

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 24-25, 2021

From: MITCH WEISS, Executive Director

Reference Number: 4.8, Action

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Subject: Adoption of the 2021 Mid-Cycle State Transportation Improvement Program Guidelines and Share Distribution as a result of COVID-19 Relief Funds, Resolution G-21-40

Recommendation:

Staff recommends the California Transportation Commission (Commission) adopt the 2021 Mid-Cycle State Transportation Improvement Program (STIP) Schedule below and the Share Distribution (Attachment B). Staff will bring the Draft 2021 Mid-Cycle STIP Guidelines (Attachment A) and guidelines for the Surface Transportation Block Grant Program component for adoption at the May 12-13, 2021 Commission meeting.

2021 Mid-Cycle STIP Schedule

Draft Guidelines/Workshop	March 9, 2021
Commission adopts Schedule and Share Distribution	March 24, 2021
List of projects due to the Commission	April 23, 2021
Commission adopts Guidelines	May 12-13, 2021
New projects are presented to the Commission (Notice)	May 12-13, 2021
Commission adopts the new projects	June 23-24, 2021

Issue:

As presented under Agenda Item 15 (Reference No. 4.3), the federal Coronavirus Response and Relief Supplemental Appropriations Act of 2021 funds (COVID-19 Relief funds) apportioned to California are \$911,823,218. From this amount, \$243,152,859 will be distributed through the State Transportation Improvement Program (STIP) as follows: 75 percent through the Regional Improvement Program (\$182,364,599) and 25 percent through the Interregional Improvement Program (\$60,788,215). In order to proceed with the programming and allocation of the funds flowing through the STIP expeditiously, staff proposes the Commission approve the schedule above and the share targets for the 2021

Mid-Cycle STIP. Waiting to incorporate the funds through the normal STIP process, would delay the use of the funds by one year.

The 2021 Mid-Cycle STIP Draft Guidelines will establish the policies and procedures for the development and adoption specific to the distribution of the COVID-19 Relief funds, Attachment A. The permanent STIP Guidelines will apply to the management of the projects that are amended through this cycle. The Draft Guidelines are intended to be streamlined and provide a degree of flexibility for the regions and the state to utilize the funds as soon as possible. The Draft Guidelines were distributed to stakeholders on March 5, 2021. A public workshop was held on March 9, 2021 to discuss the proposed Draft Guidelines and receive public comments. Staff will present final Guidelines for adoption at the May Commission meeting.

Highlights of the 2021 Mid-Cycle STIP Draft Guidelines (Attachment A)

- Schedule – The schedule expedites the submittal process by not requiring submittal of a Regional Transportation Improvement Programs or the Interregional Improvement Program. Nominations of new projects for programming in Fiscal Year 2021-22 must be approved by the relevant regional agency board prior to allocation by the Commission and in all cases no later than June 23, 2021. If an agency is unable to program a project by the June 2021 Commission meeting, they will have another opportunity at the August 2021 Commission meeting
- Share targets – All regions and Caltrans will receive share targets. A region or Caltrans may program these share targets even if overprogrammed in the 2020 STIP.
- Planning, Programming, and Monitoring – Regions may program up to 5 percent of the regional share targets for planning, programming and monitoring.
- State Only Funds – A region with a share target of \$3 million or less, excluding regions within an urbanized area with population of over 200,000, may request state-only funds at the time of programming.
- Programming Options – A region or Caltrans may choose to program shares from this cycle in one or more of the following ways:
 1. Add new projects;
 2. Augment projects that are currently programmed in the STIP;
 3. Advance projects that are currently programmed in the STIP; or
 4. Delay programming their shares until the 2022 STIP.

Share Targets (Attachment B)

The share targets provided were calculated using the STIP distribution formula. The share targets will not be immediately incorporated into existing share balances due to the need for prompt programming, allocation, obligation, and contract award. The Commission will

incorporate the programming of these shares into existing share balances during the 2022 STIP Fund Estimate scheduled for adoption in August 2021.

Background:

Government Code Section 14530.1 requires the Commission to adopt STIP Guidelines that serve as complete and full statement of policy, standards and criteria that the Commission intends to use in selection projects to be included in the STIP. The statute further required the STIP Guidelines be developed in cooperation with the California Department of Transportation, regional transportation planning agencies, county transportation commissions and local agencies.

Resolution G-21-40:

Be it Resolved, that the Commission hereby adopts the Share Distribution as presented on Attachment B for the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 and the schedule for the development of the 2021 Mid-Cycle State Transportation Improvement Program.

Attachments:

- Attachment A: 2021 Mid-Cycle State Transportation Improvement Program Draft Guidelines
- Attachment B: 2021 Mid-Cycle State Transportation Improvement Program Share Targets

**Draft Policies and Procedures Specific to the
2021 Mid-Cycle State Transportation Improvement Program**

**Coronavirus Response and Relief Supplemental Appropriations Act of
2021**

The California Transportation Commission (Commission) intends to develop and adopt a 2021 Mid-Cycle State Transportation Improvement Program (STIP) in response to the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (COVID Relief Funds). The following policies and procedures address the particular circumstances of the 2021 Mid-Cycle STIP.

- **Schedule.** For projects to be programmed in Fiscal year 2021-22, the following schedule lists the major milestones for the development and adoption of the 2021 Mid-Cycle STIP:

Draft Guidelines/Workshop	March 9, 2021
Commission adopts Guidelines and Share Distribution	March 24, 2021
List of projects due to the Commission	April 23, 2021
Commission adopts Guidelines	May 12-13, 2021
New projects are presented to the Commission (Notice)	May 12-13, 2021
Commission adopts the new projects	June 23-24, 2021
- **Subsequent adoption.** The Commission may consider programming additional projects in Fiscal Year 2022-23 and beyond at the August 2021 Commission meeting, with the notice at the June Commission meeting. No STIP Amendments will be consider after August 2021.
- **Funding Distribution.** The Commission will distribute \$243,152,859 (26.7 percent of the COVID Relief Funds) through the 2021 Mid-Cycle STIP. The Regional Improvement Program will receive \$182,364,644 (75 percent) and the Interregional Improvement Program will receive \$60,788,215 (25 percent) of the COVID Relief Funds amount directed to the 2021 Mid-Cycle STIP.
- **Regional Share Targets.** Regional share targets will be calculated based on the amount identified above for the Regional Improvement Program using the STIP share distribution formula. These will be the target shares for each region. There will be no minimum or maximum calculated for these shares.
- **Over programming.** Regions and the state may program these STIP share targets even if overprogrammed in the 2020 STIP.
- **Planning Programming and Monitoring (PPM).** PPM will be calculated based on 5 percent of the regional share targets. Regions will have the option to program PPM up to the amount of PPM identified.

- State Only Funds Exchange. Regions with a share target amount of \$3 million or less may request state only funds at the time of programming, except for the urbanized areas with populations over 200,000 identified in the Federal Highway Administration apportionment notice dated January 15, 2021. A project that is required to be federalized or that has previously received federal funds is not eligible for state-only funding. Projects programmed with state only funds are subject to Article 19 restrictions.
- Programming Options. Regions and the state may choose one or a combination of the following programming options:
 1. Propose New Projects – An agency may choose to program new projects up to their total target amount. For each new project nominated for funding in the 2021 Mid-Cycle STIP, regions and Caltrans shall submit an electronic Project Programming Request (ePPR), identifying the scope, cost, and schedule. Nominations of new projects for programming must be approved by the relevant regional agency board prior to allocation by the Commission and in all cases no later than June 30, 2021. For a project to be programmed in Fiscal Year 2021-22, the ePPRs must be submitted electronically to the Commission by April 23, 2021. The ePPR is located at <https://calsmart.dot.ca.gov/>
 2. Augment Projects - An agency may program additional funds on a currently programmed project to address project cost increases, add scope or supplant local funds with STIP funds. The project must be programmed in Fiscal Year 2021-22 or later.
 3. Advance Projects - An agency may propose to advance projects that are currently programmed in later years of the STIP. Approval of advancing more than the target amount will not be considered unless the project has other funds that are eligible to be advanced. The Commission will not consider advancing projects prior to the June 2021 Commission meeting.
 4. Delay Programming - An agency may choose to delay programming their target shares. Their shares will be accounted for in the 2022 STIP Fund Estimate distribution. No action is required.
- Interregional Program. Caltrans may program projects that are eligible through the State Highway Operations and Protection Program (SHOPP) in the interregional program if timely programming through the SHOPP is not possible because of funding limitations in the SHOPP.
- Allocation Deadline. Projects programmed with these funds must receive an allocation by August 2024. If a project does not receive an allocation by this date, the project will lapse.
- Non-proportion spending. At the time of allocation, the Commission may allow non proportional spending (sometimes referred to as sequential spending) allowing for the expenditures of these funds before other funds allocated on a project specific

basis by the Commission. A project approved for non-proportional spending is not eligible for a supplemental allocation under the authority delegated to Caltrans by Commission Resolution G-12 until all other funds committed to the project have been expended.

- STIP Guidelines. The STIP guidelines shall apply to the management of the projects that are amended into the STIP through this cycle

State Transportation Improvement Program			
Program Share Targets and			
Planning, Programming & Monitoring			
County	Target	PPM	
Alameda	\$ 6,307,785	\$ 315,389	
Alpine	\$ 187,855	\$ 9,393	
Amador	\$ 426,410	\$ 21,321	
Butte	\$ 1,262,252	\$ 63,113	
Calaveras	\$ 509,766	\$ 25,488	
Colusa	\$ 337,496	\$ 16,875	
Contra Costa	\$ 4,318,672	\$ 215,934	
Del Norte	\$ 315,063	\$ 15,753	
El Dorado LTC	\$ 874,084	\$ 43,704	
Fresno	\$ 4,760,313	\$ 238,016	
Glenn	\$ 353,449	\$ 17,672	
Humboldt	\$ 1,271,043	\$ 63,552	
Imperial	\$ 2,250,149	\$ 112,507	
Inyo	\$ 1,757,061	\$ 87,853	
Kern	\$ 6,413,591	\$ 320,680	
Kings	\$ 940,919	\$ 47,046	
Lake	\$ 551,776	\$ 27,589	
Lassen	\$ 807,855	\$ 40,393	
Los Angeles	\$ 38,188,685	\$ 1,909,434	
Madera	\$ 875,480	\$ 43,774	
Marin	\$ 1,180,951	\$ 59,048	
Mariposa	\$ 330,334	\$ 16,517	
Mendocino	\$ 1,198,132	\$ 59,907	
Merced	\$ 1,561,898	\$ 78,095	
Modoc	\$ 431,156	\$ 21,558	
Mono	\$ 1,305,371	\$ 65,269	
Monterey	\$ 2,247,919	\$ 112,396	
Napa	\$ 777,652	\$ 38,883	
Nevada	\$ 668,641	\$ 33,432	
Orange	\$ 11,770,110	\$ 588,506	
Placer TPA	\$ 1,632,184	\$ 81,609	
Plumas	\$ 481,706	\$ 24,085	
Riverside	\$ 10,274,559	\$ 513,728	
Sacramento	\$ 5,975,285	\$ 298,764	
San Benito	\$ 414,060	\$ 20,703	
San Bernardino	\$ 11,948,858	\$ 597,443	
San Diego	\$ 13,512,728	\$ 675,636	
San Francisco	\$ 3,203,408	\$ 160,170	
San Joaquin	\$ 3,244,451	\$ 162,223	
San Luis Obispo	\$ 2,382,364	\$ 119,118	
San Mateo	\$ 3,260,185	\$ 163,009	
Santa Barbara	\$ 2,678,066	\$ 133,903	
Santa Clara	\$ 7,473,199	\$ 373,660	
Santa Cruz	\$ 1,291,195	\$ 64,560	
Shasta	\$ 1,380,046	\$ 69,002	
Sierra	\$ 228,838	\$ 11,442	
Siskiyou	\$ 948,836	\$ 47,442	
Solano	\$ 1,957,358	\$ 97,868	
Sonoma	\$ 2,405,208	\$ 120,260	
Stanislaus	\$ 2,398,014	\$ 119,901	
Sutter	\$ 551,373	\$ 27,569	
Tahoe RPA	\$ 272,872	\$ 13,644	
Tehama	\$ 703,039	\$ 35,152	
Trinity	\$ 498,797	\$ 24,940	
Tulare	\$ 2,971,678	\$ 148,584	
Tuolumne	\$ 550,379	\$ 27,519	
Ventura	\$ 3,965,568	\$ 198,278	
Yolo	\$ 1,155,385	\$ 57,769	
Yuba	\$ 423,139	\$ 21,157	
	182,364,644	\$ 9,118,232	
Interregional Program	\$ 60,788,215	*	
Total for STIP	\$ 243,152,859		