STAFF REPORT

MEETING DATE:	**2/26/13**
SUBJECT:	**Correspondence**
AGENDA ITEM:	**6-9**
STAFF CONTACT:	**Janie Coffman**

Attached is correspondence determined to be of interest to the board of directors:

- December 3, 2012, letter from the North State Super Region regarding Map-21
- December 20, 2012, letter from SRTA Executive Director to the Natural Resources Agency supporting Redding's Environmental Enhancement & Mitigation Program Proposal for Open Space and Trail Improvements along the Sacramento River
- January 9, 2013, letter from SRTA Executive Director to California Department of Transportation commenting on the Draft California State Rail Plan
- February 12, 2013, letter from SRTA Executive Director to Shasta County Resource Management commenting on the Cottonwood Ridge Estates Project
- February 21, 2013, memo from SRTA Executive Director regarding city/county tax sharing

Daniel S. Little, AICP, Executive Director

North State Super Region

1255 East Street, Suite 202, Redding, CA 96001
(530) 262-6190 nssr16@gmail.com
www.superregion.org
Tamera Leighton, Chair

December 3, 2012

Erica Martinez
Transportation Consultant
Office of the Speaker of the Assembly
State Capitol
Sacramento, CA 95814

Dear Ms. Martinez,

The North State Super Region, a partnership representing the sixteen northern California Regional Transportation Planning Agencies, represents 26% of California's total land area and contains 37% of California's state and federal roads. This consensus of the North State Super Region on the implementation of MAP-21 expresses a tremendous statement.

After discussion and consideration, the Super Region developed four principles that we believe will provide California the greatest avenue for success to meet the performance measures established by MAP-21. We hope you will join us in supporting these principles to guide decisions and potential legislation for MAP-21 suballocations:

1. Maintain focus on the statewide transportation. MAP-21 funds a transportation system and not a population system.
2. Align state transportation funding with Regional Transportation Plan goals in both MPO regions subject to SB 375 and non-MPO regions.
3. Address the needs of the statewide transportation system that will provide the best opportunity for the state to meet the performance measures established by MAP-21.
4. Maintain a high level of flexibility in each program to better accommodate a highly diverse State, and consider options with fewer restrictions.

Based on these principles, the Super Region supports the following options for suballocation actions, acknowledging that there is additional work to be done:

Surface Transportation Program (STP):

As the most flexible of the MAP-21 programs, maximize allocation of STP funds to regions beyond the 50 percent suballocation requirement. For any suballocated funds to regions that are in excess of the 50 percent requirement under MAP-21, provide an equitable distribution that considers transportation criteria in addition to population, for example, safety and road inventory data should be considered in the allocation of funds. A distribution that focuses on the needs of the statewide transportation system will provides the best opportunity for the State to meet the performance measures.

- Continue the RSTP exchange program under state law to allow smaller regions to utilize state cash with 100% obligation authority. The exchange program is a successful and long-standing example of streamlining and is an essential efficiency for the North State Super Region partners.
- Allow toll credit match for on-system bridges with "any area" funds or through other programs such as the HSIP.
- Ensure the smallest counties receive a sufficient amount of STP funds to allow them to deliver a viable transportation improvement project. State legislation in relation to the suballocation of STP should retain at a minimum the provisions of Section 182.6 (d)(2) and 182.9 of the Streets and Highways Code as outlined in SB 1435.

Highway Safety Improvement Program (HSIP):
Retain the existing state programming structure, and establish a new basis and methodology to determine the appropriate funding split between state highways and local roads. A new methodology should reflect the needs and opportunities identified by the Strategic Highway Safety Plan and the new statewide safety data system.

National Highway Performance Program (NHPP)
The North State Super Region is waiting for additional guidance on performance measures and the completion of the North State Transportation for Economic Development Study (NSTEDS) in early 2013 prior to making a recommendation on the NHPP. This Super Region study will provide a performance-based assessment of existing and planned transportation infrastructure in the North State based on economic benefits to the region and contributions to greater state and national priorities. Implementation of the National Highway Performance Program in California will better represent the diversity of California regions by incorporating performance metrics arising from this study.

Throughout our discussions, the North State Super Region remained focused on our four principles. We encourage you to join with us in supporting these principles to provide California the greatest avenue for success to meet the performance measures established by MAP-21.

Sincerely,

Tamera Leighton, Chair
North State Super Region

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Daniel S. Little, Executive Director

December 20, 2012

Natural Resources Agency
Attn: EEMP Coordinator
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Re: Redding's EEM Program Proposal for Open Space and Trail Improvements along the Sacramento River

Shasta Regional Transportation Agency (SRTA) supports the City of Redding's proposal for the Henderson and Parkview Open Space improvements and accompanying Sacramento River Trail expansion.

Shasta County is home to a well-used and much loved regional trails system – the jewel of which is the Sacramento River Trail. In addition to trail expansion, there is a concerted effort to connect it to surrounding neighborhoods and the greater transportation network at key locations such as the Cypress River Bridge (one of a handful of east-west travel corridors). It is my understanding that the City of Redding is studying options for creating or ensuring that these connections can be made as an extension of the proposed project.

In addition to improving quality of life, catalyzing economic development, and enhancing environmental and public health, non-motorized trails are an essential component of the region's Sustainable Communities Strategy for reducing vehicle miles traveled and corresponding emissions.

For these reasons and others, the SRTA fully supports the City of Redding's proposal and will provide all relevant technical assistance. The SRTA will include the new trail segments in the regional network for travel demand modeling purposes. Furthermore, a portion of the SRTA's Proposition 84 Sustainable Communities planning grant may be used to plan and conceptualize the proposed trail-related elements and/or further connections to the street and road network.

The City of Redding is well-equipped to carry out the proposed project. City staff is actively engaged at the neighborhood level and maintains positive relations among the region's many private and public sector stakeholders, thus helping to ensure the best possible outcomes. Please contact Daniel Wayne, Senior Planner at 530-262-6186 or Dwayne@srta.ca.gov should you have questions or need clarification of any kind.

Best regards,

Daniel S. Little, AICP, Executive Director

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Daniel S. Little, Executive Director

January 9, 2013

Ms. Emily Burstein
Ms. Jan Perschler
California Dept. of Transportation
1120 N Street
Sacramento, CA 95814

Subject: Draft California State Rail Plan

Dear Ms. Burstein and Ms. Perschler:

Thank you for the opportunity to comment on the California State Rail Plan. There is great need for improved intercity rail service from Sacramento to Redding, California. The California Transportation Commission has emphasized the importance of intercity rail to provide connectivity to existing rail and the proposed High Speed Rail system. Redding and Chico are centers of economic activity in the North State Super Region. A daytime service will provide long term prospects for economic development and would help delay costly Interstate 5 capacity-increasing projects.

There are three commercial airports in the north state (Redding, Eureka and Chico). Cutbacks in the airline industry have forced local fare increases, reduced numbers of available flights, and in some cases carriers have pulled out entirely from the location. Reductions in air travel opportunities correspond to a greater need for alternatives in surface transportation. Increased Amtrak thruway service use is telling of the greater need in this area.

Strategic plans for daytime service from Redding to Chico and Sacramento are included in the current California State Rail Plan, Shasta County Regional Transportation Plan, and the Division of Rail's 10-year Operating Plan. Feasibility studies have been conducted, and the Division of Rail's plan proposes two daily round trips by 2012/13. This is explored further in the Northern Sacramento Valley Intercity Passenger Rail Study, Interim Findings Report. Projected growth in the region is expected to increase considerably, Shasta County growing an average of 0.6% and Butte County 1% per year from 2011 to 2016 (2010 Census). Higher growth is expected as the economy rebounds from the recession.

Intercity rail passenger trains and feeder buses connect the Sacramento area to the north state and Oregon, thereby helping supply ridership to High Speed and other rail corridors. This is an important link to High Speed Rail services for northern communities. In Redding, investments have already been made to a modern passenger terminal across from the downtown intermodal facility.

This service has full support from the North State's 16-county 'Super Region', the Rail Passenger Association of California (RailPAC), and the Department of Transportation. Please feel free to call me if you have questions or need additional information at (530) 262-6190.

Sincerely,

for Jan Bulinski

Daniel S. Little, AICP, Executive Director
Shasta Regional Transportation Agency (MPO)

DSL/JRB/jac

c: Jon Clark, Executive Director, Butte County MPO
Tom Sponsler, Sales & Marketing Associate, Amtrak
Mitch Weiss, Deputy Director, California Transportation Commission
Dave Moore, Deputy District Director, Caltrans District 2

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Daniel S. Little, Executive Director

February 12, 2013

Kent Hector, Senior Planner
Shasta County Resource Management
1855 Placer Street
Redding, CA 96001

Subject: Cottonwood Ridge Estates

Dear Mr. Hector:

Thank you for providing us an opportunity to review the tentative tract map for the Cottonwood Ridge Estates project. We look forward to reviewing the traffic impact study and the related travel demand model outputs when it is available. To assist in your efforts, you may find the following documents useful:

The Shasta Metro Improvement Program provides a comprehensive list of improvements and prospective funding sources needed to address congestion on Shasta County's regional transportation system. This included a list of regionally significant projects in the south-central urban region (SCUR). A copy of the document can be found on our website at: http://www.srta.ca.gov/RT_RTIP.html.

Additionally, the South County Region Transportation Planning Study addressed the transportation impacts expected in the Cottonwood and Anderson region of the county. It evaluated the potential improvements necessary that would enable the region to grow and develop in a logical and efficient manner. This study evaluated local roads and interchanges, but not State Route 273 or Interstate 5 mainline impacts. The study was adopted by the county and can be found on our website at: http://www.srta.ca.gov/RTstudy_past.htm.

If you have any questions or would like our agency to review or comment on any additional studies related to this project, you may contact Sean Tiedgen, Associate Planner by phone: 530-262-6185, or by email: stiedgen@srta.ca.gov.

Sincerely,

Daniel S. Little, AICP, Executive Director
Shasta Regional Transportation Agency (MPO)

DSL/SMT/jac

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Daniel S. Little, Executive Director

DATE: February 21, 2013

TO: SRTA Board of Director Members Jones, Moty, and Kehoe

FROM: Daniel S. Little, AICP, Executive Director DL

SUBJECT: SRTA Funding for Capital Projects

It is my understanding that each of you serve on a committee to negotiate a city/county tax sharing agreement. The committee has requested information about SRTA funding that may be available for major capital projects such as the Oasis Road/Interstate 5 Interchange. SRTA receives over $10 million in formula funds for transportation annually. SRTA has also been successful in securing state and federal discretionary grants for major transportation projects of region-wide interest. Expenditures are guided by the SRTA Board of Directors. Formula funds are generally earmarked for local priorities such as road maintenance. Non-formula grant funds are pursued by SRTA for regional priorities such as Interstate 5.

Local Transportation Funds (LTF): One-quarter cent of the 7.5% state sales tax is returned by the state to SRTA for local needs. This generates about $7 million annually. State law requires that public transit has first priority for these funds. This leaves roughly half of the funds ($3.5 million) for SRTA distribution to cities and county for streets and roads. Most of this – about $2.4 million – goes to the county of Shasta. SRTA plays a major role in how much of the funds go to transit and how much is distributed to each city and county for streets and roads. However, SRTA has no authority to determine how each city and county uses their streets and roads funds once received. Though these LTF funds are relied upon for local road maintenance, they could – in theory – be redirected to a major regional project at city or county discretion.

Surface Transportation Program (STP) Funds: SRTA receives about $1.4 million in STP funds annually. STP funds originate as federal funds and SRTA exchanges them for state cash on a dollar-for-dollar basis. These are the most flexible of all funds – nearly any transportation project is eligible. Current SRTA policy disburses these funds by population in the urbanized area. Redding receives most of the $1.4 million, although the county of Shasta receives a separate but similar STP allocation directly from the state. The new federal transportation authorization act will likely result in significantly higher STP apportionments to SRTA, and may require greater SRTA oversight in how STP funds are spent. The SRTA Board of Directors has discretion to revise STP policies and direct the funds to any eligible purpose.

State Transportation Improvement Program (STIP) Funds: SRTA receives about $1.5 million annually in STIP funds. Unlike LTF and STP funds, STIP funds are not fixed annual payments; they are regional shares that accumulate and must be programmed in the form of specific projects approved by the SRTA Board of Directors. STIP projects must also be approved by the California Transportation Commission. Construction dollars cannot be programmed until full project funding can be demonstrated. To the extent SRTA priorities align with state and federal needs, projects receive high programming priority and can leverage significant state and federal funds through other programs. The SRTA Board of Directors approved the attached policy to guide STIP investments and maximize the leveraging of funds. Generally, STIP funds have been used for major regional capacity improvements such as the Dana to Downtown Project and the widening of Interstate 5 in Redding. STIP funds are based on a portion of the state gas tax, which has been static. As transportation needs increase statewide, STIP funds are in decline.

SRTA has accumulated an un-programmed reserve of approximately $10 million. Once SRTA decides to program its STIP reserve, the funds can still not be accessed for at least five years – the final year of the STIP program. SRTA is accumulating these STIP reserves to eventually construct a segment of the I-5 Redding to Anderson Six-Lane Project. The total construction cost for this project is estimated at $80 million in today's dollars – STIP revenues alone will not be sufficient to build the project. As with past successes, SRTA is working to use STIP dollars and leverage other state and federal grants to obtain full project funding.

State and Federal Grant Opportunities: SRTA has been successful in several grant programs primarily related to Proposition 1B, federal earmarks, and the state Interregional Transportation Improvement Program (a subset of the STIP). As of 2012, these programs are largely tapped-out and new grant opportunities will likely require congressional or voter approval along with a new transportation tax. It's safe to say that SRTA will not enjoy the grant opportunities of the past until the political and economic landscape changes.

SRTA Support for Local Transportation Priorities: SRTA supports member agency efforts to identify funding strategies for any project – even if it is not a SRTA-identified regional priority. SRTA has funded local impact fee studies in the South County and Anderson, and sponsored project design concept reports. SRTA has supported all local agency grant efforts by offering technical assistance, helping prepare grants, and providing letters of support. SRTA elects to pass-thru nearly all of its funds to support local agency priorities. The SRTA Board of Directors, however, has maintained its discretionary authority over the use of STIP funds. Though STIP funding has declined, it is the only program that effectively addresses transportation needs on a regional level.

In very limited circumstances, STIP funds have been offered as a loan to entice grant funds for a local priority project. The Deschutes Road/Interstate 5 Off-Ramp and Roundabout Project was not a SRTA-identified regional priority; however, SRTA recognized an opportunity where the project was well-positioned for a Proposition 1B grant. It was the only project in the region that could meet three required tests: (1) It was "shovel-ready"; (2)

It could demonstrate local match thru an adopted traffic impact fee program; and (3) It was immediately adjacent to a prior grant-funded project under Proposition 1B's Corridor Mobility Improvement Account (CMIA) program. SRTA, working with the city of Anderson, obtained $2 million in funding for the $6 million project while also pursuing other grants with a goal to reach the full amount. After a year, the $2 million grant was set to expire unless the remaining $4 million could be guaranteed. In 2012, the SRTA Board of Directors pledged $4 million from the region's STIP reserve to ensure the $2 million would not be lost.

The SRTA Board of Directors made it clear that, since the Deschutes project was not a regional priority, the STIP funds would serve as a loan and could only be used if all other grant options fail. The SRTA Board of Directors further specified the funds would be paid back within a time frame of five to ten years, so as not to interfere with the construction of the I-5 Redding to Anderson Six Lane Project. (Remember: the STIP reserve was intended for this project, but it would take five to ten years to accumulate enough funds for construction). Finally, the SRTA Board of Directors insisted that Anderson would have to use their Local Transportation Fund (LTF) and Surface Transportation Program (STP) funds as collateral; meaning that should they fail to repay the loan in a timely manner, SRTA would withhold Anderson's shares until the loan was repaid.

Under similar circumstances and limitations, the SRTA Board of Directors could consider a similar loan arrangement. In Anderson's case, however, the STIP loan was never needed; but the mere offer of the loan ultimately leveraged the full $6 million in grants needed to cover all construction costs.

Please give me call if you have questions or desire further information.

/jac

Attachment: RTIP Project Selection Principles

c: SRTA Board of Directors
Kurt Starman, City of Redding City Manager
Jeff Kiser, City of Anderson City Manager
John Duckett, City of Shasta Lake City Manager
Larry Lees, Shasta County Chief Administrative Officer

Attachment 2
Approved December 18, 2007
by Shasta County RTPA Board

RTIP Project Selection Principles

1. **Project consistency with Regional Transportation Plan (RTP).** The Board approved a prioritized list of needed projects over 20 years as part of the RTP. State and Federal rules require that all projects are consistent with our RTP.

2. **Project ability to leverage new funds for the region.** To stretch limited RTIP dollars, other funds need to be leveraged, including Interregional Transportation Improvement Program (ITIP) funds from 25% of the STIP, local funds, state grants, federal earmarks, and State Highway Operation and Protection Program (SHOPP) dollars.

3. **Regional congestion-relief benefit.** Projects that serve wide-spread regional traffic needs — as opposed to projects that serve localized areas or individual development projects — should have priority. Regional significance is evaluated using the travel model, functional road classifications, and joint project sponsorships among local agencies and Caltrans. Also, since most other transportation funds are committed to maintenance, RTIP funds should be reserved for capacity-increasing improvements.

4. **Full project funding likely.** There is little sense in expending resources or tying up programming capacity in a specific project if full project funding cannot be demonstrated.

5. **Appropriateness of using STIP funds where project is eligible for funds through other programs.** A project or portion of a project more appropriately funded through other eligible programs should be pursued accordingly. Examples include projects eligible under bridge, safety, or rehabilitation programs.

6. **Local agency funding contribution to regional needs identified in the RTP.** To some degree, all local agencies contribute locally raised revenue to regional needs identified in the RTP. Examples currently include local revenue programs for regional interchanges and major arterials. Priority should be given to projects where there is local funding participation in regional projects.