Financing Mobility:

Funding Our Transportation System

The Financial Element of the RTP provides over $4.4 billion in transportation project funding

7.1 Developing a Fiscally Constrained Financial Plan

The Financial Element is fundamental to the development and implementation of the fiscally constrained 2014 Regional Transportation Plan/Sustainable Communities Strategies (RTP/SCS). This chapter discusses the investment decisions and revenue assumptions contained in the (RTP/SCS). It identifies the current and anticipated revenue sources as well as the financing techniques available for the region's planned transportation investments, ongoing operations, and maintenance. This element addresses the federal, state, regional, and local revenues expected by the region over the next 25 years with currently available revenue sources.

The following is a brief summation of the components of the Financial Element:

1. Provides an estimation of the costs and a projection of the revenues available for transportation system improvements recommended in the Action Element of the RTP. In doing so, it contains financial assumptions and projections that set parameters for the Regional Transportation Improvement Program (RTIP).
2. A description of how revenue projection models were analyzed leading to the selection of a preferred financial scenario. It serves as an inventory of existing and potential new transportation funding sources that can be used for transportation system improvements that are most appropriate for implementation in Fresno County.
3. Identifies potential funding shortfalls along with recommendations for potential revenue sources that the region could pursue to implement the transportation vision over the long term.
4. Includes a financially constrained program as required by federal legislation. Fresno COG worked with partnering agencies and used financial models to forecast how much revenue will be available for transportation purposes over the 25-year duration of the plan. These forecasts are used to plan investments that fit within the "financially constrained" portion of the revenues that are reasonably expected to be available. Also included is a list of projects (financially un-constrained) which are both necessary and desirable should funding become reasonably available.
5. Includes a general discussion of how projects are programmed into the RTP's financially constrained and un-constrained list.
6. Lastly, it discusses how the region will implement the RTP/SCS plan investments through subsequent programming actions.

7.2 RTP/SCS Revenue Projections

As required by federal transportation law (23CFR450.322), the RTP shall be "fiscally constrained". A financially constrained project list identifies a program for which funding has been identified or is reasonably expected to

be available within the RTP planning horizon. A financially unconstrained project list reflects projects that are both necessary and desirable should funds become reasonably available.

Federal statute states that a financial plan must demonstrate how the projects can be implemented while the existing transportation system is being maintained. To meet this requirement, it is necessary to compare revenue projections for the 25 years of the RTP against all projects needed to support the region's surface transportation investments provided by member agencies.

The Financial Element of the RTP is intended to provide the cost and revenue assumptions necessary for decision makers to implement the RTP. These assumptions include revenue estimates for specific governmental funding programs, local contributions and tax initiatives. The purpose of establishing financial assumptions is to provide a level of financial detail adequate for options to be exercised by state and local decision makers. Member agencies submit planned projects for inclusion in the RTP that are expected to be completed within the 25 year life of the RTP and they include the estimated total project costs for those projects. This process then allows Fresno COG the ability to compare the total estimated project costs against the projected revenues to ensure that the program of projects adopted will not exceed the reasonably foreseeable future revenues.

Revenue Assumptions

The estimated revenues in the RTP assume an inflation rate of 2 percent and are reported in year of expenditure dollars. The complete financial assumptions that were used to develop revenue and cost projections for the financially constrained RTP are listed in Appendix C. The funding totals identified reflect an estimated annual average amount from each of the various funding sources for the years 2014 through 2040.

The following financial assumptions were used to develop revenue and cost projections:

- Local Transportation Fund revenues are assumed to be constant throughout the life of the RTP.
- The Regional Surface Transportation Program (RSTP), Congestion Mitigation and Air Quality Improvement (CMAQ) Program, and the Transportation Alternatives (TA) program as part of MAP-21 will continue or be replaced by similar programs throughout the life of the RTP.
- Federal and State Transit funds are assumed to remain at their present levels throughout the life of the plan.
- Transit operator-specific revenue projections have been provided by the respective operators.
- Projected State and Federal Highway revenues reflect the average amounts programmed by the state in the State Transportation Improvement Program (STIP) and are consistent with the five-year STIP Fund Estimate adopted by the CTC.
- Fresno County's local 1/2 cent sales tax, Measure C, with revenues designated for transportation improvements was extended by the voters of Fresno County in 2006 and will expire in 2027. Though the Measure is set to expire within the life of this RTP, it is assumed that it will be renewed and/or augmented.
- Projections of local streets and roads revenue are based on information provided to Fresno COG by local member agencies.

All projects identified in the 2014 RTP are consistent with the Goals, Policies, and Objectives identified in the Policy Element of the RTP.

Existing Major Revenue Sources

MAP-21 restructured core highway formula programs that played a major role in the financial forecasts of the previous RTP's. Activities carried out under some existing formula programs – such as the National Highway System Program, the Interstate Maintenance Program, the Highway Bridge Program, the Transportation Enhancement Program were discontinued, and instead incorporated into the following new core formula program structure:

- National Highway Performance Program (NHPP)
- Surface Transportation Program (STP)
- Congestion Mitigation and Air Quality Improvement Program (CMAQ)
- Highway Safety Improvement Program (HSIP)
- Railway-Highway Crossings (set-aside from HSIP)
- Metropolitan Planning

MAP-21 also created new formula programs such as the Transportation Alternatives (TA) Program comprised of funds derived from the NHPP, STP, HSIP, CMAQ and Metropolitan Planning programs, encompassing most activities funded under the Transportation Enhancements, Recreational Trails, and Safe Routes to School programs under SAFETEA-LU.

The following federal programs expired or were eliminated (not reauthorized) under MAP-21:

Federal Lands Highway Program	> NO EQUIVALENT
FTA Section 5316 Job Access and Reverse Commute (JARC)	> Public transportation job-access activities are eligible for funding under FTA Section 5307 (urban) and 5311 (rural) transit programs.
FTA Section 5317 New Freedom Program	> Projects are eligible for funding under the FTA Section 5310 program.
Hazard Elimination Safety Program (HES)	> Replaced with the Highway Safety Improvement Program (HSIP).

The following funding programs are considered to be the principal sources anticipated to be available for funding of the RTP projects:

Federal Programs

Congestion Mitigation and Air Quality

The Congestion Mitigation and Air Quality Improvement Program provides a flexible funding source to state and local governments for transportation projects and programs to help meet the requirements of the Federal Clean Air Act. Funding is available for areas that do not meet the National Ambient Air Quality Standards (non-attainment areas), as well as former non-attainment areas that are now in compliance (maintenance areas). Funds are distributed to states based on a formula that considers an area's population by county and the severity of its air quality problems with the non-attainment or maintenance area.

Projects or programs eligible for CMAQ funding are those which will contribute to attainment of National Ambient Air Quality Standards with a focus on ozone and carbon monoxide.

Typical projects are:

- Public transit improvements
- High Occupancy Vehicle (HOV) lanes
- Employer-based transportation management plans and incentives
- Traffic flow improvement programs (signal coordination)
- Fringe parking facilities serving multiple occupancy vehicles
- Shared ride services
- Bicycle and pedestrian facilities
- Flexible work-hour programs
- "PM-10" projects, under certain conditions

High Priority Projects Program

The High Priority Projects Program provides designated funding for specific projects (commonly referred to as demonstration or demo projects) identified by Congress and identified in SAFETEA-LU. The designated funding can only be used for the projects as described in the law. With each new highway act or annual Department of Transportation (DOT) appropriations act, new demonstration projects were authorized or funding was provided for previously authorized projects. However, MAP-21, (P.L. 112-141) contained no new earmarks and sec 1519 repealed 23 U.S.C. 117 (High Priority Projects).

Highway Safety Improvement Program

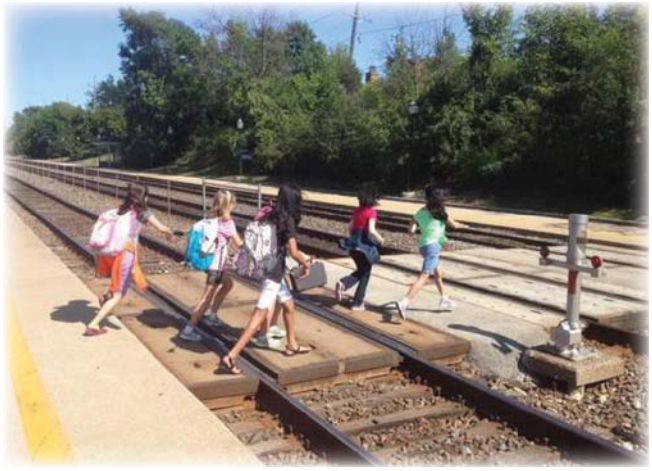
MAP-21 continues the Highway Safety Improvement Program (HSIP) to achieve a significant reduction in traffic fatalities and serious injuries on all public roads, including non-State-owned public roads and roads on tribal lands. The HSIP requires a data-driven, strategic approach to improving highway safety on all public roads that focuses on performance.

A highway safety improvement project is any strategy, activity or project on a public road that is consistent

with the data-driven State Strategic Highway Safety Plan (SHSP) and corrects or improves a hazardous road location or feature or addresses a highway safety problem. HSIP funds are eligible for work on any public road or publicly owned bicycle or pedestrian pathway or trail, or on tribal lands for general use of tribal members, that corrects or improves the safety for its users. The twenty-four project categories are broad in nature and are listed under 23 U.S.C. §148(a)(4)(B). Workforce development, training, and education activities are also an eligible use of HSIP funds.

Highway Railroad Grade Crossing Program

This program is funded by contract authority from the Highway Account of the Highway Trust Fund and funds are derived from a set-aside of amounts calculated for apportionment to the Highway Safety Improvement Program (HSIP). This program aims to reduce the number of fatalities and injuries at public highway-rail grade crossings through the elimination of hazards and/or the installation/upgrade of protective devices at crossings. Eligible projects include any at-grade grossing between a road and a railroad track recommended for improvement by the California Public Utilities Commission (CPUC) and where a 10% match funding source is identified. The selection process begins with an investigation of any project identified by Caltrans, a local agency, or a railroad. The investigation usually consists of a field review, discussion between all parties, a jointly developed and recommended improvement, and a preliminary schedule of funding. The final selection is determined when the local agency provides the 10% matching funds to a project or the CPUC list of recommended highway/rail grade crossing projects.



Metropolitan Planning

The purpose of Metropolitan Planning funds is to carry out the requirements of 23 U.S.C. 134 and provide for a continuing, comprehensive, and cooperative (3-C) metropolitan transportation planning process. In accordance with 23 U.S.C. 104 generally, Metropolitan Planning funds shall be made available to each Metropolitan Planning Organization (MPO) designated for an urbanized area with a population of more than 50,000 individuals and responsible for carrying out the 3-C metropolitan planning process.

National Highway Performance Program (NHPP)

The NHPP provides support for the condition and performance of the National Highway System (NHS), for the construction of new facilities on the NHS, and to ensure that investments of Federal-aid funds in highway construction are directed to support progress toward the achievement of performance targets established in a State's asset management plan for the NHS.

NHPP projects must be on an eligible facility and support progress toward achievement of national performance goals for improving infrastructure condition, safety, mobility, or freight movement on the NHS, and be consistent with Metropolitan and Statewide planning requirements.

Eligible activities include:

- Construction, reconstruction, resurfacing, restoration, rehabilitation, preservation, or operational improvements of NHS segments.
- Construction, replacement (including replacement with fill material), rehabilitation, preservation, and protection (including scour countermeasures, seismic retrofits, impact protection measures, security countermeasures, and protection against extreme events) of NHS bridges and tunnels.
- Bridge and tunnel inspection and evaluation on the NHS and inspection and evaluation of other NHS highway infrastructure assets.
- Training of bridge and tunnel inspectors.
- Construction, rehabilitation, or replacement of existing ferry boats and facilities, including approaches that connect road segments of the NHS.
- Construction, reconstruction, resurfacing, restoration,

rehabilitation, and preservation of, and operational improvements for, a Federal-aid highway not on the NHS, and construction of a transit project eligible for assistance under chapter 53 of title 49, if the project is in the same corridor and in proximity to a fully access-controlled NHS route, if the improvement is more cost-effective (as determined by a benefit-cost analysis) than an NHS improvement, and will reduce delays or produce travel time savings on the NHS route and improve regional traffic flow.

- Bicycle transportation and pedestrian walkways.
- Highway safety improvements on the NHS.
- Capital and operating costs for traffic and traveler information, monitoring, management, and control facilities and programs.
- Development and implementation of a State Asset Management Plan for the NHS including data collection, maintenance and integration, software costs, and equipment costs.
- Infrastructure-based ITS capital improvements.
- Environmental restoration and pollution abatement.
- Control of noxious weeds and establishment of native species.
- Environmental mitigation related to NHPP projects.
- Construction of publicly owned intra-city or intercity bus terminals servicing the NHS.

Surface Transportation Program (RSTP)

The Surface Transportation Program (STP) provides flexible funding that may be used by states and localities for projects on any federal-aid highway, including the National Highway System (NHS), bridge projects on any public road, transit capital projects, and public bus terminals and facilities. Funds are distributed among the states based on lane miles of Federal-aid highways, (including on the NHS), total vehicle-miles traveled on those Federal-aid highways, and estimated contributions to the Highway Account of the Highway Trust Fund. A portion of the STP is set aside for TAP and State Planning and Research. The State sub-allocates the Federal STP funds to the regions based on population and serves as Fresno COG's Regional Surface Transportation Program (RSTP). MAP-21 permits a portion of funds reserved for rural areas to be spent on rural minor collectors.

Eligible projects include but are not limited to:

- Highway projects
- Bridges (including construction, reconstruction, seismic retrofit and painting) on all public roads
- Transit capital improvements
- Carpool, bicycle and pedestrian facilities
- Safety improvements and hazard elimination
- Research and traffic management systems
- Planning
- Transportation enhancement activities and control measures
- Safety improvements and bridge replacement projects on local roads and rural minor collectors.

Transportation Alternatives Program (TAP)

TAP was authorized under Section 1122 of Moving Ahead for Progress in the 21st Century Act (MAP-21) and is codified at 23 U.S.C. sections 213(b), and 101(a)(29). Section 1122 provides for the reservation of funds apportioned to a State under section 104(b) of title 23 to carry out the TAP. The national total reserved for the TAP is equal to 2 percent of the total amount authorized from the Highway Account of the Highway Trust Fund for Federal-aid highways each fiscal year.

The TAP provides funding for programs and projects defined as transportation alternatives, including on- and off-road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation; recreational trail program projects; safe routes to school projects; and projects for

planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways.

Transportation Investment Generating Economic Recovery (TIGER)

The Transportation Investment Generating Economic Recovery, or TIGER Discretionary Grant program, provides a unique opportunity for the U.S. Department of Transportation to invest in road, rail, transit and port projects that promise to achieve critical national objectives. Congress dedicated $1.5 billion for TIGER I, $600 million for TIGER II, $527 million for FY 2011, $500 million for the FY 2012, $474 million for the FY 2013 and $600 million for the FY 2014 round of TIGER Grants to fund projects that have a significant impact on the nation, a region or a metropolitan area.

Federal Transit Administration Section 5307 (Urbanized Area Formula Grants)

This program provides financial operating and capital purchase assistance to operators of urban public transportation services. Funds are apportioned to urbanized areas with populations over 50,000 based on a formula using population and population density.

Federal Transit Administration Section 5309 (Fixed Guideway Capital Investment Grants)

This is FTA's primary grant program for funding major transit capital investments, including rapid rail, light rail, bus rapid transit, commuter rail, and ferries. The 5309 grant program provides grants for new and expanded rail, bus rapid transit, and ferry systems that reflect local priorities to improve transportation options in key corridors. This program defines a new category of eligible projects, known as core capacity projects, which expand capacity by at least 10% in existing fixed-guide way transit corridors that are already at or above capacity today, or are expected to be at or above capacity within five years. The program also includes provisions for streamlining aspects of the New Starts process to increase efficiency and reduce the time required to meet critical milestones.

Federal Transit Administration Section 5310 (Enhanced Mobility of Seniors and Individuals with Disabilities)

This program provides funding to private non-profit corporations for capital expenses to support the provision of transportation services to meet the needs of elderly and disabled persons. Capital assistance is provided for up to 88.53% of the net project cost.

Federal Transit Administration Section 5311 (Rural Area Formula Grants)

This program provides formula-based funding through the State to urban areas with a population fewer than 50,000. The funds are for capital and/or operating assistance. Capital assistance is provided for up to 88.53% of the net project cost. Operational assistance has a 50% federal participation ceiling.

State Programs

Transportation Development Act (TDA)

The Transportation Development Act (TDA) of 1971, enacted by the California Legislature to improve existing public transportation services and encourage regional transportation coordination, provides funding to be allocated for transit and non-transit related purposes that comply with regional transportation plans. The TDA provides two funding sources:

Local Transportation Funds

Local Transportation Funds (LTF) are derived from the 1/4 cent of the statewide sales tax. LTF revenue is returned to local governments for transportation purposes with public transportation being the primary focus. This money comes back to local governments for funding of bicycle and pedestrian facilities, public transportation, or streets and roads. The LTF is distributed to each city and unincorporated areas based on population.

In the San Joaquin Valley, LTF funds may be used for both transit and streets and roads purposes as long as all reasonable transit needs are addressed. The City of Fresno currently uses all of its LTF funds for public transit, although Fresno County and the remaining cities in the county use some LTF funds for roads. LTF is one of the principle sources of public subsidies for Fresno Area Express (FAX).

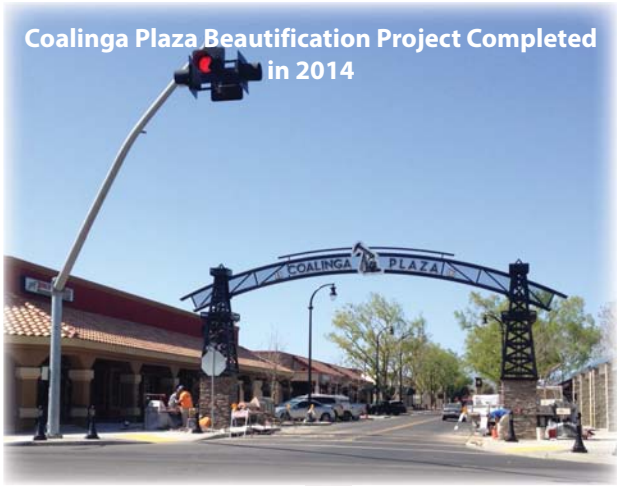
State Transit Assistance Fund

The State Transit Assistance fund (STA) is derived from a portion of the Motor Vehicle Fuel Tax. The STA supports public transportation services, and is apportioned through the Regional Transportation Planning Agencies (RTPA) to their member agencies on a population basis, although some funds are apportioned directly to transit operators based on their fare box revenues.

STA funds may be used for mass transit (capital or operating expenses) or transportation planning. Passage of Proposition 116 disallows use of STA funds for streets and roads.

Active Transportation Plan (ATP)

The Active Transportation Plan (ATP) was created by Senate Bill 99 (Chapter 359, Statutes of 2013) and Assembly Bill 101 (Chapter 354, Statutes of 2013) to encourage increased use of active modes of transportation, such as biking and walking. The ATP consolidates various federal and state transportation programs, including the Transportation Alternatives Program, Bicylcle Transportation Account, and State Safe Routes to School, into a single funding program.



Coalinga Plaza Beautification Project Completed in 2014

The goals of the ATP are to:

- Increase the proportion of trips accomplished by biking and walking.
- Increase safety and mobility of non-motorized users.
- Advance the active transportation efforts of regional agencies to achieve greenhouse gas reduction goals.
- Enhance public health, including reduction of childhood obesity through the use of programs including, but not limited to, projects eligible for Safe Routes to School Program funding.
- Ensure that disadvantaged communities fully share in the benefits of the program.
- Provide a broad spectrum of projects to benefit many types of active transportation users.

State and federal law segregate program funding into three components and is distributed as follows:

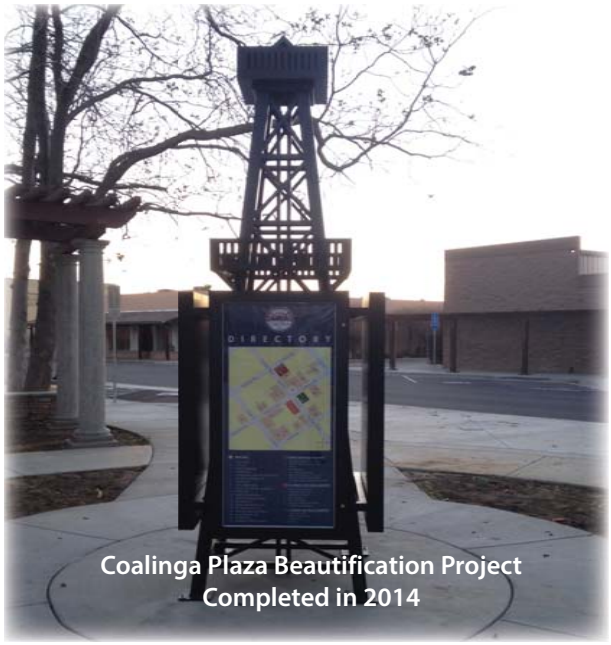
- 50% to the state for a statewide competitive program
- 10% to small urban and rural regions with populations of 200,000 or less for the small urban and rural area competitive program, and
- 40% to Metropolitan Planning Organizations in urban areas with populations greater than 200,000 for the large urbanized area competitive program.

Prop 1B: The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006

As approved by the voters in the November 2006 general elections, Proposition 1B enacts the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to authorize $19.925 billion of state general obligation bonds for specified purposes, including high-priority transportation corridor improvements, State Route 99 corridor enhancements, school bus retrofit and replacement purposes, state transportation improvement program augmentation, transit and passenger rail improvements, state-local partnership transportation projects, transit security projects, local bridge seismic retrofit projects, highway-railroad grade separation and crossing improvement projects, state highway safety and rehabilitation projects, and local street and road improvement, congestion relief, and traffic

safety. It is important to note that this 5-year program is now coming to an end; the funds have all been allocated and fund recipients are closing out all Prop 1B projects.

State and Local Partnership Program (Prop 1B)
Proposition 1B authorized $1 billion to be deposited in the State-Local Partnership Program (SLPP) Account to be available, upon appropriation by the Legislature, for allocation by the California Transportation Commission over a five-year period to eligible transportation projects nominated by an applicant transportation agency. The Bond Act required a dollar for dollar match of local funds for an applicant agency to receive state funds under the program. The Commission adopted an annual program of projects for the SLPP in 2009 for 2008-09 and by October



Coalinga Plaza Beautification Project
Completed in 2014

for each fiscal year thereafter. The program consists of projects nominated by eligible applicants for the formula program and projects selected by the Commission under the competitive grant program to match uniform developer fees. SLPP project funding matches eligible local funding for project construction or equipment acquisition, consistent with Section 8879.70.

The Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA)
Proposition 1B authorized $4 billion for the PTMISEA. Of this amount, $3.6 billion is designated for allocation over a ten year period for public transportation projects that protect the environment and public health, conserve energy, reduce congestion, and increase mobility and access. The $3.6 billion is to be distributed by formula based on population or revenue to transit operators for capital projects Funds shall be available for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or for rolling stock procurement, rehabilitation or replacement.

State Route 99
Proposition 1B authorized $1 billion to be available to the Department of Transportation, upon appropriation in the annual Budget Bill by the Legislature, for safety, operational enhancements, rehabilitation, or capacity improvements necessary to improve the State Route 99 Corridor in the San Joaquin and Sacramento Valleys.

Regional Choice Program (STIP)
The STIP is split into two programs: the Regional Transportation Improvement Program (RTIP) and the Interregional Transportation Improvement Program (ITIP). Pursuant to SB 45, 75% of the overall STIP funding goes to regional authorities to pay for accepted RTIP projects, and the remaining 25% of the overall STIP funding is used to pay for ITIP projects, as determined by Caltrans. Once the Fresno County region has selected the projects for the RTIPs, the California Transportation Commission (CTC) must allocate funds for the projects based on estimated construction costs. The funds are programmed in the Federal Transportation Improvement Programs (FTIP) for inclusion in the State Transportation Improvement Program (STIP). Pursuant to SB 45, allocations of Regional Choice funds are known as "County Shares" and replace the previous "County Minimums."

Eligible projects include:

- Local streets and roads
- Public transit
- Intercity transit
- Pedestrian and bikeway facilities
- State highway improvements
- Grade separations
- Intermodal facilities
- Safety projects
- Transportation System Management projects
- Soundwalls

Interregional Improvement Program (IIP)
IIP funds represent 25% of available State Highway Account funding. The funds are programmed by Caltrans on a statewide priority basis, for use primarily on the State highway system (outside urbanized areas). Regional agencies may also nominate projects that generate economic development (may be inside metropolitan areas). Regional agencies may nominate projects if they can show better cost-effective use of funds.

Eligible projects include:

- Interregional roads (outside of metropolitan areas)
- Interstate 5
- State Highways 41, 99, 168, 198 and 180 east
- Intercity rail
- "Flex" projects which promote economic development

State Highway Operation and Protection Program (SHOPP)
The purpose of the State Highway Operation and Protection Program is to maintain the operational integrity and safety of the State highway system. It includes State highway safety and rehabilitation projects, seismic retrofit projects, land and building projects, landscaping, some operational improvements, bridge replacement, and the Minor Program - generally those types of projects that Caltrans as the owner-operator of the system must do to maintain the integrity of the system. Unlike STIP projects, SHOPP projects may not increase roadway capacity. There is no formula for allocating SHOPP revenues, which presents a degree of uncertainty. The Fresno County region could receive a large share of revenues in one cycle, then much less in future cycles.

Eligible projects include State highway safety and rehabilitation projects, seismic retrofit projects, land and building projects, landscaping, some operational improvements, bridge replacement, and Minor Programs.

Local Programs
Fresno County Local Sales Tax--(Measure C Funds)
In 2006 voters of Fresno County approved a 20 year extension of a 1/2 percent local sales tax (Measure C) for transportation purposes. The twenty-year tax is projected to generate approximately $1.4 billion in funding to be expended through the Fresno County Transportation Authority (FCTA). As the designated Regional Transportation Planning Agency (RTPA) for Fresno County, Fresno COG is legislatively responsible for preparing an expenditure plan for use of the highway revenues.

Of the approximately $1.4 billion total to be collected over 20 years at least 34.6% of the tax will be allocated to local agencies for a wide variety of transportation programs and projects on their respective local transportation networks. The FCTA's oversight of these funds involves identifying the amount of funding to be made available to the local agencies, managing the claims process, and annually auditing to ensure that the funds were used for eligible transportation purposes. The Measure C Extension Plan funding breakdown is referenced in Appendix C.

Regional Transportation Mitigation Fee (RTMF)
The Regional Transportation Mitigation Fee (RTMF) is an important part of the Measure C Extension approved by Fresno County voters in 2006. The RTMF is intended to ensure that future development contributes to its fair share towards the cost of infrastructure to mitigate the cumulative, indirect regional transportation impacts of new growth in a manner consistent with the provisions of the State of California Mitigation Fee Act. The fees will help fund improvements needed to maintain the target level of service in the face of higher traffic volumes brought on by new developments.

City/County Revenue Funds
There are a number of transportation funding sources which have their origins in city sources. These include general fund revenues used for street purposes, revenues derived from use of gas tax, proceeds from bond sales for street purposes, street assessment levies and traffic safety fund revenues used for street purposes.

7.3 Revenue Projection Scenarios

In previous RTP's, Fresno COG would use one revenue projection and one project list to develop the RTP. In the 2014 RTP; however, Fresno COG strived to analyze four alternative revenue projections which would produce four alternative project lists to be incorporated into the Sustainable Communities Strategy (SCS) analysis. Each revenue projection alternative was developed differently by taking into consideration various funding options; however, it was agreed upon that ALL four alternatives would be manipulated by fluctuating three main flexible funding sources. That is, "flexible" meaning that the funds can be used for different eligible project types such as streets and roads, bike and pedestrian, and transit.

The flexible funding sources used for the development of the revenue projection scenarios were:

- Regional Surface Transportation Program (RSTP)
- Congestion Mitigation and Air Quality Program (CMAQ)
- Transportation Alternatives Program (TAP)

Revenue Projection 1: *Traditional*

Fresno COG summed up the total programmed funds in the 2013 Federal Transportation Improvement Program (FTIP) based on current expenditure dollars. The total programmed funds were then broken out by mode percentage. This was done in effort to display what the status quo of project programming would look like as a whole if current planning practices continue unchanged. See Appendix C.

Revenue Projection 2: *Increased Active Transportation*

The second revenue projection was created by the RTP Financial Element Technical Working Group. This group was comprised of members from the local agencies with expertise in the areas of engineering, planning and programming. The group manipulated the "Traditional" scenario by adjusting the percentages per mode within each of the three flexible funding sources. See Appendix C.

Fresno COG staff presented the two Revenue Projection Scenarios to the RTP Roundtable for their approval, which is comprised of more than 30 stakeholders ranging from interested citizens representing the general public, local member agency staff, and members from community based organizations. The RTP Roundtable recommended that Fresno COG staff develop a third revenue projection that distributed the majority of the "flexible" funds into active transportation projects such as bicycle, pedestrian and transit.

Revenue Projection 3:
Emphasis on Active Transportation

As recommended by the RTP Roundtable, Fresno COG staff developed a third projection scenario which made a significant commitment to increase the convenience and safety of walking and bicycling by directing "flexible" funds toward projects that would deliver complete streets for all users, stand-alone bicycle and pedestrian paths, bicycle lanes, lighting, new sidewalks, and Safe Routes to Transit and Safe Routes to Schools. See Appendix C.

Fresno COG staff presented all three Revenue Projections Scenarios to the Technical Transportation Committee (TTC) and the Policy Advisory Committee (PAC) for approval and/or direction. The PAC assists the Policy Board in making decisions and is comprised of the Chief Administrative Officer of each member agency or a designated representative. The Board and PAC are assisted in the decision making process by staff from their agencies, citizen and interest groups, and various technical advisory committees who comprise the TTC. After receiving recommendation to approve the three revenue projection scenarios, the PAC requested that road maintenance receive a much greater emphasis due to the importance of fixing and maintaining the system early on instead of waiting until the conditions of the local system are extremely severe.

Revenue Projection Number 4:
Emphasis on Maintenance

As recommended by the PAC, Fresno COG staff developed a fourth revenue projection scenario. This revenue scenario redirected all flexible funds, that were available and eligible for rehabilitation and maintenance, to support the "fix it first" emphasis in order to ensure that the region directs a majority of the funding to maintaining the existing transportation assets in the RTP for the

purpose of preserving the existing local street and road network. See Appendix C. A comparison of each revenue projection by transportation mode is shown in Table 7-1 below.

Table 7-1: Revenue Projection by Transportation Mode

Mode	Revenue Projection 1: *Traditional*	Revenue Projection 2: *Increased Active Transportation*	Revenue Projection 3: *Emphasis on Active Transportation*	Revenue Projection 4: *Emphasis on Maintenance*
Bicycle & Pedestrian	3.59%	4.89%	9.03%	3.26%
Streets & Roads Capacity Increasing	24.06%	24.00%	22.96%	22.96%
Streets & Roads Operations and Maintenance	24.91%	23.02%	17.54%	26.45%
Streets & Roads - Any Type	8.53%	8.53%	8.53%	8.53%
Transit	30.56%	31.56%	34.07%	30.45%
Other/Multiple Modes	8.34%	7.99%	7.87%	8.34%

7.4 RTP Call for Projects

Fresno COG initiated a Call for Projects for the 2014 RTP in January 2013 where the 16-member agencies had the opportunity to submit projects that are expected to be completed in the 25 year life of the RTP, including streets and roads projects, bike and pedestrian projects, and transit projects.

These projects were scored using the Project Evaluation Criteria developed by the Financial Element Technical Working Group through a series of meetings and approved by the Fresno COG Policy Board on January 31, 2013 (see Appendix C). The Financial Element Technical Working Group felt that it was important to have separate criteria per mode of transportation so that only similar projects were being compared against each other. A set of criteria was developed for each of the four modes; bike and pedestrian, capacity increasing road projects, operations and maintenance road projects and transit. Another goal of the criteria was to be very objective; with the large number of projects submitted scoring criteria questions had to be clear and easy to answer. The scoring criteria were used to score all of the projects submitted during the call for projects and the projects were then placed in order by score.

Once the project list was organized by mode and by scores it was compared with the revenue projections that were discussed above. Due to financial constraints, it was anticipated that there would be a greater project need in comparison to the total revenues available in each of the four revenue projection scenarios. The projects were prioritized by scores and only analyzed within each respective mode which ultimately provided an output of four different alternative project lists. However, when the projects (by transportation mode) were compared against the revenue projection scenarios (by transportation mode), it was discovered that Revenue Projection 1 and Revenue Projection 2 produced the same exact project list (List A) because the amount of eligible flexible funds was adequate to support the amount of planned projects, meaning all projects submitted for inclusion in the RTP were financially constrained.

Revenue Projection 3 and Revenue Projection 4 also produced the exact same project list (List B). Furthermore, it was determined that project list A and B were also very similar to each other. The only variance between project list A and project list B were 5 capacity increasing projects that could not be financially constrained in project list B, therefore, making those projects unconstrained. All other mode projects submitted for inclusion in the RTP were successfully financially constrained. Based on this analysis, the Policy Board accepted Project List A which was most inclusive, cost-effective and financially constrained. Project List A and B are referenced in Appendix C and the 2014 RTP financially constrained and unconstrained project lists are also referenced in Appendix C.

The 2014 RTP financially constrained listing reflects a total project amount of $4,463,929,000. The amount per mode is shown in Table 7-2 below.

Though the largest amount of revenues are allocated to Streets & Roads-Capacity Increasing projects, it is important to highlight a few key elements associated with project costs. For example, there are 95 fewer bike and pedestrian projects than capacity increasing projects.

Table 7-2: Revenues Programmed by Transportation Mode

	Total Dollars		Number of Projects	
Project Type	*Dollar Amount*	*Percentage*	*Number*	*Percentage*
Bicycle & Pedestrian	$91,858,000	2.06%	202	13.75%
Streets & Roads Capacity Increasing	$1,756,245,000	39.34%	297	20.22%
Streets & Roads Operations and Maintenance	$1,023,948,000	22.94%	894	60.86%
Transit	$1,591,878,000	35.66%	76	5.17%
TOTAL	$4,463,929,000	100%	1469	100%

Though capacity increasing projects make up close to 40% of the funding allocation, it is important to note that they also cost significantly more than standalone bike and pedestrian projects, and it is very likely that those projects will also include a bike and pedestrian component which is integrated into the overall cost of the project. Many of Fresno COG's member agencies have a Complete Streets policy; which means when a widening project is constructed or a maintenance project is implemented-such as a road paving; a sidewalk and/or bike lane is also added.

To properly illustrate the Complete Streets policies and bike and pedestrian components, further analysis was done on the project list and it was determined that aside from the standalone bike and pedestrian projects there are about 164 miles of bike and/or pedestrian components within the Capacity Increasing and Operations and Maintenance road projects, totaling approximately $20,850,000. Table 7-3 below, shows the updated programmed dollar amounts per mode based on this further analysis. The details of the calculations can be found in Appendix C.

The 2014 RTP Transportation Project List represents an increase in active transportation and transit spending compared to the 2011 RTP. A comparison of the two RTPs can be found in the SCS discussion in Chapter 4.

Table 7-3: Updated Dollar Amounts by Transportation Mode

	Total Dollars		Number of Projects	
Project Type	*Dollar Amount*	*Percentage*	*Number*	*Percentage*
Bicycle & Pedestrian	$112,708,000	2.52%	202	13.75%
Streets & Roads Capacity Increasing	$1,747,945,000	39.16%	297	20.22%
Streets & Roads Operations and Maintenance	$1,011,398,000	22.66%	894	60.86%
Transit	$1,591,878,000	35.66%	76	5.17%
TOTAL	$4,463,929,000	100%	1469	100%

7.5 Transportation Projects in the SCS

The Sustainable Communities Strategy (SCS) (Chapter 4) is a new and important part of the RTP. The goal of the SCS is to create a more sustainable future by integrating land use and transportation. The SCS uses the transportation project list that was discussed above to model Greenhouse Gas Emissions, criteria pollutants emissions, active transportation and transit travel and daily vehicle miles traveled. Other factors that are more related to land use are also modeled and analyzed in the SCS. As was discussed in Chapter 4, there were four scenarios compared against each other before Scenario B was selected; while each scenario modeled different land use patterns, the same transportation project list was used in each of the four.

7.6 Maintenance & Rehabilitation:

Current Conditions and Needs

Fresno County and its incorporated cities are much like other areas in the State of California when it comes to unmet needs within the rural, metropolitan and regional transportation networks. As the region continues to experience significant population growth, additional demands will be placed on the transportation system. Fresno County's economic vitality in the coming years is dependent upon the investments that are made today in the region's transportation infrastructure network. Currently, the local transportation networks within Fresno County are struggling to cope with increased population growth, deferred maintenance, and lack of investment in necessary improvements. Clearly, if Fresno County is to remain economically competitive, solutions (construction of new facilities, increase in active transportation, transit, maintenance, preservation and rehabilitation of the existing system) will need to be addressed.

In the Fresno-Clovis Metropolitan Area of Fresno County and in the smaller outlying rural communities as well, the demands on the urban transportation networks has been increasing as population continues to grow and urban development takes place. Increased growth inevitably brings with it increased demands on the transportation network and a subsequent requirement for capacity enhancements and increased maintenance and rehabilitation.

The Fresno County road system with approximately 3,600 miles of roads and approximately 550 bridges has the largest county road network (in terms of mileage) of any county within the State of California. This current extensive road system represents approximately one billion dollar infrastructure investment on the part of the citizens of Fresno County. The county road system provides for the majority of intra-county travel in terms of the movement of both people and goods within the 6,000 square mile county and also plays a vital role in the multi-billion dollar agricultural economy of Fresno County. As the number one agricultural county in the world ($6 billion+ annually), a great deal of the region's economy is dependent upon the efficient movement of goods from farm to market. In addition, the county road system serves the entire business community of Fresno County and provides public mobility to the far reaching corners of Fresno County. Clearly, if Fresno County strives to maintain its number one ranking in agriculture and remain economically competitive on a global scale, it must (in addition to construction of new transportation facilities) maintain its existing transportation system in good operating condition, in order to serve the public and maximize the return on its existing one billion dollar transportation infrastructure investment. The lack of adequate funding to protect the millions of dollars worth of improvements completed on the county road system over the past forty

years is probably the single greatest unmet need that currently faces Fresno County road system providers.

Fresno County estimates that the current shortfall to provide preventative maintenance service to the County road system is upwards of $31 million dollars annually. Fresno County is also responsible for road reconstruction, safety and capacity improvements on the County road system when funds are available. The current shortfall on County-maintained roads that need reconstruction and system safety and congestion management improvements is estimated to be upwards of $20 million dollars annually. Preventive maintenance expenditures are essential for the efficient use of the available funds in order to avoid significant costly repairs or reconstruction when the pavement deteriorates beyond a maintainable level. Studies show that reconstruction costs are approximately five times the cost per mile of preventative maintenance. There are two primary factors which contribute to the degradation of the road system, auto traffic increases and truck traffic increases. In recent years, the amount of average daily traffic (ADT) on the

Fresno County road system has increased dramatically. As an example, in less than twenty years, Fresno County roads have experienced traffic volumes that have almost doubled. Projections by the State Department of Finance indicate that Fresno County's population will continue to increase, which will lead to large increases in traffic and frequent loads, both of which cause damage to the road system and shorten its useful life.

In recent years, truck traffic has increased at a faster rate than automobile traffic on many miles of County roads. This is especially troubling considering that truck traffic is far more destructive to roads than automobile traffic. Engineering studies show that typical 18-wheel semi-trailer trucks have the equivalent loading effect of between 3,000 and 6,000 passenger vehicles. Due to economic growth in the agricultural industry it is predicted that "farm to market" trips on the road system will continue to grow. As many of the rural, less structurally sound roads are exposed to increases in heavy truck traffic, "exponential" damage to the road system may occur. The urban communities within Fresno County also face difficult revenue shortfalls. Within the city of Fresno, there is an existing circulation system which consists of over 1,600 miles of local and major streets, i.e. expressways, super arterials, arterials, and collectors. Like the county road system, the metropolitan circulation system is also facing extensive maintenance and rehabilitation needs in order to keep the system functioning at maximum capacity and efficiency. These maintenance needs consist of repairing potholes, sealing cracks in the pavement, asphalt concrete overlays, maintenance of drainage pipelines and inlets and other routine maintenance.

7.7 Other Potential Revenue and Funding Opportunities

As stated throughout this planning document, even with the increased sources of local, state, and federal funds that have materialized throughout the last decade, the current transportation funding situation for regional and local agencies results in a revenue shortfall for the expansion of the system. It is anticipated that this shortfall will continue for two very basic reasons: (1) the revenues to support the maintenance and improvement of the transportation network are not increasing enough to keep pace with inflation, and (2) the demands for higher levels of maintenance and improvements have expanded above the normal rate of inflation.

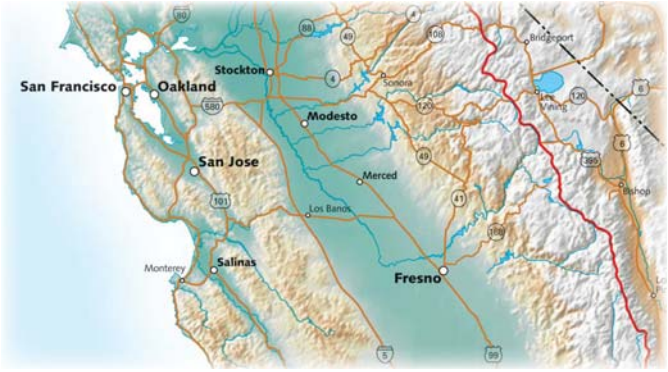
In 2013 the Congressional Budget Office reported that "the current trajectory of the Highway Trust Fund is unsustainable. Starting the fiscal year 2015, the trust fund will have insufficient amounts to meet all of its obligations, resulting in steadily accumulating shortfalls." Originally, transportation funding was established with a strong connection between revenue measures and use. Unfortunately, because of the increased auto fuel efficiency, fuel taxes not indexed for inflation, and a new reliance on sales taxes, the previously strong connection to revenue sources and use has deteriorated. The following text provides a listing of a variety of financing mechanisms being explored, that offer potential relief for the transportation revenue shortfall that currently faces Fresno County and the State of California.

Environmental Enhancement and Mitigation Program
Applicants may apply for these funds to undertake environmental enhancement and mitigation projects which are directly or indirectly related to the environmental impact of modifying existing transportation facilities, or for the design, construction or expansion of new transportation facilities. The EEM project must be over and above the required mitigation for the related transportation project.

All participating cost incurred on a project are funded in arrears on a reimbursement basis of the state's proportionate share of actual costs. No matching funds or cost shares from the applicant or other funding sources are required to apply for an EEM grant. However, projects that include the greatest proportion of other monetary sources of funding will be rated highest. Grants are generally limited to $350,000.00.

"Additional" Local Dedicated Sales Tax
Currently Fresno County collects a 1/2 percent local sales tax (Measure C) for transportation purposes. The recently reauthorized twenty-year tax is projected to generate approximately $1.4 billion over the 20 year life span of

The Pacific Crest Trail - John Muir Wilderness is accessible in eastern Fresno County



the tax (2007/08 - 2027/28). Sales tax revenues are always susceptible to revenue fluctuations which coincide with the region's economic health over the life span of the tax. It is reasonable to assume that tax-payers will vote to extend the ½ percent sales tax after 2027, extending through the life of the RTP.

Benefit Assessment District Fees

An assessment district is an area of land specifically benefiting from a public improvement. An assessment is levied against each parcel benefited by the improvement, in proportion to the benefit. Bonds are then sold to finance the improvements, and the land owners in the assessed districts repay the bonds over time. Traditionally this approach has been used to finance urban public improvement projects (i.e. sewer, water, curbs, gutters, etc.) on a community or neighborhood level. One of the difficulties in utilizing this approach on a "regional" basis is that there are multiple legislative bodies (i.e. City Councils, Boards of Supervisors, etc.) which may likely cause difficulty in achieving political consensus. In addition, there could be great difficulty in establishing a zone of benefit on a regional level.

Cap and Trade Funds

AB 32 requires California to return to 1990 levels of greenhouse gas emissions by 2020. All programs developed under AB 32 contribute to the reductions needed to achieve this goal, and will deliver an overall 15% reduction in greenhouse gas emissions compared to the 'business-as-usual' scenario in 2020 if we did nothing at all.

The cap and trade program is a key element in California's climate plan. It sets a statewide limit on sources responsible for 85 percent of California's greenhouse gas emissions, and establishes a price signal needed to drive long-term investment in cleaner fuels and more efficient use of energy. The program is designed to provide covered entities the flexibility to seek out and implement the lowest-cost options to reduce emissions.

Congestion Pricing Strategies

Congestion-pricing (also known as peak-hour pricing) involves charging higher fees or fares to transportation system users during peak hours. Often the demand for a service exhibits a peaking system characteristic related to time of day or seasonal time of the year. For instance, the twice daily journey-to-work trip places significant demand peaks on the region's transportation network. The impact on the system to provide for peak period system capacity can be recovered from peak period users rather than the system users as a whole, by charging a higher fare during the peak period. Currently there are few, if any, facilities in this region which operate consistently at level of services which would warrant congestion pricing.

"Local" Motor Vehicle Fuel Tax

SB 215 gives counties the ability to hold general elections to determine if taxing "local" sales of motor vehicle fuel (gasoline, diesel) is a desired local option to finance their regional transportation network. The uses, method of implementing, advantages and disadvantages are similar to that of a sales tax. One advantage of this type of charge is that it is user oriented. Fuel consumption is related to road use, thus heavier users bear a higher burden of the cost commensurate with actual use.

As a user fee, instituting a local gas tax is a relatively equitable local financing option. Motor fuel taxes are easily administered, and since they are tied to fuel prices that tend to rise with inflation.

Some of the issues relating to this type of program include:

- Placement on the ballot requires approval of a majority of the cities having the majority of the population within the county.
- Majority of the cities within the county representing a

majority of the population and the county must agree on a distribution formula before the Measure can be placed on the ballot.

- Two thirds majority required for approval
- Statutes do not limit the amount of tax increase that may be voted upon.

Motor Vehicle Taxes and Fees (Statewide, Regionally or Locally)

There is an array of fees and taxes on motor vehicles which could be increased and implemented statewide, regionally or locally to generate transportation funds. Examples include vehicle registration surcharges (similar to the Air District's AB 2766 fees currently collected), increased surcharges on driver's license fees, mileage taxes, parts and repair excise taxes, heavy vehicle taxes, fees for "vanity plates," tire taxes, and personal property taxes on motor vehicles. One of the drawbacks to this approach involves the need for enabling legislation (statewide, regionally or locally).

Public and Private Parking Fees

This mechanism includes increasing public and private parking charges and instituting parking fees where parking is now free. Most cities in California have become more aggressive in pricing downtown parking, both at meters and in lots in the post-Proposition 13 financial environment. In some cities, extended hours of parking lot operation and substantially increased enforcement have increased revenues from parking fees. Often these funds are treated as a general fund source rather than tied to specific transportation expenditures.

If public parking fees were to be initiated, several issues would need to be addressed. For example, the fees would probably have to be implemented on a countywide or region wide basis in order to address issues of equity and consistency among the local jurisdictions. In addition to representing a potential source of revenue, parking pricing have also been shown to be one of the most significant factors in reducing drive-alone trips and is used as a common transportation demand management strategy.

Strategic Growth Council (SGC) Sustainable Communities Planning Grants

The principal goal of this grant program is to fund the development and implementation of plans that lead to significant reductions in greenhouse gas emissions (GHGs) in a manner consistent with the State Planning Priorities, AB 32: The California Global Warming Solutions Act of 2006 and the current Environmental Goals and Policy Report (EGPR), if available.

This grant program is meant to foster the development of sustainable communities throughout California. It is designed to help local governments meet the challenges of adopting land use plans and integrating strategies to transform communities and create long-term prosperity. Sustainable communities shall promote equity, strengthen the economy, protect the environment, and promote healthy, safe communities.

Recreational Trails Program

The Recreational Trails Program (RTP) provides funds annually for recreational trails and trails-related projects. The RTP is administered at the federal level by the Federal Highway Administration (FHWA). It is administered at the state level by the California Department of Parks and Recreation (DPR). Non-motorized projects are administered by the Department's Office of Grants and Local Services and motorized projects are administered by the Department's Off-Highway Motor Vehicle Recreation Division. Eligible applicants include; cities and counties, districts, state agencies, federal agencies, and non-profit organizations with management responsibilities of public lands.

Regional Transient Occupancy Tax (Hotel/Motel)

The Transient Occupancy Tax is a tax on visitor accommodations. These visitor-based taxes can be imposed on hotel/motel establishments in two different ways. One method is to tax each lodging establishment annually on a per unit basis. Another method is a tax charged directly to the patron for each night of lodging. An advantage is the fact that the tax does not directly affect local residents. Its major disadvantages are its susceptibility to fluctuations in the tourist economy and the need to have the fees implemented on countywide or region wide basis in order to address issues of equity and consistency among the local jurisdictions.

Regional Transportation Facilities Impact Fee

A regional transportation facilities impact-fee would distribute the costs of regional transportation facilities among all new development within the region, using the size of a proposed development or estimates of a project's trip generating capacity as criterion. This type of development impact fee would be required to meet AB 1600 nexus findings in order to be implemented. The reauthorization of Measure C required that all local agencies adopt a regional transportation impact fee by January 1, 2009 or risk losing their local street maintenance and rehabilitation funding authorized by the Measure. A Regional Transportation Mitigation Fee (RTMF) was adopted by the COG Policy Board on October 29, 2009 and became effective January 1, 2010. The current RTMF policy will expire with the Measure C program in 2027 but it is reasonable to assume that the voters will extend the Measure C ½ cent sales tax through the year 2040.

A similar mechanism is for developers to make dedications in lieu of paying development fees, such as land dedications, construction of public utility infrastructure, local roads or whatever type of public improvement is needed. The dedications must be linked to the impacts of the development on the regional transportation network in order to meet AB 1600 requirements. The use of development assessments with land use incentives can be used to encourage more transit-oriented and pedestrian-oriented development, which would reduce the demand, and subsequent need for extensive highway and road construction.

Toll Facilities

Tolls allow the financing of the construction, operation or maintenance of roadway facilities. This is a familiar source of funding for bridges, tunnels, and turnpikes primarily in the eastern portion of the United States; however, more and more toll facilities are beginning to be constructed in California. For new facilities, it provides a means of generating up-front debt funding to construct transportation facilities without disturbing existing governmental agency budgets and programs, or requiring new or additional taxes. The financing costs in terms of interest on debt over the period that bonds are outstanding can be substantial. After the toll facility is completed, tolls usually provide income to operate and maintain the facility, as well as amortize the outstanding debt.

With the new emerging electronic technologies of toll collection, toll roads may be more feasible than before. Federal Highway officials are reconsidering the merits of toll roads to supplement urban transportation facilities. The 1991 Intermodal Surface Transportation Efficiency Act (ISTEA) abolished the restraints against tolls on interstate facilities and allowed federal agencies to support toll roads and to participate in their financing. Problems that may face this region are the limited number of high volume facilities in this region which would justify toll collection, and the direct and indirect costs involved in collecting tolls.

Vehicle Miles Traveled Fee

This financing mechanism is a vehicle use fee based on the number of miles driven. This type of fee generates substantial revenues, implements policy goals of increased mobility and is strongly related to transportation demand

and congestion. Vehicle Miles Traveled (VMT) fees would appear to be a stable and a growing source of revenue given Californians' propensity to use their automobiles. VMT fees also would maintain an ability to capture revenues from a growing fleet of alternative fuel vehicles within the state.

Emissions Fee

An emissions fee could work in a manner similar to the Vehicle Miles Traveled fee program except that user charges could be based on the levels of emissions rather than miles traveled. The measure would be recorded at the time the vehicle is smog checked and the driver would pay a fee based on a sliding scale. Revenue formulas would have to be adjusted due to the fact that the California vehicle fleet is becoming "cleaner" as older polluting vehicles are retired and replaced with vehicles that have improved emission technology.

A VMT fee program could be linked to the vehicle smog certification program. Although the mileage data is currently not collected by the Department of Motor Vehicles, the state is moving toward improved data bases and auto manufacturers are making vehicles with sealed, "tamper resistant" odometers. Proposals to implement VMT fees could also be adjusted for low income and rural drivers.

FTA Section 5312

The National Research and Technology Program (49 U.S.C. 5312) seeks to improve public transportation by funding research, development, demonstration and deployment projects. Eligible recipients are determined for each competition, and may include: universities, public transportation systems, state DOTs, non-profit and for-profit entities, amongst others. Eligible activities include; research, development, demonstration and deployment projects, and evaluation of technology of national significance to public transportation.

FTA Section 5313

The Transit Cooperative Research Program (49 U.S.C. 5313; TCRP) is an applied, contract research program that develops near-term, practical solutions to problems facing transit agencies. The transit industry driven program, TCRP, promotes operating effectiveness and efficiency in the public transportation industry by conducting practical, near-term research designed to solve operational problems, adopt useful technologies from related industries and introduce innovation that provides better customer service. The industry driven program serves as one of the principal means by which the transit industry can develop innovative short-term solutions to meet demands placed on it.

Transportation Infrastructure Finance and Innovation Act (TIFIA)

The Transportation Infrastructure Finance and Innovation Act (TIFIA) program provides credit assistance for qualified projects of regional and national significance. Many large-scale, surface transportation projects - highway, transit, railroad, intermodal freight, and port access - are eligible for assistance. Eligible applicants include state and local governments, transit agencies, railroad companies, special authorities, special districts, and private entities. The TIFIA credit program is designed to fill market gaps and leverage substantial private co-investment by providing supplemental and subordinate capital. Each dollar of Federal funds can provide up to $10 million in TIFIA credit assistance and support up to $30 million in transportation infrastructure investment. MAP-21 reforms included included a 10 percent set-aside for rural projects; an increase in the share of eligible project costs that TIFIA may support; and a rolling application process.

Public-Private Partnerships

A public-private partnership (PPP or P3) represent a broad category of financing mechanisms that are being used to harness public sector participation. PPPs have been used with mixed success in several states nationwide. The State of California has enacted legislation to permit PPP approaches for transportation infrastructure development (Caltrans, 2013c).

7.8 Sustainable Planning and Infrastructure Grant Program

During the 2014 RTP planning process, interested members of the community discussed the need for a Sustainable Planning and Infrastructure Grant Program to further complement the goals of the RTP/SCS. The purpose of such a program would be to support and enhance the implementation of the SCS across Fresno County. The implementation of such a program would be of great value for the Fresno County region; however, in order to undergo such a process to create a new regional program, extensive coordination between stakeholders, local member agencies, project sponsors and the COG Policy Board is needed to allow for a transparent and equitable approach. In addition, a funding structure is needed to fully implement this type of program, and Fresno COG staff as well as members from interested community based organizations, are exploring possible funding streams. Fresno COG is committed to continuing to work with member agencies and other stakeholders to develop and implement a new funding program in the near future. The development of an SCS infrastructure grant program is reflected in the Policy Element, Table 6-1C, General Transportation, Environmental Justice.

7.9 From Planning to Programming

The programming of local, state, and federal funds is a complicated but necessary process that ensures that local agencies receive funds for projects that have either been allocated or awarded to them. In order to explain this complicated process, what follows is an example of how a project moves from inception to completion within the Fresno COG programming system. A sample transportation funding flow chart is also included in Figure 7-2.

A. A city submits Main Avenue from A Street to D Street; Reconstruction during the 2014 RTP Call for Projects

B. The total project cost (for all projects submitted) is compared against the Revenue Projections and it is determined that somewhere within the 25 year life of the RTP there will be funding to complete the project; Main Avenue from A Street to D Street: Reconstruction

C. Project is given a metropolitan planning organization (MPO) number and placed on the financially constrained project list within the 2014 RTP

D. During the 2015 Federal Transportation Improvement Program (FTIP) update Fresno COG holds a Regional Surface Transportation Program (RSTP) Call for Projects. **RSTP is just one of the many fund sources listed in the RTP and is being listed here as an example only*

E. A city submits Main Avenue from A Street to B Street; Reconstruction to be considered for $100,000 in eligible funding

F. The entire length of the project was previously included in the 2014 RTP so it is scored by the RSTP scoring committee and awarded $100,000

G. Main Avenue from A Street to B Street; Reconstruction is programmed in the 2015 FTIP with $100,000 and the project listing in the RTP is updated to Main Avenue from C Street to D Street; Reconstruction now that the first segment has been fully funded

H. When the city is ready to begin work on Main Avenue from A Street to B Street; Reconstruction they submit a Request for Authorization (RFA) to Caltrans Local Assistance

I. Caltrans Local Assistance and Caltrans Headquarters approve the request and the funds are allocated to the city to implement the project

J. Once the funds are expended the city must continue to submit invoices to Caltrans, in order to receive federal highway reimbursement and in order to maintain active status, until the last dollar is spent and the project is closed out

Figure 7-1: Transportation Funding Flow Chart