

Draft
BayArea
Plan

March 2013

Strategy for a
Sustainable
Region



Association of
Bay Area
Governments



Metropolitan
Transportation
Commission

State Highway Needs and
Revenue Assessment

Metropolitan Transportation Commission

Amy Rein Worth, Chair
Cities of Contra Costa County

Dave Cortese, Vice Chair
Santa Clara County

Alicia C. Aguirre
Cities of San Mateo County

Tom Azumbrado
*U.S. Department of Housing
and Urban Development*

Tom Bates
Cities of Alameda County

David Campos
City and County of San Francisco

Bill Dodd
Napa County and Cities

Dorene M. Giacomini
U.S. Department of Transportation

Federal D. Glover
Contra Costa County

Scott Haggerty
Alameda County

Anne W. Halsted
*San Francisco Bay Conservation
and Development Commission*

Steve Kinsey
Marin County and Cities

Sam Liccardo
San Jose Mayor's Appointee

Mark Luce
Association of Bay Area Governments

Jake Mackenzie
Sonoma County and Cities

Joe Pirzynski
Cities of Santa Clara County

Jean Quan
Oakland Mayor's Appointee

Bijan Sartipi
*State Business, Transportation
and Housing Agency*

James P. Spering
Solano County and Cities

Adrienne J. Tissier
San Mateo County

Scott Wiener
San Francisco Mayor's Appointee

Association of Bay Area Governments

Supervisor Mark Luce,
County of Napa
President

Mayor Julie Pierce,
City of Clayton
Vice President

Representatives From Each County

Supervisor Richard Valle
Alameda

Supervisor Scott Haggerty
Alameda

Supervisor Karen Mitchoff
Contra Costa

Supervisor John Gioia
Contra Costa

Supervisor Katie Rice
Marin

Supervisor Mark Luce
Napa

Supervisor Eric Mar
San Francisco

Supervisor Warren Slocum
San Mateo

Supervisor Dave Pine
San Mateo

Supervisor Mike Wasserman
Santa Clara

Supervisor David Cortese
Santa Clara

Supervisor Linda Seifert
Solano

Supervisor David Rabbitt
Sonoma

Representatives From Cities In Each County

Mayor Bill Harrison,
City of Fremont
Alameda

Mayor Tim Sbranti,
City of Dublin
Alameda

Mayor Julie Pierce,
City of Clayton
Contra Costa

Councilmember Dave Hudson,
City of San Ramon
Contra Costa

Mayor Pat Eklund,
City of Novato
Marin

Mayor Leon Garcia,
City of American Canyon
Napa

Mayor Edwin Lee
City And County of San Francisco

**Jason Elliott, Director, Legislative/
Government Affairs, Office of the Mayor**
City And County of San Francisco

Joaquin Torres, Office of the Mayor
City And County of San Francisco

Councilmember Pedro Gonzalez,
City of South San Francisco
San Mateo

Vice Mayor Richard Garbarino,
City of South San Francisco
San Mateo

Councilmember Joe Pirzynski,
City of Los Gatos
Santa Clara

Councilmember Ronit Bryant,
City of Mountain View
Santa Clara

Mayor Harry Price,
City of Fairfield
Solano

Mayor Jean Quan
City of Oakland

Councilmember Libby SchAAF
City of Oakland

Councilmember Desley Brooks
City of Oakland

Councilmember Sam Liccardo
City of San Jose

Councilmember Kansan Chu
City of San Jose

Councilmember Ash Kalra
City of San Jose

Advisory Members

William Kissinger
Regional Water Quality Control Board

STATE HIGHWAY NEEDS AND REVENUE ASSESSMENT

The Bay Area's state highway system is comprised of nearly 6,000 lane miles of freeways, highways, and main arterials. The state highway system is owned, operated, and maintained by the California Department of Transportation (Caltrans). In addition to the pavement and signage of the state highway system, Caltrans is responsible for other improvements to the state highway system, including bridges, safety (such as collision reduction), emergency response, and facilities such as highway rest stops.

As the owner-operator of the state highway system, Caltrans is required under state law to prepare two documents that assess and fund the needs of the state highways throughout the State.

Every odd year, Caltrans produces the 10-Year State Highway Operations and Protection Program (SHOPP) Plan, which identifies the ten-year need and forecasted revenues to operate and maintain the state highway system. The numbers used in Plan Bay Area are based on the 2011 10-Year SHOPP Plan, adopted in April 2011.

Every even year, Caltrans produces the State Highway Operations and Protection Program (SHOPP), which is a four year document that identifies revenues and projects to be funded by those revenues. In recent years, the needs from the 10-Year SHOPP Plan have greatly exceeded the identified revenues. The last SHOPP was adopted in 2012, with the next SHOPP expected in Spring 2014.

STATE HIGHWAY PROJECTIONS

The Metropolitan Transportation Commission (MTC) worked closely with Caltrans to separate Bay Area state highway needs and revenues from statewide figures identified in the 2011 10-Year SHOPP Plan and the 2012 SHOPP (the latest documents at the time of Plan Bay Area preparation). The methodology for the state highway needs and revenue projects is described below.

Needs

For Plan Bay Area, MTC staff requested from Caltrans a breakdown of needs in the Bay Area (Caltrans District 4) for each category listed in the last four 10-Year SHOPP Plans (2005, 2007, 2009, and 2011). These numbers were then averaged by year to give the annual estimate of need for the base year of FY 2011-12. From there, MTC staff used an annual escalation rate of 2% to estimate the total needs of the state highway system for the 28 year period of Plan Bay Area through FY 2039-40. Using this methodology, MTC staff estimates that the needs are \$22.4 billion during the Plan Bay Area period.

Revenues

The SHOPP is generally funded through the State Highway Account (SHA), which receives the bulk of its funding from federal and state gas tax sources. Since 2012, the SHOPP also

receives funding from the increase in the gasoline excise tax, which replaced the sales tax on gasoline. The statewide estimates are based on the 2010 State Transportation Improvement Program (STIP) Fund Estimate (FE), which is adopted every two years by the California Transportation Commission (CTC) and is the basis for estimating state highway funding for a five year period.

Using the statewide numbers identified in the 2010 STIP FE and the estimated increase in the gasoline excise tax, MTC calculated the Bay Area share of SHOPP revenue by using the region's historical share of total SHOPP funds. Based on this calculation, MTC staff estimates that the region will receive over \$14 billion in revenue from the SHOPP. This number represents approximately 65% of the estimated needs, leaving a remaining need of about \$8 billion.

Assessment Results

As discussed earlier, the state highway system needs \$22.4 billion over the 28-year Plan Bay Area period to maintain a state of good repair. However, only \$14 billion in committed revenue is available to meet that need over the same period. To maintain the region's state highway system, an additional \$8 billion in revenue is necessary to meet Plan Bay Area performance targets. MTC will continue to work with Caltrans and the State to identify and commit additional and new funding sources to adequately maintain the state highway system.

Metropolitan Transportation Commission

Management Staff

Steve Heminger
Executive Director

Ann Flemer
Deputy Executive Director, Policy

Andrew B. Fremier
*Deputy Executive Director,
Operations*

Adrienne D. Weil
General Counsel

Brian Mayhew
Chief Financial Officer

Ken Kirkey
Director, Planning

Alix Bockelman
*Director, Programming and
Allocations*

Association of Bay Area Governments

Management Staff

Ezra Rapport
Executive Director

Patricia Jones
Assistant Executive Director

Kenneth K. Moy
Legal Counsel

Miriam Chion
Planning and Research Director



**Association of
Bay Area
Governments**

P.O. Box 2050
Oakland, CA 94604-2050

510.464.7900 PHONE
info@abag.ca.gov EMAIL
www.abag.ca.gov WEB



**Metropolitan
Transportation
Commission**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700

510.817.5700 PHONE
510.817.5769 TDD/TTY
info@mtc.ca.gov EMAIL
www.mtc.ca.gov WEB