



2024 Blueprint Transportation Investment Nominations and Next Steps for the Plan Update

Receive & File

Prepared by: Binu Abraham

Attachments: Yes

Approved by: James Corless

Referring Committee: Transportation Committee

1. Issue:

SACOG recently completed the nomination process for transportation projects and programs for the 2024 Blueprint. This year's nomination process represented a major shift in the way SACOG collects project ideas for the long-range plan update, including a map-based nomination tool designed to better integrate the Triple Bottom Line Policy Framework adopted by the board and additional questions for sponsor agencies to help identify regional and local priorities.

2. Recommendation:

Staff is seeking feedback and direction from committee members to inform the board's decision-making process related to transportation investment priorities for the 2024 Blueprint.

3. Background/Analysis:

The 2024 Blueprint is a federally and state mandated plan that links land use and transportation planning across the six-county Sacramento region. Transportation projects of regional significance or that intend to seek most federal and state grants are required to be consistent with the regional plan before submitting requests for funding or advancing to construction, even if locally funded. The 2024 Blueprint will cover nearly 30 years into the future with a horizon year of 2050 and must constrain investments to a reasonable forecast of future revenues. The plan is also required to show progress on addressing federal and state policy areas including system maintenance and preservation, air quality, greenhouse gas reductions, congestion, and equity. It's important that the plan satisfies these federal and state requirements in a way that also advances local and regional goals. Over the next 20 months, the SACOG board will oversee the staff work, analysis, and engagement activities that will lead to a plan adoption in February 2024.

In February of this year, the board approved a Triple Bottom Line Policy Framework for the 2024 Blueprint that outlined the major growth and mobility challenges that are facing our region (Attachment A). The policy framework also outlined a set of high-level goals for an integrated, multimodal transportation system and regional development pattern that can create a more thriving region that works for all residents. Based on this Framework, the 2024 Blueprint must aim to connect housing to jobs, education, goods and services, and recreational opportunities while protecting and enhancing our natural and working landscapes and meeting our equity, economic, and environmental goals. This plan will ultimately outline recommendations for land use policy and transportation investment strategies for the Greater Sacramento region.

To better understand how the land use and transportation decisions we make today will affect the future and to help identify strategies that can remain durable across a range of futures despite changing and disruptive uncertainties, SACOG is undertaking a scenario planning effort, referred to as Pathways, as part of the process for the 2024 Blueprint. Pathways will provide the analysis and metrics that will serve as a learning tool for unpacking the many complex and intersecting issues facing the region over the next three decades around housing and land use, transportation management, regional growth, environmental resources, economic development, systemic racial disparities, and climate change and resilience.

To help launch the effort on Pathways, the transportation project nomination process for the 2024 Blueprint asked agencies around the region responsible for building, operating, and maintaining our multimodal transportation system to submit project ideas, programs, and concepts to consider for the plan update. This project nomination process is an important step in using Pathways to test varying transportation investment packages alongside different patterns of employment and housing growth in the region.

4. Discussion/Analysis:

As a critical part of the 2024 Blueprint, the SACOG board will need to adopt a multi-modal transportation investment strategy for the region. This strategy will outline the major investments in transportation infrastructure, operations, and supporting programs the region should focus on in the coming years. To provide SACOG with sufficient information on potential projects and investment priorities, staff conducted a nomination process to gather project ideas of local and regional importance that can be analyzed as part of the Pathways work described in the section above. The purpose of this work will be to analyze different combinations of transportation investment strategies in the context of a variety of regional land use patterns to provide the board with an understanding of potential impacts on the region and the performance of the regional transportation system.

In addition to performance and local priority considerations, the plan is required to be financially constrained and there are never sufficient revenues to pay for all the projects nominated for potential inclusion in the plan. Because of this, the board will need to need to prioritize transportation investments in the context of limited resources. Staff is looking for any direction or questions from the committee on further information and analysis that staff can provide to support this decision-making process.

The goal of the 2024 Blueprint project nomination process was not to inventory every transportation project an agency is planning but to better understand local priorities, funding needs, and begin to identify projects that support the Triple Bottom Line goals of the Blueprint Policy Framework.

WHAT DID SACOG LEARN ABOUT THE TRANSPORTATION PRIORITIES AND NEEDS ACROSS THE SIX-COUNTY REGION?

In every plan update cycle, the region faces more investment needs and wants than we can afford within the financial constraints of the plan. This makes it especially important for the plan to have strong policy and performance goals to guide the development of an investment strategy that offers meaningful benefits while recognizing real world financial limitations.

The table below provides context for how the total requests for transportation projects for the 2024 Blueprint compares to the current plan, adopted by the board in 2020. It should be noted that many investments may include elements across multiple categories, such as road improvements that also add bicycle and pedestrian facilities or maintenance projects that also address safety concerns. Additionally, because road and highway expansion projects are generally required to be analyzed for air quality impacts as part of the development of the plan, the project nomination process more comprehensively captures these investments than investments

in other categories. For example, while the plan is required to demonstrate that the region is considering system maintenance and preservation needs, specific maintenance or rehabilitation projects that are fully locally funded do not need specific listings in the plan and are not often fully captured through local agency project submissions. Similarly, transit expansion projects that require significant capital investment, such as light rail extensions, must be included in the Blueprint for air quality analysis and to be eligible to seek federal grants. However, the costs of operating the regional transit system are forecast at a regional scale and do not necessarily come through the nomination process, therefore the costs reflected below are primarily for transit capital expenses. As such, other than the road and highway category below, none of the other categories fully reflect the total investment needs across the region, but rather provide a partial picture of local priorities. SACOG will continue to work with project sponsors as we review project nominations to more comprehensively capture potential needs across all project categories. The notes below the table highlight some of the important takeaways from the 2024 Blueprint nomination process and provide insights for the types of prioritization decisions the board will face in the coming year.

Major Project Categories	Adopted 2020 MTP/SCS	2024 Blueprint Nominations
Maintenance and Rehabilitation Maintain Caltrans highways & freeways Maintain local streets & roads Safety investments as part of rehabilitation projects	\$12.6 billion	\$8.4 billion
Road and Highway Capacity New & widened roads, river crossings, interchanges, etc.	\$6.8 billion	\$11.2 billion
Transit Bus and rail operations and maintenance Paratransit services Strategic bus and rail infrastructure expansion Vehicle purchases	\$10.2 billion	\$4.8 billion
Bicycle and Pedestrian Bicycle Facilities Pedestrian Improvements ADA retrofits	\$2.5 billion	\$1.7 billion
Program, Safety, System Management, and Operations Safety projects and programs Technology and operational improvements Project analysis and development Air Quality programs Transportation Demand Mgmt. and traveler information	\$3.1 billion	\$2.1 billion

While it is still early in the plan development process to compare initial project requests to final plan expenditure categories, staff has noticed several trends that will require further coordination with local agencies and create challenges the board will need to address as part of the 2024 Blueprint and project prioritization decisions. Staff will provide a deeper presentation at the June committee to dive into the Blueprint project nomination process and results, but the points below provide an overview of some of the larger themes that have emerged through the process to date:

Specific project nominations rarely cover plan horizon pavement needs

Total road and highway maintenance needs are likely underestimated in the nomination process and reflect more near term, five to ten years, priorities for system maintenance. SACOG will need to continue to work with local agencies and publicly available data regarding local pavement conditions to better reflect total maintenance and preservation needs which often require tradeoff discussions when it comes to system expansion priorities.

More capacity projects seek to leverage new local revenues and competitive funding and near-term financial constraint is likely oversubscribed

The \$11.2 billion in road and highway expansion projects nominated for the plan is 65 percent higher than the total capacity expansion budget in the current plan, creating the need to carefully review these investments in the context of the plan's land use assumptions, overall transportation system performance, and financial constraints.

Additionally, while not reflected in the table above, many of the investments nominated for the Blueprint, local priority projects in particular, requested early completion years, within the first five to ten years of the plan update. Many of these projects are dependent on revenue sources that do not yet exist, such as sales taxes, or will need significant federal, state, or regional grant funding. Because of this, the board will need to consider carefully how the plan balances financial constraints and investment priorities in the early years of the plan.

Balancing transit capital expansion and operating needs remains challenging

The \$4.8 billion in transit nominations are focused largely on capital costs for replacing and expanding the regional bus and light rail fleets, light rail system expansion, commuter rail extensions, and other capital expenses. While the nominations include some operating costs for new or expanded service, the requests do not fully capture the costs of running the system. SACOG will continue to work with the region's transit providers to review the transit expansion commitments considered as part of the plan alongside the availability of funding support for both capital and operations costs. For context, nearly 70 percent of the current plan's transit investment goes to just operating and maintaining the system.

Bike, pedestrian, technology, and safety nominations do not focus on regional networks or long-term visions

Similar to the maintenance and preservation nominations, the projects identified in the bicycle and pedestrian and programs, safety, management, and operations project categories reflect more near-term investment priorities and do not comprehensively capture needs across the full planning period of the Blueprint. For example, the region may want to consider how Intelligent Transportation System investments will better prepare us for next generation mobility solutions such as connected vehicles. The plan may also want to consider expansion of micro mobility and shared transportation solutions that are not fully reflected in the nomination process. Of particular note, is the question of how far the region can go in completing the more than 800 miles of Regional Trail Network approved by the board in April of this year. The full network was not fully captured in the nomination process and is another area where SACOG will need to continue to work with local agencies.

HOW WERE EL DORADO AND PLACER COUNTIES, WHICH ARE REPRESENTED BY SEPARATE REGIONAL TRANSPORTATION PLANNING AGENCIES, INCLUDED IN THE NOMINATION PROCESS?

Placer and El Dorado counties each have their own state designation as Regional Transportation Planning Agencies (RTPAs) and are responsible for developing their own countywide transportation plans. SACOG is the RTPA for Sacramento, Sutter, Yolo, and Yuba counties and works in coordination with the Placer County Transportation Planning Agency (PCTPA) and the El Dorado County Transportation Commission (EDCTC) to

ensure consistency between these two county-specific plans and the broader region-wide plan. As part of the nomination process for the 2024 Blueprint, SACOG staff coordinated closely with RTPA staff on the timing of project information requests and the style of engagement with project sponsors in Placer and El Dorado Counties. Since PCTPA is beginning their RTP update process now, they encouraged Placer agencies to use SACOG's interactive mapping tool to start their RTP update process and provide SACOG with updated project information. EDCTC staff plan to begin their RTP update process a year later and will inform SACOG of key project updates as needed.

HOW DOES FINANCIAL CONSTRAINT COME INTO PLAY WHEN EXAMINING THE INVESTMENTS NOMINATED IN THE CALL FOR PROJECTS?

The 2024 Blueprint is required to be financially constrained. Financial constraint in the context of the regional plan means that the cost of plan implementation must be constrained by a projection of reasonably available local, state, and federal revenues, including both formula and competitive funding sources. This financial element of the plan also contains recommendations for the allocation of funds across all types of projects and programs including road, highway, and transit expansion, maintenance and rehabilitation, operations, safety, active transportation, air quality, and more. The SACOG board is responsible for making final decisions about what projects, or types of projects, are prioritized in the plan that best satisfy federal and state requirements and help achieve the plan's triple bottom line goals.

To support the board's decision-making process, this Summer and Fall, staff will prepare revenue assumptions for the plan comprised of existing programs and sources of funding or board-approved assumptions about future funding for transportation purposes (such as local sales taxes, tolling, or mileage-based user fees). The revenue forecast for the plan will be based on numerous factors that affect overall funding levels including fuel consumption and prices, state and federal policy, historic trends, slower population growth and development activity than the previous plan, inflation, and the timing and extent of new roadway pricing strategies, among others.

UP NEXT, BUILDING PATHWAYS FOR A FUTURE THAT ADVANCES THE TRIPLE BOTTOM LINE AT A REGIONAL SCALE

Work on the Blueprint will continue in earnest through the Summer to prepare to bring the Pathways work to the board this Fall. In addition to developing revenue assumptions as described above, below are some important next steps and what the committee can expect in the coming months, staff is working to develop three Pathways: one which emphasizes outward growth and road and highway expansion, one which replicates the current plan but updates assumptions based on changes to existing conditions and a more conservative population, housing, and employment growth forecast; and one that emphasizes infill development and focuses investments on the existing transportation system. These Pathways will provide the board with a foundation on which to base investment decisions and tradeoffs by looking at how different strategies impact the region and the performance of the regional transportation system.

Developing Land Use Assumptions for Pathways

While this staff report focuses on the transportation components of the plan that will feed into the development of Pathways, SACOG staff first began working with local government staff on land use assumptions in January to update the existing conditions that will underly this plan (how things have changed in the couple years since the current plan was adopted) and buildout capacities (the total amount of employment and housing growth that can be accommodated in local plans). SACOG staff is now working with local agencies to build and review land use assumptions for each of the Pathways described above. Staff expects this collaboration with local agencies to continue through July and will return to this committee with a presentation on land use assumptions for Pathways in August.

Ongoing Outreach and Engagement Efforts

As far as ongoing or upcoming engagement opportunities related to the Blueprint, on May 27, staff briefed the board's Race, Equity, and Inclusion (REI) Working Group on how SACOG's Blueprint engagement strategy will follow through on our Racial Equity Statement of Change and Commitment. Using feedback gained from the REI Working Group the outreach strategy will be updated and brought back to board committees in August. In the meantime, starting in July, SACOG will be visiting each city council and board of supervisors throughout the region to engage local officials and provide an overview of regional initiatives and how they relate to the Blueprint plan, including a discussion around future pathways, local transportation priorities, and regional investments.

SACOG is also exploring partnering with Valley Vision on upcoming public polling efforts to collect public opinion on issues related to the 2024 Blueprint. Results from Valley Vision's polling efforts should complement SACOG's own surveying efforts this summer to gather values-based priorities on how the region should be growing with a triple bottom line focus. As a means of digging deeper into what we are learn from these polling and surveying efforts, staff plans to convene several focus groups on specific topic areas that emerge as important themes from polling, surveying, and conversations with the board. The combination of the feedback received from each of these efforts will be shared with the SACOG board to help inform the board's discussions and direction to staff on the development of the 2024 Blueprint.

5. Fiscal Impact/Grant Information:

Work on the 2024 Blueprint is included in the adopted budget and Overall Work Program. As a multi-year project, not all future year costs have been identified, but expenditures will be included in future year budgets.

6. This staff report aligns with the following SACOG Work Plan Objectives:

Goal 1 : Advance Economic Prosperity

Goal 2 : Connected Communities

Goal 3 : Vibrant Places