FIX FIVE Partnership

"Enhancing Capacity and Mobility along the Interstate 5 Corridor"

AGENDA

FIX 5 PARTNERSHIP

Executive Committee Meeting #1

Wednesday, August 2, 2:00-3:30 p.m.
City of Redding Community Room

Shasta County Regional Transportation Planning Agency

TCTC

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1. INTRODUCTIONS

2. SUMMARY

Congestion: Congestion on Interstate 5 through our region is growing at a rate of 10-percent a year, while funding has remained flat. Recent and unprecedented developments in South-Central Shasta and North-Central Tehama Counties will further accelerate this rate of decline. Interstate 5 is projected to fail within the next ten years, meaning we will experience stop-and-go traffic in the morning and evening commute hours. This has serious implications across many "quality of life" indicators such as economic development, goods movement, air quality, access, mobility, safety and community satisfaction in general.

CEQA: The development community has also been impacted. Developers and local agencies have been struggling with how to mitigate cumulative project impacts now that I-5 failures are within the 20-year CEQA analysis horizon (see Appendix 3).

Traffic Impact Fee (TIF): The most realistic local revenue source for I-5 improvements at this time is traffic impact fees levied on new development. The time to act is now because it may take 10 or more years to amass funds to design and build any major improvements. Also, once I-5 fails, the window of opportunity to adopt a full-share traffic impact fee program has closed. We cannot legally make new development responsible for existing deficiencies. Finally, a traffic impact fee program will help to resolve some of the CEQA issues now faced by local jurisdictions and developers.

Other Revenue Programs: A TIF is only part of the solution. Experience in larger urbanized areas shows that voters will eventually support a local sales tax measure for transportation in addition to a TIF when congestion becomes intolerable. TIFs and local sales tax revenue can also be used to leverage state and federal dollars. The proposed State Infrastructure Bond is a good example. If approved in November, $1 billion will be available for congestion relief projects where local agencies provide a 50% match. The $4.5 billion corridor mobility program may also include local match in the project selection criteria (see Appendix 2).

Fix 5 Partnership: A series of meetings with the RTPAs, City Councils, Board of Supervisors, City Managers, and CAOs of the jurisdictions along I-5 in Shasta and Tehama counties has taken place. The focus of these meetings was to develop a consensus that a regional study is needed to look at capacity improvements on I-5, and develop a fair-share revenue program. To date, there has been unanimous support in moving forward with this study. State grant funds are now in place and this meeting is the first step in developing a regional and comprehensive improvement strategy.

3. GRANT FUNDING

Funding for this study is through the State Planning and Research (SPR) program. SPR grants are awarded to Caltrans Districts and headquarters divisions to fund transportation-planning activities of interregional or statewide interest that fall outside normal work activities. Emphasis is placed on collaboration between transportation agencies and other public and private stakeholders. Program funding is 80% federal, 20% state and may be used for contract services only. The RTPAs, Caltrans, cities and counties will provide staff support for this effort.

Total grant funding available for the I-5 study is $585,000. Consultant work will begin this fall and must be completed by June 30, 2009. The lead agencies for this project will be Shasta County Regional Transportation Planning Agency (SCRTPA) and the Tehama County Regional Transportation Planning Agency (TCRTPA).

The approved SPR Grant Application is attached.

4. BACKGROUND

Traffic: North of Red Bluff, I-5 is the principal north/south facility available for both local and long distance travel. Traffic volumes on I-5 are forecast to more than double during the next thirty years, creating significant congestion on the freeway between the cities of Corning and Shasta Lake. Traffic flow will be erratic, often "stop-and-go." By 2030, this entire stretch will be at LOS F with peak hour average speeds as low as 20 mph. Figure 1 shows average travel speeds between Corning and Shasta Lake over time. Figures 2 and 3 show LOS on Shasta County roadways today and at 2030 based on the SCRTPA traffic model.

Compounding the issue, as the level of service declines, the number of vehicles that can pass through diminishes at peak demand times as shown in Figure 4.

A critical question that must be addressed if we are to find a solution to traffic congestion is, "who is driving on I-5?" I-5 carries a mixture of local, regional and interregional auto and heavy truck trips serving diverse purposes. Without knowing where projected traffic is coming from or going to we cannot develop a fair-share funding solution. Caltrans plans to perform an origin and destination (O&D) study on I-5 and key intersecting State Routes that will be used for the Fix 5 Partnership study. The O&D study will identify how much traffic is local versus how much is passing through.

Funding: There are no revenue streams on the horizon to address this problem. Federal and state gas tax revenue is flat while the needs for new facilities grow (Figure 5). Since 1990, travel on California's Interstates has increased at five times the rate that capacity has been added. In Shasta County, State Transportation Improvement Program (STIP) funding is likely committed through 2015 and any new funding will be limited to less than $5 million annually, even in robust economic times. In Tehama County, limited STIP funds are committed to the South Avenue Interchange project. While some jurisdictions within the District 2 area have local traffic impact fee programs, none of these address I-5 mainline needs.

TIF programs are becoming more widely accepted by the public and development community in our region. Based on City of Redding surveys, recent election results in Tehama County, and current levels of congestion, the region does not appear ready to approve a "self-help" sales tax measure.

Senate Bill 1266, the state's Strategic Growth Plan Bond Package on the November ballot (Proposition 1B), and Federal earmarks hold some promise; however, these address only a small portion of the needs and typically rely on significant local matching funds. I-5 is not only the backbone for the region, it is the backbone of the state and West Coast. Local, state and federal governments all have a vested interest in the corridor. There will be opportunities to leverage state and federal funds, but only if we can raise our fair share of local revenue. The attached Shasta County fact sheet (Appendix 2) concerning the Strategic Growth Plan Bond is one example of significant funding that can be leveraged for I-5 with local partnerships and revenue programs.

5. FIX 5 PARTNERSHIP GOALS

Fix 5 Partnership Mission Statement: Support the regional economy, public safety and public welfare through partnerships that manage congestion on the I-5 corridor between the cities of Shasta Lake and Corning. Identify, prioritize, and deliver projects necessary to prevent I-5 gridlock through 2030. Facilitate regional cooperation and a comprehensive strategy to maximize the leverage of state and federal funds. Develop a traffic impact fee (TIF) program to be adopted by all local agencies based on a fair-share responsibility as determined by a consensus of the Fix 5 Partnership.

Executive Committee Question: Does the mission statement encompass our basic need?

Fix 5 Partnership Goals:

1. Maintain an "acceptable and manageable" level-of-service standard.
2. Enhance local, regional, and interregional economic opportunity by promoting access, mobility, and goods movement.
3. Reduce vehicle collisions and improve safety.
4. Engage the public regarding improvement needs.
5. Establish a fair share funding strategy considering local, regional, state and federal resources.
6. Maximize leverage of state and federal funds by showing a strong local consensus that I-5 is the backbone of our region, and a local commitment to I-5 improvements.
7. Establish a framework for ongoing regional decision-making that actively involves transportation stakeholders, particularly the traveling public, development community, and civic leaders.
8. Streamline and coordinate CEQA reviews regarding I-5 development impacts.
9. Provide traffic data, design details, and funding information for use in several local efforts including general plans, transportation plans, redevelopment plans, the regional traffic model, CEQA studies, capital programs, blueprint studies, and performance indicators.

Executive Committee Question: Are these appropriate goals?

Fix 5 Partnership Products and Deliverables:

1. Identify current and future congestion problems on I-5 and supporting facilities through 2030 in five-year increments.
2. Identify necessary improvements and associated costs on I-5 and supporting roads within the same five-year increments.
3. Prioritize improvements for implementation within the five-year increments based on cost-revenue and cost-benefit analysis.
4. Establish zones of benefit based on traffic contribution to needed improvements.
5. Develop fair-share cost responsibilities among local agencies, the region, state and federal agencies based on the percentage of local, regional and interregional traffic. The added impact of heavy truck traffic will also be considered.
6. Establish local, "self-help" funding mechanisms to meet local fair-share responsibilities.
7. Develop draft TIF ordinances and/or other revenue devices as directed by the Partnership.
8. Inform and educate the public through an outreach campaign including polling, stakeholder meetings, and informational and educational media.

Executive Committee Question: Are there any other desired deliverables?

6. FIX PARTNERSHIP GRANT STUDY SCOPE

Geographic: The approved grant application describes the study area as the City of Corning to the City of Shasta Lake. This section of I-5 currently has the highest traffic volumes and is anticipated to have the highest level of growth through 2030. This section also has a number of connections to significant local and state facilities including State Routes 36, 44, 99, 151, 273, and 299. The elected officials of the cities and counties throughout this area have indicated support and a willingness to participate.

Facilities: A key consideration in keeping the project scope manageable and the grant within budget is the roads to be studied and included in the TIF. The study can focus on I-5 mainline improvements, or broadened to look at all interchanges, or further broadened to look at support local streets and roads. A broad scope will increase the study's complexity, schedule and cost. It would also result in a higher traffic impact fee that could be unacceptable to the community.

Executive Committee Question: To what extent should we limit the facilities studied in order to achieve our project goals?

Supporting Roads

Discussion: Parallel facilities like Airport Road, SR 273, SR 99W, and future general plan roads could be more cost-effective to widen than I-5. Some roads will be improved regardless of this effort, consistent with existing capital plans or general plans.

Recommendation: To the extent these roads are a substantial part of the solution to I-5 congestion, they should be factored into the traffic projections.

Interchanges

Discussion: Interchanges are also part the I-5 mainline problem and solution, mostly at the on- and off-ramp merge points with the mainline, not the ramp intersections with surface streets. Most interchanges have been studied at a conceptual level and some at a detailed engineering level. Including full interchange evaluations as part of this study would more than double the work effort. In addition, interchanges are less ripe for study since specific development proposals can significantly change long-range improvement plans making traffic conditions at interchanges more difficult to forecast.

Recommendation: Interchanges should only be studied to the extent that they impact mainline operations and/or opportunities to add additional lanes on I-5. Examples would be lengthening merge lanes, adding auxiliary lanes, ramp metering, and lengthening overcrossings for mainline widening. Key considerations for this recommendation include:

- Level of grant funding available
- Complexity of effort
- Complexity of potential funding options
- Likely level of benefit to I-5 mainline relative to cost
- Existing TIF programs, and other programs, that already include interchange improvements

Executive Committee Question: Should the fees collected from the TIF be spent on supporting roads and interchanges?

Discussion: The follow-up question to, "what should be studied as part of this effort?" is "what should be funded as part of this effort?" The Fix 5 Partnership began because certain improvements "slipped through the cracks" of local funding. This has happened either because an improvement was on the state system and was thought to be a 100% state/federal responsibility; or, because an improvement straddles more than one jurisdiction and no one took responsibility.

Existing local TIFs, redevelopment plans, or mitigation requirements include local roads but not state highways. A few local TIFs include interchanges. Including local roads in the fee program would increase the total program cost and corresponding TIF fees. It would also crossover with projects and purposes of existing TIF programs. To the extent local agency TIFs reduce peak hour traffic on I-5 through improvement of their local roads, their fare-share responsibility for the I-5 TIF would be reduced in direct proportion. Finally, local TIF program fees vary by jurisdiction resulting in different degrees of congestion "deficits" in different jurisdictions.

Recommendation: The Fix 5 Partnership TIFs should predominantly be dedicated to I-5 mainline improvements with the following additions:

- Interchange improvements should only be funded where they relieving I-5 mainline congestion (i.e., merge lanes, auxiliary lanes, ramp metering, and lengthening overcrossings). Full interchange improvements may be considered when connecting two major state routes (i.e., Central Interchange or the SR 99 Interchange).

- In limited cases, as determined by the Partnership, funds may be used on other roadways where the road: (1) serves regional traffic; (2) will substantially alleviate I-5 traffic; and (3) would not typically be included in local funding programs (i.e., a bridge for a parallel collector road over Cottonwood Creek or improvements to SR 273 or 99W).

Congestion relief needs that are local in nature, including interchanges at local roads, should be addressed in local TIF programs. If the initial Fix 5 Partnership is successful, the study can be broadened in a subsequent phase to include other facilities.

Financing Options: As stated in the proposed Mission Statement, the goal of this study is to develop a funding strategy. By necessity, this strategy will be comprehensive, including both new and existing funding programs as well as all local, state and federal sources. Only a multi-faceted strategy will provide sufficient revenues to deliver needed improvements. Selected improvements will emphasize cost-effectiveness and the best "fit" of the improvement to the funding program.

State and federal fund sources, although limited, include:
- State Transportation Improvement Program (STIP) (portions are controlled by RTPAs)
- State Highway Operation and Protection Program (SHOPP)
- State Bond Measures
- Federal Demonstration Projects and Earmarks

As stated earlier, there are no existing local fund sources for I-5. Potential sources include:
- TIFs
- Developer Mitigation
- Redevelopment
- Assessments
- Local Sales Tax

In the short-term, a TIF is the most feasible option to begin generating local revenue. The TIF will not include maintenance needs. This is prohibited under the State Mitigation Fee Act. Other "self-help" revenue sources, such as a local transportation sales tax, will be explored as part of a future, long-term solution. The Partnership will gauge public support through extensive outreach efforts.

The first phase of improvements will likely feature the "easy" fixes. These would be lower-cost facilities that maximize existing I-5 capacity (i.e., ramp metering, collision reduction, and other interchange merge/diverge efficiencies). Many of these improvements may be SHOPP-eligible and will yield significant congestion relief benefits while other revenue sources to accumulate (i.e., TIF, STIP, etc.).

The Partnership TIF will not be in place for two to three years. In the interim, several "mega-projects" – unprecedented in size for this region – are proposed throughout the corridor (see Map 1). The five largest developments alone are along I-5 in Shasta and Tehama counties. They total 15,000 homes and 3.5 million square feet of commercial area. These and other projects, using vesting tentative maps, will likely avoid payment of the Fix Five Partnership TIF.

Executive Committee Question: Should an interim traffic impact fee program be developed?

Discussion: City and county elected bodies have expressed support for this effort. During discussion of this item, a few individual council and board members spoke in favor of a traffic impact fee program. For example, a $1,000 EDU interim I-5 TIF could generate $15 million in the 2 to 3 years it takes to develop full grant study. The $15 million could, in turn leverage SHOPP or state bond projects totaling $30 million or more (see Appendix 2).

Interim developments (whether small or "mega") represent a missed opportunity to collect some minimum fair share contribution. Because the interim TIF is less detailed, it would be more conservative (a smaller fee) pending final study results. A simplified and expedited TIF program – based on existing traffic models and basic lane additions to I-5 – could be developed in the next six months to capture development projects now in the pipeline. If we are all in agreement that the study is moving in the direction of a Partnership TIF, would it be prudent – and equitable for future development – to adopt an interim fee?

An interim TIF may also assist sponsors of larger developments in addressing I-5 cumulative impact mitigation. Currently, this is a major sticking point (see Appendix 3).

Recommendation: The idea of an interim fee should be brought before each city council and board of supervisors; however, the question should not be dropped on them "cold." A thorough staff analysis is needed. Support information would need to be coordinated by Shasta and Tehama RTPAs. The first question to the elected officials should be, "would you like to see the RTPAs present support information regarding an interim fee?" rather than asking outright "are you in favor of an interim fee?" In the spirit of this Partnership, there would need to be incentives for equal participation across all jurisdictions. Offering other matching funds such as STIP, SHOPP or the Governor's bond would be some examples.

7. PARTICIPATION STRUCTURE

This will be a two- to three-year process. To the extent possible, it is important to keep the same individuals involved throughout the process. We propose the following organizational structure (see Figure 6):

Shasta and Tehama County RTPAs: The governing boards will receive periodic updates and provide policy guidance every three months (approximately). The RTPAs will also approve the study and facilitate consensus among the member agencies.

City Councils and Board of Supervisors: Councils and Boards will receive updates as recommended by the RTPAs or Executive Committee. Cities are: Shasta Lake, Redding, Anderson, Red Bluff and Corning. Counties are Shasta and Tehama. Fostering consensus among all local agencies in the Partnership is vital since they ultimately approve the TIF program.

Executive Committee: This consists of the CAOs and City Managers, or their designees having authority to make determinations on their behalf. If elected officials are interested, we should also consider their participation. The Executive Committee will meet approximately every three months depending on project milestones. With respect to your time, our goal is to limit meetings to 1.5 hours each.

Technical Advisory Committee (TAC): The Executive Committee would determine membership of the TAC. As the name implies, work will include review of technical data and recommendations to the Executive Committee. Meetings will be every one- to two-months lasting two to three hours. It is recommend that the TAC be open to all interested public and private stakeholders. Experience has shown that interest and participation wanes over time. Therefore, it is important not to limit participation, as all perspectives are important.

Core Staff: This group will consist primarily of Public Works and Planning Department staffs of the cities and counties, plus RTPA and Caltrans staffs. The Core Staff will work closely with the consultant team to organize and summarize data and recommendations for use by the TAC and Executive Committee. This group will also coordinate and conduct the public outreach campaigns, presenting results to the committees.

Public Meetings: This is the most important component of the study. Public meetings will be held in different forms and jurisdictions early and often. We will experiment with different meeting formats such as open houses, breakout groups with facilitators, and presentations with Q & A (also see Section 8 below).

Executive Committee Questions: Are the various individual, group, and agency stakeholders given ample opportunity to participate at appropriate levels?

Would one of your elected officials be interested in participating on the Executive Committee?

8. PUBLIC OUTREACH

A major effort in this project will be to engage local and regional decision-makers, community and trade organizations, and the general public in development and implementation of a comprehensive funding plan for I-5 within the study area. A number of outreach strategies will be used including:

advisory committees (i.e., TAC), public workshops, polling, surveys, mailings, newsletters, an Internet site, presentations to community organizations, and development of media information.

The goals of the outreach effort will be to:

- Identify existing awareness and opinion regarding traffic conditions and transportation funding constraints for I-5.
- Gauge support for various transportation funding mechanisms and the proposed funding strategy/programs.

There will also be coordination opportunities with parallel public involvement efforts tied to the Regional Blueprint Study, the Regional Transportation Plan, and other local plans.

Executive Committee Question: Are there any suggestions for improved public outreach? This has been a challenge in our region. We would appreciate all ideas.

9. STUDY SCHEDULE:

Full Study and TIF:

Period	Activities
Fall 2006	Release RFP, award contract, assess existing plans and studies, ID needs
Winter 06/07	Identify potential improvements, determine existing public opinion
Spring 2007	Prioritize improvement projects
Summer 2007	Develop cost estimates for improvements and "fair share" by agency
Fall 2007	Evaluate potential funding strategies/programs, determine public support
Winter 07/08	Develop preferred funding strategy/programs, determine public support
Spring 2008	Present funding strategy/programs to agencies for adoption
Winter 08/09	Jurisdictions adopt TIF and/or other "self-help" funding mechanisms

Basic Interim TIF (If Directed by Partnership):

Period	Activities
Summer 2006	Conservatively identify basic, known improvement needs (i.e., lane additions)
Fall 2006	Determine "fair share" responsibilities based on existing traffic model/studies
Winter 06/07	Present TIF ordinance to agencies for adoption
Spring 2007	Jurisdictions adopt TIF and/or other "self-help" funding mechanisms

10. NEXT STEPS

Between now and the next Executive Committee meeting in October, we will:

- Gather existing data and studies relevant to the effort
- Plan the first public meeting and TAC meeting
- Ongoing Core Group meetings
- Develop and circulate the RFP

At the next Executive Committee meeting, we will:

- Review public meeting and TAC participation plans
- Review summaries of new information gathered
- Approve detailed, proposed scope of work and schedule
- Recommend approval of a consultant agreement to the RTPA/LTC
- Approve any assumptions needed to proceed

11. OTHER COMMENTS AND EXECUTIVE COMMITTEE FEEDBACK

12. ADJOURN