to Chair Jane Parker to return the completed evaluation forms.

2. **August 1, 2014** - All voting Board Members complete evaluation forms and hand deliver or send them in the provided stamped addressed envelope to Chair Jane Parker for her receipt no later than August 1, 2014.

3. **August 2 – 16, 2014** – Chair Jane Parker reviews completed evaluation forms and prepares summary of results to present to Executive Committee on September 3, 2014.
4. **September 3, 2014** - Executive Committee meets in **Closed Session** to review the evaluations, formulate a recommendation to the Board of Directors and confer with the Executive Director and Agency Counsel regarding the recommendations.

5. **September 24, 2014** - Board Chair hands out completed evaluations to Board members for their review prior to discussion at the next Board meeting. (NOTE: These will be confidential documents to be handled by Board members appropriately)

6. **October 22, 2014** – Board of Directors meets in **Closed Session** to receive presentation from the Executive Committee, to review the evaluations and recommendations of the Executive Committee and take any appropriate actions.

Approved by:  
Rita Goel, Director of Finance & Administration  
3/15/14 Date

Consent Agenda  
Counsel Approval:  N/A  
Finance Approval:  N/A

Attachment 1: Evaluation form for Executive Director  
Attachment 2: Evaluation form for Counsel
# Agenda Item 3.2, Attachment 1

TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC)

PERFORMANCE EVALUATION OF

EXECUTIVE DIRECTOR DEBRA L. HALE

*In evaluating the performance of the Executive Director, consider the factors below in arriving at your overall rating. Check the box in each category that you think best applies.*

1 = Unsatisfactory, performance does not meet job requirements.
2 = Improvement needed, performance partially meets requirements of job.
3 = Satisfactory, performance adequately meets requirements of job.
4 = Good, performance generally meets or exceeds standards or expectations.
5 = Exceptional, performance is excellent, exceeding job requirements.

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*NOTE: Please explain any rating of a "1" or a "2" in the comment section below, or use the space to provide any additional comments.

General Comments:

Please provide specific comment:

(1) Leadership and management skills:

(2) Staff development:

(3) Reputation in the community:

(4) Reputation with Transportation Agency member agencies:

(5) Opportunities for development/ Recommendations for more emphasis or improvement

Overall Rating: (Consider all factors listed on page 1 in arriving at an overall rating.)

☐ Unsatisfactory, performance does not meet job requirements.
☐ Improvement needed, performance partially meets requirements of job.
☐ Satisfactory, performance adequately meets requirements of job.
☐ Good, performance generally meets or exceeds standards or expectations.
☐ Exceptional, performance is excellent, exceeding job requirements.

Signature: ___________________________ Date: ________________

Print Name: __________________________________________

Please return evaluation to Chair in enclosed stamped addressed envelope. Thank you.
TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC)

PERFORMANCE EVALUATION OF

TAMC Counsel Kathryn Reimann

In evaluating the performance of Counsel, consider the factors below in arriving at your overall rating. Check the box in each category that you think best applies.

1 = Unsatisfactory, performance does not meet job requirements.
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(5) Opportunities for development / Recommendations for more emphasis or improvement:

Overall Rating: (Consider all factors listed on page 1 in arriving at an overall rating.)

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Signature: ___________________________ Date: ________________

Print Name: ____________________________________________

Please return evaluation to Chair in enclosed stamped addressed envelope. Thank you.
Memorandum

To: Executive Committee
From: Christina Watson, Principal Transportation Planner
Meeting Date: June 4, 2014
Subject: State Legislative Update

RECOMMENDED ACTION

RECEIVE state legislative update.

SUMMARY

The main update on state legislative activities since the update to the Board of Directors on May 28, 2014 is information on the Governor’s May Revise budget.

FINANCIAL IMPACT

No financial impact.

DISCUSSION

Attachment 1 is a memo on the Governor’s May Revise state budget from TAMC’s state legislative consultant Erica Arriaga of JEA & Associates. Web Attachment 1 is a more in-depth memo on the budget.

Attachment 2 is the bill list as of May 16, 2014. The only changes from the May Board report is an update to the status of the bills, and deletion of a couple bills that died in their houses of origin. Web Attachment 2 is the Agency’s adopted legislative program.

Approved by: Debra L. Hale, Executive Director
Date signed: 5/31/14
Consent Agenda
Reviewed by Counsel: N/A
Admin/Finance Approval: N/A

Attachments:
1. JEA & Associates memo: State Report
2. 2014 TAMC Legislative Track, as of May 16, 2014

Web Attachments:
1. JEA & Associates memo: Governor’s 2014-15 May Revise: Highlights
2. TAMC Legislative Program, adopted January 22, 2014
May 15, 2014
To: Debbie Hale, TMC
Fr: John Arriaga, JEA & Associates
Re: State Report

May Revise
Governor Brown released a revised, $156.2 billion budget plan, proposing to spend the bulk of a state windfall to cover vastly expanded rolls in the state's Medi-Cal program. Under this revision, state revenues are forecast to increase by $2.4 billion. Nevertheless, the costs of health care, drought, and other programs have increased by essentially the same amount, according to the Department of Finance’s (DOF) summary.

The May revision reflects the state's best projection of revenues for the coming fiscal year and touches off a rush of budget negotiations at the Capitol ahead of the adoption of an annual spending plan in June.

The budget replaces a $154.9 billion spending plan Brown proposed in January. It included modest increases for social service programs, but also billions of dollars to address long-term debt.

Most notably, the Revise was silent on the issue of Cap-and-Trade, which lends credibility to the notion that the Administration is working with the Senate Leader on a compromise that will be resolved in the upcoming weeks.

Caltrans: Capital Outlay Support – The May Revision reflects a net reduction of $21.8 million and 195 state positions for engineering, design, and construction oversight activities due to diminishing fund sources, such as Proposition 1B and the federal American Recovery and Reinvestment Act.

The revised budget's release follows the announcement last week that Brown and legislative leaders had reached agreement on a major component of the annual spending plan, a rainy-day fund measure that, if approved by voters, would set aside 1.5 percent of general fund revenue every year, plus revenue from capital-gains taxes in especially lucrative tax years.

Brown has remained cautious about spending despite improving revenue estimates. The nonpartisan Legislative Analyst’s Office (LAO) reported Sunday that revenue for the current budget year from the largest general fund sources - personal income, corporation and sales taxes - was coming in about $1.8 billion above projections through the end of April.
## 2014 TAMC Legislative Track
Updated as of Thursday, May 16, 2014

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<tr>
<td>AB1193</td>
<td>Ting D</td>
<td>Bikeways</td>
<td>5/1-In Senate Com. on T. &amp; H. Hearing canceled by author.</td>
<td>Would provide for a classification of Class IV bikeways and would require the department, in cooperation with local agencies, to establish minimum safety design criteria for Class IV bikeways. Class IV bikeways, known as “cycletracks” or “protected bike lanes,” provide a right-of-way designated exclusively for bicycle travel within a roadway and are protected from other vehicle traffic with grade separation, flexible posts, inflexible physical barriers, and/or parked cars.</td>
<td>Watch</td>
<td>13S</td>
<td>COUNTY: Watch</td>
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<tr>
<td>AB1447</td>
<td>Waldron R</td>
<td>Greenhouse Gas Reduction Fund: traffic synchronization</td>
<td>4/22-amended. 5/15- ordered to Assembly third reading 5/19</td>
<td>Would authorize sustainable infrastructure projects to include traffic signal synchronization when the project is designed and implemented to achieve cost-effective reductions in greenhouse gas emissions and includes specific reduction targets and metrics to evaluate the project’s effect.</td>
<td>Watch</td>
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<tr>
<td>AB 1970</td>
<td>Gordon D</td>
<td>Community Investment and Innovation Program.</td>
<td>4/10-amended 5/7-referred to Com. on Appr. suspense file</td>
<td>Would create the Community Investment and Innovation Program and would require moneys to be available from the Greenhouse Gas Reduction Fund for grants to eligible applicants who submit plans to develop and implement integrated community-level greenhouse gas emissions reduction projects.</td>
<td>Watch</td>
<td>6S</td>
<td>COUNTY: Support</td>
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<tr>
<td>AB 2119</td>
<td>Stone D</td>
<td>Local taxes: transactions and use taxes</td>
<td>5/14-amended 5/15- ordered to Assembly third reading 5/19</td>
<td>Would authorize the board of supervisors of a county to levy, increase, or extend a transactions and use tax throughout the entire county or within the unincorporated area of the county, if approved by the qualified voters of the entire county if levied on the entire county or of the unincorporated area of the county if levied on the unincorporated area of the county.</td>
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<td>COUNTY: Support</td>
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<td>Bill Number</td>
<td>Author</td>
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<td>AB2280</td>
<td>Alejo D</td>
<td>Community Revitalization and Investment Authorities</td>
<td>5/8- In Senate. Read first time</td>
<td>Would authorize certain local agencies to form a community revitalization authority within a community revitalization and investment area to carry out provisions of the Community Redevelopment Law in that area for infrastructure, affordable housing, and economic revitalization. Would provide for the issuance of bonds serviced by tax increment revenues, and would require the authority to adopt a community revitalization plan.</td>
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<td>Salinas: Support</td>
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<td>AB 2348</td>
<td>Stone D</td>
<td>Natural Resources Climate Improvement Program.</td>
<td>4/22-amended 4/30- referred to Asm. Appr. suspense file</td>
<td>Would authorize moneys from the Greenhouse Gas Reduction Fund to be available to implement the Natural Resources Climate Improvement Program (NRCIP). Creates the NRCIP to assist in the development and implementation of natural resources projects that maximize greenhouse gas emission reductions or sequestration.</td>
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<td>Salinas: Support</td>
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<td>AB 2389</td>
<td>Campos D</td>
<td>Safe routes to school.</td>
<td>3/10-referred to Com. on Trans.</td>
<td>Would extend deadlines related to the safe routes to school grant program.</td>
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<td>Salinas: Support</td>
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<td>AB 2390</td>
<td>Muratsuchi D</td>
<td>Low Carbon Fuel Standard: Green Credit Reserve.</td>
<td>4/22-amended 4/30- referred to Appr. suspense file.</td>
<td>Would require the Governor to designate a state agency to establish and administer a Low Carbon and Renewable Fuels Credit Reserve to encourage the development of renewable and low carbon transportation fuels.</td>
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<td>Salinas: Support</td>
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<tr>
<td>AB2728</td>
<td>Perea D</td>
<td>Vehicle weight fees: transportation bond debt service</td>
<td>4/24-amended 5/7- referred to Appr. suspense file.</td>
<td>Would prohibit weight fee revenues from being transferred from the State Highway Account to the Transportation Debt Service Fund, the Transportation Bond Direct Payment Account, or any other fund or account for the purpose of payment of the debt service on transportation general obligation bonds, and would also prohibit loans of weight fee revenues to the General Fund</td>
<td>SUPPORT</td>
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<td>ACR 67</td>
<td>Alejo D</td>
<td>State highways: designations</td>
<td>5/15- referred to Senate Com. on T&amp;H</td>
<td>Would designate portions of State Highway Routes 1, 129, and 101 in the Counties of Monterey and Santa Cruz as the John Steinbeck Highway, the Senator Henry J. Mello Highway, the Oscar Rios Highway, and the Gateway to the Pinnacles Highway.</td>
<td>SUPPORT</td>
<td>14S</td>
<td>Letter sent 5/12/14</td>
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<td>Bill Number</td>
<td>Author</td>
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<td>SB 969</td>
<td>DeSaulnier D</td>
<td>Public works.</td>
<td>5/5-amended 5/9- Set for hearing Sen. Appr. 5/19</td>
<td>Public Works Project Oversight Improvement Act: would define a &quot;megaproject&quot; as a transportation project with total estimated development and construction costs exceeding $1 billion; would require the agency administering a megaproject to establish a peer review group and to take specified actions to manage the risks associated with a megaproject.</td>
<td>Watch</td>
<td>N/A</td>
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<td>SB 990</td>
<td>Vidak R</td>
<td>Transportation Funds: Disadvantaged Small Communities</td>
<td>4/21-amended 4/29- T. &amp; H.: reconsideration granted.</td>
<td>Would require no less than 5% of funds available for regional improvement projects to be programmed in the regional transportation improvement program for disadvantaged small communities. In programming these moneys, the bill requires regional transportation agencies and county transportation commissions to prioritize funding congestion relief and safety needs.</td>
<td>OPPOSE</td>
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<td>Letter sent 5/12/14</td>
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<td>SB1077</td>
<td>DeSaulnier D</td>
<td>Vehicles: mileage-based fee pilot program.</td>
<td>4/21-amended 5/12-Placed on Sen. Appr. suspense file</td>
<td>Would require the CA Transportation Agency to develop a pilot program designed to assess issues related to implementing a mileage-based fee (MBF) in California to replace the state’s existing fuel excise tax. Would require the agency to assess issues related to implementing an MBF, including different methods for calculating mileage and collecting road use information, processes for managing, storing, transmitting, and destroying data to protect the integrity of the data and ensure drivers’ privacy, and costs associated with the implementation and operation of the MBF system.</td>
<td>SUPPORT</td>
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<td>Letter sent 5/12/14</td>
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<tr>
<td>SB1122</td>
<td>Pavley D</td>
<td>Sustainable communities: Strategic Growth Council</td>
<td>5/5- amended 5/9-Set for hearing @ Sen. Appr 5/19</td>
<td>Authorizes the Strategic Growth Council to manage and award financial assistance for the purpose of supporting the implementation of sustainable communities strategies or alternative planning strategies, to be funded from moneys from the Greenhouse Gas Reduction Fund.</td>
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<td>SB 1151</td>
<td>Cannella R</td>
<td>Vehicles: school zone fines.</td>
<td>4/21-amended 5/13-In Assembly</td>
<td>Would require that an additional fine of $35 be imposed if the moving violation occurred when passing a school building or school grounds, and the highway is posted with a standard &quot;SCHOOL,&quot; warning sign and an accompanying sign notifying motorists that increased penalties apply for traffic violations that are committed within that school zone.</td>
<td>SUPPORT</td>
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<td>Letter sent 5/12/14</td>
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<td>Bill Number</td>
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<td>SB 1156</td>
<td>Steinberg D</td>
<td>California Carbon Tax Law of 2014.</td>
<td>4/2- first hearing canceled by author.</td>
<td>Would require the State Board of Equalization to administer and implement the carbon tax, and would require revenues from the tax to be deposited in the Carbon Tax Revenue Special Fund.</td>
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<td>FORA: Watch</td>
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<td>SB1183</td>
<td>DeSaulnier D</td>
<td>Vehicle registration fees: surcharge for bicycle infrastructure.</td>
<td>4/21-amended 5/12- Placed on Sen. Appr. suspense file</td>
<td>Would authorize a city, county, or regional park district to impose a $5 motor vehicle registration surcharge for bicycle infrastructure purposes. Would require the local agency to use these revenues for trail improvements and maintenance.</td>
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<td>SB 1204</td>
<td>Lara D</td>
<td>California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.</td>
<td>5/6-amended 5/9-Set for hearing @ Sen. Appr. 5/19</td>
<td>Would create the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, to be funded from cap and trade revenues, to fund zero- and near-zero emission truck, bus, and off-road vehicle and equipment technologies and related projects, with priority given to projects that benefit disadvantaged communities.</td>
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<td>Salinas: Support</td>
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<td>SB 1236</td>
<td>Monning D</td>
<td>Transit districts: transit offenses and enforcement.</td>
<td>4/24-amended 5/12-Read second time</td>
<td>Would authorize the governing board of a transit district to designate district employees, or security officers contracted by the district, to enforce state laws relative to certain prohibited acts on or in public transportation systems or on the property, facilities, or vehicles of a transit district, if the employees or officers satisfy specified training requirements.</td>
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<td>SB1268</td>
<td>Beall D</td>
<td>Natural Resources Climate Improvement Program</td>
<td>5/7- amended 5/9-Set for hearing @ Sen. Appr. 5/19</td>
<td>Would establish the Natural Resources Climate Improvement Program to assist in the development and implementation of highly-leveraged, regionally integrated natural resources projects that maximize greenhouse gas emissions reductions or sequestration. Would authorize moneys from the Greenhouse Gas Reduction Fund to be available.</td>
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<td>SB 1368</td>
<td>Wolk D</td>
<td>State highways: relinquishment.</td>
<td>5/12- Placed on Sen. Appr. suspense file</td>
<td>Would authorize the California Transportation Commission (CTC) to relinquish a park-n-ride lot to a joint powers authority (JPA) that is formed to provide transportation services.</td>
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<td>SB 1418</td>
<td>DeSaulnier D</td>
<td>Vehicle weight fees: transportation bond debt service</td>
<td>5/1-amended 5/12- Placed on Sen. Appr. suspense file</td>
<td>Existing law provides for the transfer of certain weight fee revenues to the Transportation Bond Direct Payment Account for direct payment of debt service on transportation general obligation bonds issued pursuant to Proposition 1B of 2006. This bill would repeal these provisions, thereby retaining the weight fee revenues in the State Highway Account.</td>
<td>SUPPORT</td>
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<td>SB 1433</td>
<td>Hill D</td>
<td>Local Agency Public Construction Act: transit design-build contracts.</td>
<td>5/8-In Asm. Read first time. Held at Desk.</td>
<td>Would include in the definition of &quot;transit operator&quot; any other local or regional agency responsible for the construction of transit projects, thereby extending the design-build procurement authorization; would eliminate the requirement that the project cost exceed a specified amount; and would delete the repeal date, thus extending the operation of these provisions indefinitely.</td>
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<td>SJR 24</td>
<td>DeSaulnier D</td>
<td>Federal Highway Trust Fund</td>
<td>5/15-refered to Asm. Trans.</td>
<td>This measure would urge the President and the Congress to stabilize the federal Highway Trust Fund by developing a long-term plan to promote adequate federal Highway Trust Fund revenues.</td>
<td>SUPPORT</td>
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<td>NA</td>
<td>Steinberg D</td>
<td>Cap &amp; Trade funding allocation proposal</td>
<td>Announced 4/11</td>
<td>Proposed new cap &amp; trade investment plan that targets transit and affordable housing. Estimating that revenues could be $5 billion in two or three years, the proposal invests $610 million in a number of environmental objectives, including clean energy vehicles. The remainder is appropriated: 30% for transit; 40% for sustainable communities (half dedicated to affordable housing), 10% to complete streets and road maintenance, and 20% to high-speed rail.</td>
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Memorandum

To: Executive Committee
From: Christina Watson, Principal Transportation Planner
Meeting Date: June 4, 2014
Subject: Federal Legislative Update

RECOMMENDED ACTION

RECEIVE update on federal legislative activities.

SUMMARY

Key federal legislative activities since the March 26, 2014 report to the TAMC Board include the President’s GROW AMERICA proposal, the Senate Environment and Public Works Committee’s reauthorization proposal, and the House appropriations bill.

FINANCIAL IMPACT

No financial impact.

DISCUSSION

On April 29, 2014, President Obama and the US Department of Transportation announced its four-year transportation authorization proposal, called GROW AMERICA, which stands for “Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America”. The bill proposes $302 billion to be funded by “transition revenue from pro-growth business tax reform”. It includes an increase in funding for transit, and incorporates the rail authorization bill, which historically was a separate bill. Along that vein, it changes the name of the Highway Trust Fund into the “Transportation Trust Fund for highways, transit and rail”.

On May 15, 2014, Senator Barbara Boxer, Chair of the Senate Environment and Public Works Committee, introduced a draft transportation reauthorization bill. The bill is for six years (the previous bill, Moving Ahead for Progress in the 21st Century, or MAP-21, was only for two), and calls for an escalation in annual funding for highway programs from $38 billion in 2015 to $43 billion in 2020. It designates funding to the Transportation Infrastructure Finance and Innovation Act (TIFIA) and the national freight program. However, the bill does not identify any
new funding source, which is the jurisdiction of the Senate Finance Committee. Nor does it include anything for transit (Banking Committee) or rail (Commerce Committee).

On May 6, 2014, the House Appropriations Committee released the Fiscal Year (FY) 2015 Transportation, Housing and Urban Development (THUD) appropriations bill. This bill made cuts across the board for transportation programs. Web Attachment 1 summarizes the proposed bill.

Attachment 1 is a memo on federal legislative activities from TAMC’s federal legislative consultant Paul Schlesinger of Alcalde & Fay.

Approved by: Debra L. Hale, Executive Director
Date signed: 5/21/14
Reviewed by Counsel: N/A
Admin/Finance Approval: N/A

Consent Agenda

Attachments:
1. Alcalde & Fay memo: Federal Legislative Update

Web Attachments:
1. House Appropriations Committee news release
Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America Act (GROW AMERICA Act)

On April 29, 2014, U.S. Department of Transportation (DOT) Secretary Anthony Foxx unveiled the Administration’s four-year $302 billion surface transportation reauthorization bill, the GROW AMERICA Act, which expands on the President’s broad transportation proposal announced with the release of the fiscal year (FY) 2015 budget in February 2014. The proposed legislation would dramatically increase spending on most transportation programs, shoring up the Highway Trust Fund through what the Administration describes as a one-time transfer of revenue from the General Fund of “revenue from pro-growth business tax reform,” equal to $150 million. Included below are summaries of several of the proposal’s key highlights:

- Transportation Trust Fund
  - The Highway Trust Fund (HTF) would be renamed and restructured as the Transportation Trust Fund, which would now include highway, mass transit, rail and multimodal accounts.
  - While the Highway and Mass Transit accounts would continue to receive funding from gas tax revenues and a portion of the proposed general fund transfer, the rail and multimodal accounts would rely exclusively on funding from the transfer.
  - The Capital Investment Grant Program (New Start, Small Start, Core Capacity) would receive funding through the Mass Transit account and be considered mandatory spending ($2.5 billion in FY15, $2.625 billion in FY16, $2.756 billion in FY17, and $2.894 billion in FY18).

- FAST Program
  - The Fixing and Accelerating Surface Transportation (FAST) program, which the Administration says is modeled after the Department of Education’s Race to the Top program, would award States, Tribes, and Metropolitan Planning Organizations (MPOs) that adopt bold, innovative
strategies and best practices in transportation that would have long-term impact on all projects across the transportation programs.

- More specifically, FAST would award $1 billion per year in competitive grants, with recipients chosen by the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) administrators.
- Transportation Investment Generating Economic Recovery (TIGER) Grants
  - The President’s proposal would make the TIGER grant program permanent by authorizing $1.25 billion per year over the course of the bill, along with a few minor program modifications.
- Tolls
  - The proposal would allow for the tolling of “existing free Interstate highways,” pending DOT approval of a state’s application.
  - Secretary Foxx noted in a recent White House press briefing that these tolls would not be used to pay for the bill, but instead it allowed states and public agencies the option of using the toll revenue to “improve the facility that they’re using or to relieve congestion.”
  - The Senate Environment and Public Works (EPW) committee did not include a similar provision to allow for tolling in their reauthorization bill (see below).

**MAP-21 Reauthorization**

On May 15, 2014, the Senate EPW Committee unanimously approved a six-year, $265 billion bill to reauthorize the Moving Ahead for Progress in the 21st Century Act (MAP-21). Bipartisan legislation, the MAP-21 Reauthorization Act (S. 2322) was introduced by EPW Chairman Barbara Boxer (D-CA), Ranking Member David Vitter (R-LA), EPW Transportation and Infrastructure Subcommittee Chairman Tom Carper (D-DE), and Ranking Member John Barrasso (R-WY). The bill would essentially authorize funding for federal highway programs at current levels, plus inflation, for six years (FY 2015 through FY 2020). The bill’s key highlights:

- Transportation Alternatives Program
  - The bill modifies the current distribution formula so that 66.67 percent of funding would be directed to MPOs based on population (currently 50 percent), and 33.33 percent would be distributed by the state (currently 50 percent).
  - States and/or MPOs would need to submit annual reports that describe the number of applications received and the number that were ultimately selected for funding.
o Expands subrecipient eligibility to include nonprofit entities “responsible for the administration of local transportation safety programs.”

- Projects of National or Regional Significance (PNRS)
  o Would make this program permanent and provide $400 million per year from the Trust Fund (in MAP-21 these grants were subject to annual appropriations).
  o The bill does not reference or authorize funding for TIGER (which was not authorized by any existing authorization bill, either). While somewhat similar to TIGER, the minimum total project cost under PNRS would be $350 million.
  o The Secretary of Transportation would be required to notify the Senate EPW and House Transportation and Infrastructure (T&I) Committees, at least 30 days before notifying the recipient, of the proposed selection along with a justification for selecting the project. Congress could prevent funding from being awarded by enacting a joint resolution within the aforementioned 30 day period.

- Transportation Infrastructure Finance and Innovation Act (TIFIA)
  o Originally authorized at $1 billion per year in the bill introduced by Committee leadership; an amendment introduced during the Committee markup by Senator James Inhofe (R-OK), and ultimately approved, reduced this amount to $750 million per year. The $250 million reduction would be redirected to FHWA research programs.
  o Transit-oriented development (TOD) projects would now be eligible, and would need to have a minimum cost of $10 million, instead of the $50 million minimum for most projects.

- Freight Program
  o Would establish a National Freight Program, with funding beginning in FY 2016 at $200 million and gradually phasing up to a high of $2 billion in FY 2020; funding would be distributed to states via formula.
  o The Secretary of Transportation would essentially have one year from enactment of the bill to designate up to 27,000 miles of critical urban and rural freight corridors to be included in the “Primary Highway Freight Network.”

It remains to be seen though, whether the Senate Finance Committee can identify a revenue source to fully fund the bill’s proposed funding authorizations. As previously reported, current Congressional Budget Office (CBO) and DOT projections estimate that the Highway Trust Fund will become insolvent in the coming months, and therefore would be insufficient to cover the authorization levels for the length of the bill. Furthermore, since EPW only has jurisdiction over the highway title of the bill, the
Senate Banking Committee still needs to draft the transit title, while Senate Commerce has responsibility for the rail, safety and freight titles. The EPW-approved bill will almost certainly be put on hold for floor consideration, pending the introduction and committee approval of the aforementioned remaining components of the reauthorization bill.

**Fiscal Year (FY) 2015 Appropriations**

The House Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies (T-HUD) approved its FY 2015 T-HUD spending bill by voice vote on May 7, 2014. The bill funds most transportation programs at a level consistent with the FY 2014 enacted level. One notable exception is that the bill would cut nearly $253 million from the Capitol Improvement Grant program (New Start, Small Start, Core Capacity); from $1.943 billion in FY 2014 to approximately $1.691 billion. In announcing the bill, the Subcommittee noted that this amount would sufficiently fund “all current ‘Full Funding Grant Agreement’ transit projects,” as well as all “state and local ‘Small Starts’ projects that will begin in fiscal year 2015.”

Furthermore, while the Subcommittee-approved bill includes only $100 million for TIGER in FY 2015, a marked reduction from the $600 million in the FY 2014 Omnibus bill, this amount actually represents an increase in funding from that proposed for the TIGER program by the House Appropriations Committee in previous years when they essentially zeroed out the program, requiring that it be revived by the Senate. Of particular significance to us, the bill would modify TIGER’s eligibility requirements to allow funding only for “highway and bridge projects, freight rail projects and port infrastructure investments.” The Subcommittee specifically noted that the bill would not permit TIGER funding to be awarded for “non-essential purposes, such as streetscaping, or bike and pedestrian paths.” We have highlighted this matter to Congressman Farr’s office, and will do the same with our Senate offices.

The full Committee is scheduled to consider the bill on May 21, and while it is expected to ultimately be approved, there is likely to be some partisan division in the votes and attempts by Committee Democrats to restore funding for certain programs. Once approved by the full Committee, the bill would move to the House floor; however, the expectation is that further action on this bill would be contingent on efforts to pass a broader reauthorization bill, since current Highway Trust Fund receipts would be insufficient to cover the full extent of the appropriations bill (through FY 2015).
Memorandum

To: Executive Committee

From: Grant Leonard, Assistant Transportation Planner

Meeting Date: June 4, 2014

Subject: Regional Transportation Plan Survey Draft Results

RECOMMENDED ACTION:

RECEIVE report by EMC Research on draft results of the Regional Transportation Plan Priorities and Preferences Survey between May 14 and May 23, 2014.

SUMMARY:

In April, 2014, the TAMC Board approved a contract with EMC Research to perform annual surveys on preferences for funding transportation projects for the next three years. TAMC staff worked with EMC Research to put together the questionnaire for the first survey, which was conducted between May 14 and May 23, 2014. Ruth Bernstein, a principal with EMC Research, will present the draft results of the survey.

FINANCIAL IMPACT:

The Transportation Agency’s three-year budget includes $100,000 for public outreach surveys.

DISCUSSION:

Regional Transportation Plan Priorities and Preferences Survey was conducted by EMC Research between May 14 and May 23, 2014. Agency staff worked with EMC Research to draft the questionnaire, which covered topics like level of concern about community issues; use of local transportation system and regional travel behavior; and attitudes regarding tax measures generally and funding for transportation specifically.
Survey results will be used to engage the public in evaluating scenarios for long-range transportation investments that support the Regional Transportation Plan.

EMC Research has conducted a preliminary statistical analysis of the data and Ruth Bernstein, a principal with EMC Research, will present the key findings, analysis, and recommendations.

Approved by:  
Debra L. Hale, Executive Director

Date signed:  5/21/14

Counsel Review:  NA
Finance Approval:  Yes
To: Executive Committee

From: Ariana Green, Transportation Planner

Meeting Date: June 4, 2014

Subject: Salinas General Plan Economic Development Element

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**RECOMMENDED ACTION:**

1. **RECEIVE** report by Douglas Yount on the Salinas General Plan Economic Development Element; and

2. **PROVIDE** input on the plan.

**SUMMARY:**

The City of Salinas has developed a draft General Plan Economic Development Element which provides a vision for economic growth, identifies challenges and establishes strategies to achieve goals, policies and projects over the next 30 to 35 years. The City of Salinas is seeking input on the draft Economic Development Element from stakeholders and the community.

**FINANCIAL IMPACT:**

No financial impact to the Transportation Agency.

**DISCUSSION:**

The draft Salinas Economic Development Element is a long range planning document that will be implemented over the next 30 to 35 years. The purpose of the plan is to develop a vision of economic prosperity for Salinas and guide future decision making that will affect the local economy. In addition to maintaining existing economic assets such as the vibrant agricultural economy, the plan calls for growth in business innovation and agricultural technology. Major constraints to economic growth are the “lack of sufficient developable land” within city limits, low educational attainment levels, higher than average crime rate, and high seasonal unemployment rates.
The following key strategies and policies have been developed to address constraints to economic growth:

- “Ag Tech Capital” of the United States – Salinas taking a leadership role in furthering research and innovation in precision agriculture;
- “The Recreation, Entertainment and Sports Destination of the Central Coast” – focusing on assets such as Carr Lake, Spanish speaking cultures and Oldtown/Downtown revitalization;
- “Grow the Pie” – expansion of land use development within city limits and at its borders in all directions (see attached Economic Opportunity Map);
- “Tell the Real Story of Salinas” – improve the image of Salinas and counteract the misperception of Salinas as an unsafe community;
- “Circulate to Prosper” – develop a robust transportation network with expressways on the perimeter to the East, West and South and improve Highway 101 interchange, and expand utility infrastructure;
- “A Healthy Community Equals a Healthy Economy” - address health and safety concerns in the community, ensure access to healthy foods, health care, recreation and employment and revitalize and improve neighborhood and commercial areas;
- “Leading the Way in Innovative Economic Development Infrastructure” – develop innovative supplies and distribution of energy, water/waste water, rail access and communications such as Deepwater Desalination, Industrial Waste Water reclamation, Intermodal Transportation Center and Dark Fiber communications network; and
- “Training Tomorrow’s Workforce Today” – partner with academic institutions, community advocacy groups and Workforce Investment Board to develop career pathway training and education programs.

Over a six month period, the City engaged in a significant community outreach program, conducting public workshops and meeting with stakeholders and interest groups to solicit input on the draft Economic Development Element. Transportation Agency staff has provided the following input:

- Intensification of land use in the urban core is consistent with the vision and goals of the Downtown Vibrancy Plan and will help foster more walking, bicycling and transit ridership. Infill development should be prioritized over development at the sphere of influence borders;
- Land use development at the sphere of influence borders, particularly residential land uses and business parks, is dependent upon expensive infrastructure and will encourage more driving and production of greenhouse gas emissions;
- The proposed new eastside, southside and westside expressways will be expensive and a cost-benefit analysis should be done before the element is adopted into the General Plan;

The draft Economic Development Element will be presented to the Salinas City Council in June 2014 for consideration as a strategic initiative. Further study will be required before the element can be adopted as part of the General Plan, namely CEQA review must be done.

Approved by: __________________________ Date signed: ______________
Debra L. Hale, Executive Director

Attachment: Economic Opportunity Map

Counsel Review: N/A
Finance Approval: N/A
(Presented as Figure 3 in Volume I: Economic Development Element)

Economic Opportunity Areas

Salinas Economic Development Element
At 9AM this morning, Governor Brown released a revised, $156.2 billion budget plan, proposing to spend the bulk of a state windfall to cover vastly expanded rolls in the state's Medi-Cal program. Under this revision, state revenues are forecast to increase by $2.4 billion. Nevertheless, the costs of health care, drought, and other programs have increased by essentially the same amount, according to the Department of Finance's (DOF) summary.

The May revision reflects the state's best projection of revenues for the coming fiscal year and touches off a rush of budget negotiations at the Capitol ahead of the adoption of an annual spending plan in June.

The budget replaces a $154.9 billion spending plan Brown proposed in January. It included modest increases for social service programs, but also billions of dollars to address long-term debt.

Brown's new plan says 1.4 million more people than projected in January signed up for Medi-Cal under the Obamacare roll out this year, which will cost the state about $1.2 billion more than the governor's predicted five months ago.

Brown's budget also confirmed that state revenue had grown enough to trigger a pay 2 percent increase for most state employees beginning July 1. Brown and 14 of the 21 bargaining units agreed to contracts that included the triggered pay hike. The budget projects that the raise will cost $183.7 for the fiscal year, $90.3 million of it from the general fund.

Brown's budget plan also includes $142 million to cover expenses from the ongoing drought.

Most notably, the Revise was silent on the issue of Cap-and-Trade, which lends credibility to the notion that the Administration is working with the Senate Leader on a compromise that will be resolved in the upcoming weeks.

The spending plan also lays out a 30-year road map to pay off the unfunded $73.7 billion liability in the State Teachers Retirement System by asking the state, school districts and teachers all to increase annual contributions.

The revised budget's release follows the announcement last week that Brown and legislative leaders had reached agreement on a major component of the annual spending plan, a rainy-day fund measure that, if approved by voters, would set aside 1.5 percent of general fund revenue every year, plus revenue from capital-gains taxes in especially lucrative tax years.

Brown has remained cautious about spending despite improving revenue estimates. The nonpartisan Legislative Analyst’s Office (LAO) reported Sunday that revenue for the current budget year from the largest general fund sources - personal income, corporation and sales taxes - was coming in about $1.8 billion above projections through the end of April.

More specifically:

Health Care:

- California also increased the mental health and substance use disorder benefits available through Medi-Cal, at a General Fund cost of $191.2 million in 2014-15. The May Revision also includes $187.2 million General Fund for managed care rate increases in 2014-15.
• Last year’s AB 85 (trailer bill that was the agreement between the Administration and counties in regards to county indigent realignment funds) is still being implemented. However, based on updated county information, the May Revision continues to assume a redirection of $300 million in 2013-14, but decreases the 2014-15 redirection amount of $900 million to $724.9 million. Compared to the Governor’s Budget, this revised redirection amount results in increased CalWORKs General Fund costs of $175.1 million. The 2013-14 and 2014-15 estimated redirections are interim calculations. A final reconciliation for 2013-14 will take place no later than January 2016.

• In-Home Supportive Services Caseload - An increase of $107.9 million General Fund in 2013-14 and $134.4 million General Fund in 2014-15 primarily associated with increases in caseload, hours per case, and costs per hour.

• Drought Relief - The May Revision includes $5 million General Fund in 2014-15 for additional food assistance to severely drought-impacted communities with high levels of unemployment. This funding is in addition to $15 million in estimated unspent funds authorized for 2013-14, bringing the total amount available for drought response to $20 million in 2014-15.

• CalFresh Caseload - The May Revision includes $20.7 million General Fund for administration, associated with an additional 134,000 CalFresh households by June 2005 as a result of ACA implementation - bringing the total estimated 2014-15 CalFresh caseload increase due to ACA implementation to 279,000 households.

• AIDS Drug Assistance Program (ADAP)-New Hepatitis C Virus Medications - The May Revision includes $26.1 million (federal funds) to add two new Hepatitis C virus drugs to the ADAP drug formulary.

Child Care/State Pre-School:

• State Preschool - An increase of $356,000 Proposition 98 General Fund to reflect an increase in the population of 0-4 year old children.

• Child Care and Development Funds - A net increase of $24.4 million federal funds in 2014-15 reflecting an increase in ongoing base federal funds of $17.3 million and an additional $7.1 million in one-time funds from 2013-14.

Public Safety:

• Courts – The May Revise includes $1 million to address potential increased court security costs from new court construction. Counties must demonstrate the need for increased trial court security staff as a result of these new courthouses.

• City Law Enforcement Grants – An augmentation to the existing city law enforcement grant by $12.5 million, providing a total of $40 million in 2014-15 for front line law enforcement activities. The Board of State and Community Corrections allocates funds to individual cities acting as the fiduciary agent within each county receiving the funds.

• Reentry - The revision includes a total funding of $49 million for reentry programs provided in the community. The mental health population is typically excluded from alternative placements, but is likely the most in need of intensive reentry programming.
• Federal Court Order Impact on Post Release Community Supervision - $11.3 million to be allocated to county probation departments for the short-term increase of offenders on Post Release Community Supervision.

• Additional Population Reduction Strategies – The May Revision includes General Fund expenditures of $3.1 million (a reduction of $2.9 million from the Governor’s January Budget) to comply with the additional population reduction strategies ordered by the court. The resources will allow the Department to begin expanding medical parole, implementing an elderly parole program, etc.

Transportation:

• Capital Outlay Support – The May Revision reflects a net reduction of $21.8 million and 195 state positions for engineering, design, and construction oversight activities due to diminishing fund sources, such as Proposition 1B and the federal American Recovery and Reinvestment Act.

Drought:

The May Revision includes additional one-time resources for 2014-15 to continue immediate drought-related efforts started in the current year.

Significant Adjustments:

• Department of Forestry and Fire Protection — An increase of $53.8 million General Fund and $12.2 million other funds to expand firefighter surge capacity, retain seasonal firefighters beyond the budgeted fire season, provide additional defensible space inspectors, and enhance air attack capabilities to suppress wildfires. Of these additional resources, $10 million is available to support local grants for fire prevention projects or public education efforts that benefit owners of habitable structures in state responsibility areas.

• Department of Fish and Wildlife — An increase of $30.3 million General Fund and $8.5 million other funds to implement enhanced salmon monitoring, restore sensitive habitat, improve water infrastructure for wildlife refuges, expand the fisheries restoration grant program, and remove barriers for fish passage.

• Department of Water Resources — An increase of $18.1 million General Fund to comprehensively assess current surface and groundwater conditions, expedite water transfers, provide technical guidance to local water agencies, and provide additional public outreach through the Save Our Water campaign.

• Department of Social Services — An increase of $5 million General Fund to provide food assistance for communities most impacted by the drought.

• Office of Emergency Services — An increase of $4.4 million General Fund for the State Operations Center to continue to provide local communities with technical guidance and disaster recovery support related to the drought.

• Department of General Services — An increase of $5.4 million special funds to implement water efficiency and conservation measures in state-owned facilities. State Water Resources Control Board — An increase of $4.3 million General Fund to continue enforcement of drought-related water rights and water curtailment actions.
Natural Resources:

- Sustainable Groundwater Management Program — Groundwater resources are most effectively managed at the local and regional level and the state’s role should be to provide guidance, tools, and resources to local and regional entities to assist them in management of local groundwater basins. An increase of $2.5 million General Fund in 2014-15 and $5 million annually for four additional years to support local groundwater management efforts, including:
  - Planning and Oversight — Assess the status of groundwater basins; develop groundwater basin sustainability metrics; track development and implementation of groundwater monitoring programs by local agencies; and review and assess groundwater plans developed by local agencies.
  - Local and Regional Technical Assistance — Offer technical assistance, including guidance and tools for local and regional agencies related to: collecting and reporting local groundwater data, preparing and updating groundwater management plans, assessing the status of local groundwater basins, establishing appropriate and effective groundwater governance, preparing local groundwater basin water budgets to determine sustainable yield, and forming governance structures for managing groundwater basins.

- Improving the State Park System - The Parks Forward Commission began an assessment in June 2013 of the financial, operational, and cultural challenges facing the state parks system. The Commission released a draft report with preliminary recommendations in April, and the final report will be released in the fall of 2014. The Administration is prepared to establish a team of experts to further develop and lead the Department in implementing organizational reforms. In the meantime, the Department has begun implementing many of the Commission’s recommendations described in the recent draft report:
  - Increase Number of Cabins in Park System — The Department is working with the Parks Forward Commission to locate new cabins within the state park system. This would increase the number of cabins available in some parks and make cabin camping available for the first time in other parks.
  - Modernize Fee Collection and Technology in Park System — Currently, visitors must use cash to pay parking and entrance fees in most parks. The Department will modernize the current fee collection system, which would allow visitors to use debit and credit cards.
  - Enhance Information on Park System — The Department will increase the amount of information available about the state park system. New technology will allow images of parks to be available on the internet. Providing such information would facilitate use of the parks by allowing visitors to view the trails and features in advance of their visit.

Local Government:

Based on feedback received since the Governor’s Budget, the May Revision proposes the following changes to the Administration’s Infrastructure Financing District (IFDs) proposal:

- Establishes Enhanced IFDs as a stand-alone provision in statute. This will allow cities and counties that have not resolved their outstanding RDA-related issues to participate in the current IFD program, which will continue in existence without modification.

- Clarifies that monies received by cities and counties pursuant to the Vehicle License Fee Swap may be securitized to fund Enhanced IFD projects.
• Clarifies that entities participating in an Enhanced IFD may seek voter approval, pursuant to existing statutory and constitutional requirements, to levy new fees or assessments to support projects identified in an Enhanced IFD project plan.

• Establishes affordable housing projects as projects of community-wide significance that an Enhanced IFD may fund.

• Clarifies that Enhanced IFDs must replace any low- or moderate-income housing that is removed as part of a project plan, as is required under current IFD law.

• Specifies that any affordable housing created or replaced as part of an Enhanced IFD project plan must include long-term affordability covenants of 55 years for rental units and 45 years for owner-occupied units.

Debt Repayment:

• The Governor’s January Budget proposed to reduce the Wall of Debt by over $11 billion this year and fully eliminate it by 2017-18. The state owes counties, cities, and special districts $900 million in mandate reimbursements for costs incurred prior to 2004 that must be repaid under current law by 2020-21. Annual payments on this debt have been postponed in recent years. To accelerate the repayment of this liability, the May Revision proposes a $100 million payment to local governments for the pre-2004 mandate debt. Approximately 73 percent of the payment will go to counties, 25 percent to cities, and 2 percent to special districts. A local agency will receive a portion of this payment based on the proportion of total pre-2004 mandate debt owed to that local agency. The monies paid would be general purpose and available to fund the highest priority core local government services. The Administration expects that most of the spending will be focused on improving implementation of 2011 Realignment and public safety.

• Rainy-Day Fund – Last week, the Governor and legislative leaders recently announced a constitutional amendment for a strong Rainy Day Fund that requires both paying down liabilities and saving for a rainy day. Upon voter approval in November, this amendment would take effect for 2015-16, and its key components would be:
  ➢ Making deposits into the Rainy Day Fund whenever capital gains revenues rise to more than 8 percent of General Fund tax revenues. In addition, 1.5 percent of annual General Fund will be set aside each year.
  ➢ Setting the maximum size of the Rainy Day Fund at 10 percent of revenues.
  ➢ Requiring half of each year’s deposits for the next 15 years to be used for supplemental payments to the Wall of Debt or other long-term liabilities. After that time, at least half of each year’s deposit would be saved, with the remainder used for supplemental debt payments or savings.
  ➢ Withdrawing funds only for a disaster or if spending remains at or below the highest level of spending from the past three years. The maximum amount that could be withdrawn in the first year of a recession would be limited to half of the fund’s balance.
  ➢ Requiring in the Constitution that the state provide a multiyear budget forecast to help better manage the state’s longer term finances.
➢ Creating a Proposition 98 reserve, whereby spikes in funding would be saved for future years. This would smooth school spending and thereby minimize future cuts. This reserve would make no changes to the Proposition 98 calculations, and it would not begin to operate until the existing maintenance factor is fully paid off.

The proposed Rainy Day Fund would result in over $3 billion in savings and $3 billion in additional debt payments in its first three years of operation.
FINAL 2014 Legislative Program: State Issues

1S. Preserve funding and delivery schedule of priority transportation projects.

2S. Seek state funding for the Agency’s high priority projects, in priority order:
   1. State Route 156 improvements
   2. Rail Extension to Salinas
   3. MST Bus Replacements
   4. US 101 South County Frontage Roads
   5. Monterey Peninsula light rail transit
   6. Local streets and roads projects

3S. Support proposals to lower the voter threshold for local transportation sales tax ballot measures, without state spending restrictions.

4S. Support the California Passenger Rail Program Guiding Principles and the formation of California State Legislative Passenger Rail Select Committees.

5S. Support state legislation to ensure federal transportation authorization bill (MAP-21) is implemented fairly for all regions, including maintaining bicycle and pedestrian project funds.

6S. Monitor climate change legislation implementing state law (AB 32, the California Global Warming Solutions Act, and SB 375, the Sustainable Communities and Climate Protection Act) as relates to transportation and seek funding through the cap and trade programs.

7S. Encourage the state to stabilize and increase transportation funding.

8S. Raise awareness of the Highway 101 Corridor and its importance as a transportation facility of state and national significance.

9S. Work with partner agencies to reach agreement on proposals for California Environmental Quality Act (CEQA) reform.

10S. Support efforts to improve the ability of agencies to plan and deliver transportation projects in a timely and cost effective manner, including updates to storm water runoff requirements.

11S. Monitor California High-Speed Rail project and seek funding as possible for Monterey County rail projects.

12S. Support legislation that promotes transit-oriented development, transit villages and smart growth, and support eligibility for housing bond funds.

13S. Support “complete streets” and development guidelines that integrate alternative forms of transportation, such as transit, bicycle and pedestrian commuting, into all road and highway projects, in particular, when the highway runs through populated areas; and funding set-asides for such projects.

14S. Support member agencies’ requests for state funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities, when they are consistent with Transportation Agency for Monterey County priorities.
1F. Seek federal authorization, appropriations, stimulus or other funding for the Agency’s high priority projects, in priority order:
   1. State Route 156 improvements
   2. Rail Extension to Salinas
   3. MST Bus Replacements
   4. US 101 South County Frontage Roads
   5. Monterey Peninsula light rail transit
   6. Monterey Bay Sanctuary Scenic Trail
   7. Local streets and roads projects

2F. Support the following priorities for federal transportation legislation:
   1. Stabilize and increase transportation funding sources in order to avoid the bankruptcy of the federal highway and transit trust funds:
      a. Index the gas tax to inflation or increase the gas tax to meet the nation’s transportation needs.
      b. Identify additional funding sources for maintenance and operations on the existing network.
      c. Support removal of procedural obstacles that impede expenditure of authorized federal funding.
      d. Focus funding on projects that support safety, economic development and job creation.
   2. Streamline project delivery.
   3. Support funding for “complete streets” programs.
   4. Support infrastructure bank programs.

3F. Raise awareness of the Highway 101 Corridor and its importance as a transportation facility of state and national significance.

4F. Ensure that MAP-21 implementation supports our transportation priorities.

5F. Ensure that climate change legislation proposals are coordinated with California’s state requirements and do not adversely affect transportation projects.

6F. Support streamlining of federal rail funding and removal of funding barriers between commuter and intercity rail programs, with the goal of increasing rail service for the traveling public.

7F. Support an adequate level of funding for Amtrak in the annual appropriations bill and authorization legislation and support a fair share allocation to California for capital improvements and vehicle acquisition.

8F. Support member agencies’ requests for federal funding of regionally significant transportation projects and support partner agency legislative efforts as they interface with regional transportation priorities, when they are consistent with Transportation Agency for Monterey County priorities.
Appropriations Committee Releases the Fiscal Year 2015 Transportation, Housing and Urban Development Bill

Legislation prioritizes funding on important infrastructure investments

Washington, May 6 -

The House Appropriations Committee today released the fiscal year 2015 Transportation, Housing and Urban Development funding bill, which will be considered in subcommittee tomorrow. The legislation includes funding for the Department of Transportation, the Department of Housing and Urban Development, and other related agencies.

In total, the bill reflects an allocation of $52 billion in discretionary spending – an increase of $1.2 billion above the fiscal year 2014 enacted level and a decrease of $7.8 billion below the President’s budget request. However, given the reduction in offsets caused by a decline in Federal Housing Administration receipts, the program level within the bill is more accurately $1.8 billion below the current level. Within the legislation, funds are targeted toward transportation, infrastructure, and housing programs of national need and significance that have the biggest impact on Americans and communities across the country.

“This bill makes responsible choices to trim programs while targeting taxpayer dollars where they are needed most – critical transportation and housing programs that our communities, our economy, and our people rely on,” House Appropriations Chairman Hal Rogers said. “While there is always more to do, this bill is a good step in the right direction, investing in these important programs to prepare our nation’s infrastructure for future economic growth, and to take care of our most vulnerable citizens.”

Subcommittee Chairman Tom Latham added, “My priorities in this process were to act in a bipartisan fashion to fund our most vital programs with our critical need to reduce the deficit. This is a sound, commonsense bill that meets our highest transportation and housing priorities in a fiscally responsible way. I look forward to working with my colleagues on both sides of the aisle to move this important legislation forward in an open legislative process.”

Bill Highlights:

The bill meets the allocation of $52 billion in discretionary spending – an increase of $1.2 billion above the fiscal year 2014 enacted level. However, given the reduction in offsets caused by a decline in Federal Housing Administration receipts, the program level within the bill is more accurately $1.8 billion below the current level. The bill prioritizes funding for critical transportation projects and programs that are essential to the nation’s economic growth, efficient commerce, and the quality of life of American families, and for programs that support the housing needs of our most vulnerable citizens. While targeting funds for these efforts, the bill also reflects responsible choices to reduce spending in lower-priority areas and seeks to make the most out of every tax dollar.

Transportation – The bill includes $17.1 billion in discretionary appropriations for the Department of Transportation for fiscal year 2015. This is $727.3 million below the fiscal year 2014 enacted level and $5.8 billion below the President’s request. Within this amount, funding is prioritized on programs and activities with national need or significance, and that will help bolster our nation’s transportation system to support economic growth.

- Highways – The bill provides nearly $40.25 billion from the Highway Trust Fund to be spent on the Federal Highway program. This is equal to the fiscal year 2014 level. This funding is contingent on the enactment of new transportation authorization legislation, as the current authorization expires this year.

- Air – Included in the legislation is $15.7 billion in total budgetary resources for the Federal Aviation Administration (FAA), which is $7.3 million below the fiscal year 2014 enacted level and $446 million above the request. This will provide full funding for all air traffic control personnel, including 14,800 air traffic controllers, 7,300 safety inspectors, and operational support personnel.

The bill also fully funds the FAA’s Next Generation Air Transportation Systems (NextGen) at $852.4 million, and funds Contract Towers at $140 million. These investments will help ease future congestion and help reduce delays for travelers in U.S. airspace. In addition, the bill rejects the Administration’s proposals for new passenger facility and general aviation fees.

- Rail – The Federal Railroad Administration is funded at $1.4 billion, a reduction of $193 million below the fiscal year 2014 enacted level. This includes $340 million for Amtrak operations – which will continue service for all current routes – and $850 million for capital grants. The bill also continues policy reforms for Amtrak to ensure the best use of tax dollars, such as requiring
overtime limits on Amtrak employees to reduce unnecessary costs, and prohibiting federal funding for routes where Amtrak offers a discount of 50% or more off normal, peak fares. No funding is provided for High-Speed Rail.

In addition, rail safety and research programs are funded at $220.5 million, $750,000 over the fiscal year 2014 enacted level. This will fund inspectors and training to help ensure the safety of communities and the thousands of passengers that use commuter, regional, and long-distance rail every day.

- **Transit** – The bill provides for $10.5 billion for the Federal Transit Administration (FTA) – $253 million below the fiscal year 2014 enacted level. Transit formula grants are funded at $8.6 billion, consistent with 2014 and the final year of MAP-21 authorization legislation, and will to help local communities build, maintain, and ensure the safety of their mass transit systems. This funding is contingent on the enactment of new transportation authorization legislation, as the current authorization expires this year.

Within this amount, the legislation provides a total of $1.7 billion for Capital Investment Grants (“New Starts”), full funding for all current “Full Funding Grant Agreement” transit projects, and full funding for all state and local “Small Starts” projects that will begin in fiscal year 2015. These programs provide competitive grant funding for major transit capital investments – including rapid rail, light rail, bus rapid transit, and commuter rail – that are planned and operated by local communities.

- **Maritime** – The legislation includes $305 million for the Maritime Administration, a decrease of $72 million below the fiscal year 2014 enacted level. The bill will help promote U.S. commerce by providing funding to ensure the efficiency and safety of the nation’s ports and intermodal water and land transportation.

- **Safety** – The legislation contains funding for the various transportation safety programs and agencies within the Department of Transportation. This includes $824 million in both mandatory and discretionary funding for the National Highway Traffic Safety Administration (NHTSA) – an increase of $5 million over the fiscal year 2014 enacted level – and $572 million for the Federal Motor Carrier Safety Administration. Also included is $205.2 million for the Pipeline and Hazardous Materials Safety Administration, an increase of $19.4 million over the fiscal year 2014 enacted level, to help address a variety of safety concerns, including those related to the transport of crude oil, coal, and other hazardous substances.

- **Grants** – The legislation funds National Infrastructure Investment grants (also known as TIGER grants) at $100 million, $500 million below the fiscal year 2014 enacted and $1.15 billion below the request. However, the legislation limits the use of these grants to projects that will address critical transportation needs, such as road, highway, and bridge construction and improvement, and port and railroad intermodal improvements. The legislation does not allow these funds to be used for non-essential purposes, such as street-scaping, or bike and pedestrian paths.

**Housing and Urban Development (HUD)** – The legislation includes a total of $40.3 billion for the Department of Housing and Urban Development, a decrease of $769 million below the fiscal year 2014 enacted level and $2 billion below the request. The bill does not contain funding for any new, unauthorized “sustainable,” “livable,” or “green” community development programs.

- **Section 8 and Public Housing** – Included in the bill is $26.3 billion for Public and Indian Housing. This is an increase of $6.2 million above the fiscal year 2014 enacted level and $1.2 billion below the requested level. This funding will provide for continued assistance to all families and individuals currently served by this program. The bill also fully funds the President’s request for veterans’ housing vouchers at $75 million.

Other housing programs within the bill are funded at $10.4 billion – a reduction of $115.6 million below the fiscal year 2014 enacted level. While a reduction, this funding will continue assistance to all those currently served by these programs. In addition, the bill provides $420 million for Housing for the Elderly, $36.5 million above the fiscal year 2014 enacted level, and $135 million for Housing for Persons with Disabilities, an increase of $9 million above the fiscal year 2014 enacted level.

**Community Planning and Development** – The bill contains $6.2 billion for Community Planning and Development programs – a reduction of $383 million below the fiscal year 2014 enacted level. The Community Development Block Grant formula program is funded at $3 billion – effectively equal to last year’s level – while the HOME Investment Partnerships Program is funded at $700 million, a reduction of $300 million below the fiscal year 2014 enacted level. Homeless assistance grants are funded at $2.1 billion – the same as the previous year’s level – which is sufficient for all current grants to be continued.