

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 4-5, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 3.6, Information Item

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Division of Right of Way and Land Surveys

Subject: QUARTERLY REPORT – FISCAL YEAR 2025-26 RIGHT OF WAY ANNUAL ALLOCATION – FIRST QUARTER

SUMMARY:

As of September 30, 2025, approximately \$16.2 million, or 13 percent, of the \$125 million allocated by the California Transportation Commission (Commission) for Right of Way (RW) capital has been committed on State Highway Operation and Protection Program (SHOPP) and State Transportation Improvement Program (STIP) projects. The annual RW Capital Plan approved by the Commission on June 27, 2025, under Resolution FM-24-03, consisted of 523 projects. Funds were committed on 132, or 25 percent, of the previously identified projects. The annual RW Capital Plan was amended to include 74 additional projects that required 2025-26 allocation.

BACKGROUND:

The Department's Division of Right of Way and Land Surveys administers the RW capital budget under delegated authority from the Commission. The Commission provides an annual allocation consistent with each fiscal year's Budget Act, approved STIP and SHOPP documents, and the RW Capital Plan. The RW Capital Plan includes RW capital outlay costs, plus the specific categories of costs during the Project Approval and Environmental Document (PA&ED) phase, costs exceeding programming, and inverse condemnation costs. The Commission further delegates to the Department the authority to adjust allocation between projects and expenditure categories.

Per Resolution G-19-01, the Department is required to report on a quarterly basis the status of the RW Capital Plan, including a list of the projects added, subtotals of the specific categories, and the balance of the annual allocation. The summary below provides a breakdown of expenditures and encumbrances through 2025-26.

FISCAL YEAR 2025-26 RW CAPITAL ANNUAL ALLOCATION SUMMARY
(Encumbrances and/or expenditures through September 30, 2025)
(Dollars x 1,000)

Capital Projects	Total FY Annual Allocation per CTC Resolution FM-24-03	Annual Allocation Encumbered and/or Expended	Annual Allocation Balance
STIP Capital Costs	\$6,912	\$349	\$6,563
STIP Costs During PA&ED ¹	\$10	\$0	\$10
STIP Costs in Excess of Programming ²	\$6,235	\$254	\$5,981
STIP Inverse Costs	\$1,001	\$0	\$1,001
Subtotal STIP	\$14,158	\$603	\$13,555
SHOPP Capital Costs	\$94,616	\$10,561	\$84,055
SHOPP Costs During PA&ED ¹	\$2,032	\$541	\$1,491
SHOPP Costs in Excess of Programming ²	\$12,829	\$2,633	\$10,196
SHOPP Inverse Costs ²	\$1,365	\$1,867	(\$502)
Subtotal SHOPP	\$110,842	\$15,602	\$95,240
Total Right of Way	\$125,000	\$16,205	\$108,795

A copy of the detailed [RW Capital Plan](#) is available online.

¹ As of September 30, 2025, expenditures and encumbrances made during the PA&ED phase total less than 0.5 percent of the approved allocation. Resolution G-19-01 limits these commitments to 5 percent of the total Annual Allocation.

² The 2026 STIP Fund Estimate proposed a \$38 million fund reservation for unprogrammed RW capital costs. As of September 30, 2025, \$4.6 million has been committed. Approximately \$254,000 will be reclassified as programmed costs after STIP share adjustments are made at the time of Construction Contract Acceptance.