

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 24-25, 2020

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8a.(8), Action Item

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Division of Rail and Mass Transportation

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT ALLOCATION FOR THE MULTI-FUNDED SENATE BILL 1 TRADE CORRIDOR ENHANCEMENT PROGRAM/STATE TRANSPORTATION IMPROVEMENT PROGRAM PROJECT, PER TCEP AND STIP GUIDELINES WAIVER 20-38**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project allocation 20 months, from June 30, 2020, to February 28, 2022, for the Multi-Funded Senate Bill 1 Trade Corridor Enhancement Program/State Transportation Improvement Program (SB1 TCEP/STIP) Rosecrans/Marquardt Grade Separation project (PPNO 2002A), in Los Angeles County?

RECOMMENDATION:

The California Department of Transportation recommends the Commission extend the period of project allocation 20 months, from June 30, 2020, to February 28, 2022, for the Multi-Funded SB1 TCEP/STIP Rosecrans/Marquardt Grade Separation project (PPNO 2002A), in Los Angeles County.

BACKGROUND:

The Commission programmed \$9,000,000 in SB1 TCEP funds and \$7,000,000 in STIP funds in 2019–20, to the Los Angeles County Metropolitan Transportation Authority (LA Metro) for the Multi-Funded SB1 TCEP/STIP Rosecrans/Marquardt Grade Separation project (PPNO 2002A). Due to delays in completing the Right of Way (RW) acquisitions, LA Metro will not be ready to request an allocation by the June 30, 2020, deadline. A factor in completing the land acquisition efforts is that many of the businesses occupying properties are industrial and technical in nature.

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Industrial real estate is in short supply in Southern California and has made it difficult to relocate the businesses occupying those properties. Additionally, several property acquisitions remain outstanding that will require legal action to be resolved prior to moving forward. Governor Gavin Newsom's Stay Home, Executive Order N-33-20, has resulted in rescheduled court hearings and significant impacts to completing escrow activities. As courts begin to slowly open, it will take additional time to clear the backlog of cases and finalize RW for this project.

Therefore, LA Metro is requesting a 20-month time extension from June 30, 2020, to February 28, 2022.

Current TCEP guidelines stipulate that funds programmed are available for allocation only until the end of the Fiscal Year programmed. Under the SB1 TCEP guidelines, the Commission may approve a time extension to the construction allocation deadline, one time only, for up to 20 months.

Additionally, current STIP guidelines require that funds programmed for all components are available for allocation only until the end of the fiscal year identified in the STIP. The Commission may, however, extend the deadline, one-time only, for up to 20 months in accordance with Government Code Section 14529.8(b).