

COUNCIL AGENDA: 09-11-07  
ITEM: 3.9

# Memorandum

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**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Lee Price, MMC  
City Clerk 

**SUBJECT:** SB 184 (ALQUIST AND CORREA)  
TRANSPORTATION PROJECTS

**DATE:** August 29, 2007

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## RECOMMENDATION

As recommended by the Rules and Open Government Committee on August 29, 2007 approve a support position of SB 184 (Alquist and Correa) as outlined in the attached memo previously submitted to and approved by the Rules & Open Government Committee.



# Memorandum

**TO: RULES AND OPEN  
GOVERNMENT COMMITTEE**

**FROM: James R. Helmer**

**SUBJECT: SEE BELOW**

**DATE: 08-22-07**

Approved

*Deanne Aibne*

Date

*8/23/07*

Council District: All  
SNI: All

**SUBJECT: SB 184 (Alquist and Correa) – Transportation Projects**

## RECOMMENDATION

The Department of Transportation recommends that:

1. The Mayor and City Council support SB 184 (Alquist and Correa): Transportation Projects.
2. The Committee provide a one-week turn around for Mayor and City Council review.

## OUTCOME

If the Rules and Open Government Committee and the Mayor and City Council accept staff's recommendation, the City lobbyist could begin to register San José's support of SB 184.

## BACKGROUND

Senator Alquist introduced SB 184 to correct guidelines developed by the California Transportation Commission (CTC) after the passage of SB 872 (Alquist) – Chapter 572, Statutes of 1999. SB 872 allowed local agencies to advance projects in the State Transportation Improvement Program (STIP) by using local funding prior to a CTC allocation vote. These agencies did so with the understanding that they might not be reimbursed if, after a 12-month period, the state did not have sufficient funds to make a STIP allocation. SB 872 passed at a time prior to the economic downturn and the likelihood that local agencies would not be reimbursed was low. The goal at the time was to move projects forward that might otherwise have to wait up to 10 months for an allocation vote by the CTC. SB 184 would remove the 12-month time limit for reimbursement.

## ANALYSIS

A fact sheet with an analysis of SB 184 is attached.

**PUBLIC OUTREACH/INTEREST**

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This legislative item does not meet any of the above criteria.

**COORDINATION**

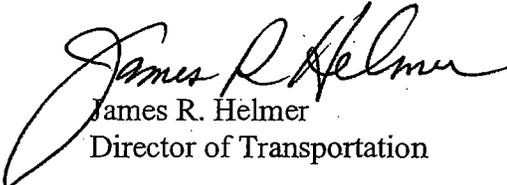
This memorandum was coordinated with the Office of Intergovernmental Relations, the Sacramento Office and the City Attorney's Office.

**POLICY ALIGNMENT**

The attached fact sheet and analysis are consistent with the Council-adopted 2007 Legislative Guiding Principles, and the Council-adopted guidelines.

**CEQA**

Not a project.

  
James R. Helmer  
Director of Transportation

For more information call Kelly Doyle, Transportation Policy Manager, at (408) 975-3240.

## SB 184 (ALQUIST): TRANSPORTATION PROJECTS

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*What's the issue the bill is trying to resolve?*

SB 184 (Alquist) would eliminate the 12-month time limit on California Transportation Commission (CTC) reimbursements to regional and local transportation agencies that spend their own funds to advance a State Transportation Improvement Program (STIP) project prior to an allocation by the CTC. Current law provides a process for local agencies to expedite the start-up of locally sponsored transportation projects in the STIP, a multi-year planning and expenditure plan adopted by the CTC, by utilizing local funds. The authorization to use "pre-award authority" was provided by the passage of SB 872 (Alquist), which was enacted in 1999. At the time the bill was moving forward through the legislature, there was little worry that agencies would not be reimbursed for jump-starting STIP projects even though guidelines developed by the CTC limited the timeframe for reimbursement to 12 months. Once the budget realities of the economic downturn became apparent, after 2000, funding for transportation programming became scarce at the state and local levels and agencies that had provided local funding to start work on large-scale state transportation infrastructure projects were at risk of not receiving reimbursement from the state.

Senator Alquist states in Senate bill analysis provided for SB 184 that more local and regional transportation agencies would spend their own funds to advance a project located within their respective jurisdictions if these agencies were more confident that the CTC would reimburse them for those costs.

*How would the passage of this bill affect San José?*

Several of the City's high priority transportation projects have been funded through the STIP process. These projects include:

- Coleman Avenue/I-880 Interchange
- Route 87 North (I-280 to Julian Street)
- Route 87 (U.S. 101 to Julian Street)
- Route 87 South (I-280 to Branham Lane)

In addition, the City has established the following projects as priorities that are candidates for future STIP funding:

- I-280/I-880/Stevens Creek Interchange Upgrade
- U.S. 101/Capitol/Yerba Buena Interchange Upgrade
- U.S. 101/Trimble Interchange Upgrade
- U.S. 101/Mabury

The passage of SB 184 allows critical transportation infrastructure projects to advance while awaiting sometimes-delayed approval from the CTC. Allowing local agencies to use "pre-award authority" keeps projects moving forward without experiencing costly delays to project costs.

*What is staff's Proposed Position?*

Included in the Council's approved 2007 Legislative Guiding Principles is language to support innovative State and Federal transportation funding mechanisms that focus on flexibility in airport Passenger Facility Charges and surface transportation needs. Staff recommends support of SB 184 (Alquist) based on Council direction.

*Legislative Guiding Principles and Priorities Alignment:*

Pursue Federal and State Funding for Key Efforts:

6. Preserve and pursue California's and San José's share of federal and State transportation funding, for planning and implementation of State and regional transportation and traffic congestion relief projects.

Protect/Increase Local Funding/No Unfunded Mandates:

6. Support innovative State and federal transportation funding mechanisms that focus on aviation issues such as greater flexibility in airport Passenger Facility Charges and surface transportation needs such as vehicle license surcharges, indexing of gas tax; and approval of local transportation and infrastructure funding measures by less than a two-thirds majority.

*Who are the bill's supporters and opponents?*

Current supporters of the bill are the Orange County Transportation Authority (co-sponsor), the Santa Clara Valley Transportation Authority (VTA) (co-sponsor), and the Ventura County Transportation Commission.

There is no opposition on record as of this writing.

*What is the current status of the measure?*

On July 18, 2007, the bill was referred to the Assembly Committee on Appropriations.

*Are there fiscal impacts of this bill for San Jose?*

This bill does not directly result in any fiscal impacts for the City of San José. SB 184 (Alquist) provides transportation agencies with the flexibility to utilize local funds to jump start transportation projects included in an approved STIP without the risk of non-reimbursement by the state. This bill is co-sponsored by VTA, the transportation agency for the Santa Clara County.