

1.7 Funding and Programming

Revenues for transportation improvement projects are generated from a variety of sources. The primary traditional sources for state transportation projects are state gasoline and diesel fuel taxes, vehicle weight fees, and federal revenues. Additional sources include sales tax measures, local funds other than sales taxes, and private funds. **Exhibit 1-7** presents a description of some of these programs.

Because each funding program targets specific project activities (planning, design, and construction), the proposed Doyle Drive Project has been divided into four phases. These phases are:

- Phase 1: Project Approval and Environmental Documentation (PAED) - this document and accompanying engineering are part of PAED;
- Phase 2: Plans, Specifications, and Estimates (PS&E) - final design and development of project cost estimates;
- Phase 3: Acquisition of interest and right of way; and
- Phase 4: Construction. This phase includes implementation of identified mitigation and monitoring.

Exhibit 1-8 at the end of this section presents these proposed implementation phases in relation to anticipated funding sources and committed and proposed funding amounts. The Doyle Drive Project is currently in Phase 1.

**Exhibit 1-7
State of California Transportation Funding Programs**

| FUNDING PROGRAM ¹ | DESCRIPTION |
|--|--|
| TCRP (Traffic Congestion Relief Program) | TCRP is a state funding source managed by the California Transportation Commission (CTC) for the Governor. The TCRP requires the CTC to adopt guidelines and implement an Exchange Program that allows the exchange of federal Congestion Mitigation and Air Quality Improvement (CMAQ) and Regional Surface Transportation Program (RSTP) funds for state transportation funds, based upon funding availability. |
| ITIP (Interregional Transportation Improvement Program) | ITIP is a state funding program for Interregional Transportation Improvement Program funds. Caltrans nominates and the CTC approves a listing of interregional highway and rail projects for 25 percent of the funds to be programmed in the State Transportation Improvement Program (STIP). |
| SHOPP (State Highway Operation and Protection Program) | SHOPP is a state funding category used by Caltrans to maintain and operate state highways. |
| RTIP (Regional Transportation Improvement Program) | RTIP is a state funding source which provides for the 75 percent regional allocation of STIP funds for projects on and off the state highway system from the State Highway Account and other funding sources. As the Regional Transportation Planning Agency for the nine-county Bay Area region, the Metropolitan Transportation Commission biennially adopts the Bay Area RTIP and submits it to the CTC for approval and inclusion in the STIP. |

¹ Latest approval year for all programs is 2006.

In order for a project to obtain federal transportation funding, it must be included in the *Regional Transportation Plan (RTP)*. The Metropolitan Transportation Commission (MTC) is responsible for adopting the Bay Area's RTP, the current version of which is known as the *Transportation 2030 Plan*. Adopted by the MTC on February 23, 2005, the *Transportation 2030 Plan* describes the strategies and investments required to maintain, manage, and improve the transportation network within the nine-county San Francisco Bay Area. MTC now updates the RTP every four years and expects to adopt the new RTP, *Transportation 2035 Plan: Change in Motion (or 2009 RTP)*, in early 2009.

Also, every two years the MTC prepares and adopts a *Regional Transportation Improvement Program (RTIP)*. Developed in cooperation with County Congestion Management Agencies (CMA) and Caltrans, the 2008 RTIP includes programming for projects on and off the state highway system over a five-year period (e.g., Fiscal Year 2008/09 through Fiscal Year 2012/13). The final 2008 RTIP was adopted by MTC on January 23, 2008, and subsequently was approved by the California Transportation Commission on May 29, 2008 as part of the 2008 *State Transportation Improvement Program (STIP)*.

The Doyle Drive Project is included in the current RTP in the Financially Constrained Element with a combination of programmed and planned local, state, and federal funds available over the long term of the *Transportation 2030 Plan*. The Doyle Drive Project is also included in the 2008 RTIP and STIP.

In February 2008 MTC began the process of updating the RTP with the issuance of the Notice of Preparation (NOP) for the preparation of the Draft EIR for the *Transportation 2035 Plan*. Two scoping meetings were held in March 2008 to solicit input on the scope and content of the Draft EIR. The program-level EIR for the *Transportation 2035 Plan* analyzed the broad, regional environmental impacts of implementing the investments identified in the plan. Throughout the process of preparing the Draft EIR and RTP, MTC has made an extensive effort to seek public input including focus group meetings, community-based focus groups, evening workshops in each of the nine Bay Area counties, telephone polls and web surveys. The public outreach encouraged members of the public, cities, counties and partner agencies to submit possible projects for consideration for inclusion in the final plan.

In July 2008, as part of 2009 RTP update, the MTC adopted the Draft Financially Constrained Investment Plan, which includes the Doyle Drive Replacement Project at a total cost of \$1.01 billion in escalated dollars. Subsequently, the Authority and Caltrans have been working with MTC to make technical adjustments to the project listing to reflect a full funding plan for the project corresponding to the project team's final \$1.045 billion estimated project cost for the Preferred Alternative. It is expected that final Investment Plan for the *Draft Transportation 2035 Plan* will include the necessary funding for the construction of the Doyle Drive Project, and the MTC is preparing a letter to FHWA to this effect.

In December 2008, MTC expects to circulate the Draft EIR and *Draft Transportation 2035 Plan* for a 45-day public review period including a public hearing. It is anticipated that both documents will be approved and finalized in March 2009.

Although full project funding is included in the long range plan, only certain sources are currently committed as shown in **Exhibit 1-8**. Additional funds for the project are to come from new and/or redirected federal funds, future RIP, and local sources including GGBHTD and MTC.

Since the prior RTP was adopted, significant progress has been made on the project's funding plan, including additional funds secured through the Federal Urban Partnership Program. In August 2007, the U.S. Department of Transportation (US DOT) designated the San Francisco Bay Area as an Urban Partner, awarding the region \$159 million in federal grant funds to implement a program of projects centered on variable pricing of Doyle Drive. Tolls would be collected at, or just south of, the Golden Gate Bridge Toll Plaza and be used to fund transportation improvements in the Doyle/US 101 corridor. The use of grant funds for the Doyle Drive Value Pricing Program – including \$35 million in funds for the Doyle Drive Replacement Project - was conditioned on the obtainment of legal authority to impose a congestion toll on Doyle Drive by March 2008. On March 14, 2008, the Golden Gate Bridge Highway and Transportation District (GGBHTD) approved a resolution committing to the imposition of a variable toll in the Golden Gate Corridor (including Doyle Drive) as soon as September, 2008 but no later than September 2009. While the level of the toll and exact use of the funds was not set, the GGBHTD's action precluded the use of toll revenues to fund the Doyle Drive Replacement Project. Subsequently, the US DOT obligated the \$35 million PLH grant that was included in the San Francisco Urban Partnership Agreement (SF UPA) for the reconstruction of Doyle Drive, but held off on obligating other UPA grant funds, including tolling system funds, pending confirmation of the SF UPA program. In the summer of 2008, the San Francisco regional partner agencies confirmed they would drop the Doyle Drive tolling project from the UPA program and look to other local funding sources and cost savings to complete the project funding plan. Depending on the actual funding sources used for the project, the impacts may need to be analyzed in a Re-evaluation/Addendum of the FEIR/EIS, or a Supplemental FEIR/EIS, as appropriate.

As shown in **Exhibit 1-8**, currently the project has committed funding of \$631 million which is short of the estimated \$1.045 billion total project capital cost that is needed to construct the Preferred Alternative.

Conformity with the Transportation Improvement Plan

The Metropolitan Transportation Commission (MTC) prepares and adopts the *Transportation Improvement Plan* (TIP) every two years. The Doyle Drive Project was included in the most recent TIP 2007 and subsequent amendments, as

approved by the FWHA on October 2, 2006. The Doyle Drive Project is included in the Draft 2009 TIP.

On February 23, 2005, the MTC issued a final transportation air quality conformity finding for the *Transportation 2030 Plan* and the *2005 TIP/Amendment #05-05*. The FHWA approved this air quality conformity finding on March 17, 2005. Since the design concept and scope of the project has not changed, the Project conforms to the *State Implementation Plan (SIP)*.

**Exhibit 1-8
Proposed and Committed Funding Sources and Levels (\$ in Millions)**

| SOURCE | TYPE | | PHASE 1 (ENVIRONMENTAL) | PHASE 2 (ENGINEERING) | PHASE 3 | | PHASE 4 | | TOTAL |
|-----------------------|---------|-----------|----------------------------|--------------------------|--------------|----------------------|--------------|----------------------|-----------|
| | | | | | RIGHT OF WAY | RIGHT OF WAY SUPPORT | CONSTRUCTION | CONSTRUCTION SUPPORT | |
| PLHD Funds | Federal | Committed | \$8.2 | \$1.2 | | | | | \$9.4 |
| | | Proposed | | | | | | | |
| Federal High Priority | Federal | Committed | \$5.6 | \$1.0 | \$7.5 | \$0.8 | | | \$14.8 |
| | | Proposed | | | | | | | |
| Federal UPA | Federal | Committed | | \$12.8 | \$17.0 | | \$17.5 | | \$47.3 |
| | | Proposed | | | | | | | |
| State TCRP | State | Committed | \$9.0 | \$6.0 | | | | | \$15.0 |
| | | Proposed | | | | | | | |
| State SHOPP | State | Committed | | \$24.0 | | \$1.0 | \$364.0 | \$16.0 | \$405.0 |
| | | Proposed | | | | | | | |
| Prop K Sales Tax | Local | Committed | \$2.8 | \$5.0 | | | \$60.1 | | \$67.9 |
| | | Proposed | | | | | | | |
| STIP-RIP | Local | Committed | | \$5.0 | \$10.1 | \$2.0 | \$54.0 | | \$71.1 |
| | | Proposed | | | | | | | |
| Other Local* | Local | Committed | | | | | | | |
| | | Proposed | | | \$1.7 | \$0.2 | \$357.4 | \$54.7 | \$414.0 |
| | Totals | Committed | \$25.6 | \$55.0 | \$34.6 | \$3.8 | \$495.6 | \$16.0 | \$630.6 |
| | | Proposed | | | \$1.7 | \$0.2 | \$357.4 | \$54.7 | \$414.0 |
| | | Total | \$25.6 | \$55.0 | \$36.3 | \$4.0 | \$853.0 | \$70.7 | \$1,044.6 |

Source: San Francisco County Transportation Authority, August 2008, consistent with proposed 2009 RTP and 2009 RTIP amendment

Note: Funding plan is based upon estimated capital costs provided in Exhibit 2-38 for the Preferred Alternative. Depending on the timing and amount of funding, the project may or may not be phased. Estimated Project costs in year of expenditure dollars (in millions) are as follows:

| | |
|---------------------------|------------------|
| PA/ED | \$25.6 |
| PS&E | \$55.0 |
| Construction | \$853.0 |
| Construction Support | \$70.7 |
| Right of Way | \$36.3 |
| Right of Way Support | \$4.0 |
| TOTAL PROJECT COST | \$1,044.6 |

Additional funds to come from new and/or redirected federal funds, future RIP, and local sources including GGBHTD and MTC. Information contained in this environmental document may need to be re-evaluated or supplemented depending on the actual sources of funds used on the project.

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