

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25-26, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8a.(11), Action Item

Prepared By: James R. Anderson, Chief
Division of Financial Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT ALLOCATION FOR A
LOCALLY-ADMINISTERED SENATE BILL 1 LOCAL PARTNERSHIP PROGRAM
(FORMULAIC) PROJECT, ON THE STATE HIGHWAY SYSTEM, PER
LPP (FORMULAIC) GUIDELINES
WAIVER 26-114**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project allocation for the locally-administered Senate Bill 1 (SB 1) Local Partnership Program (LPP) (Formulaic) Highway 1: Main Street to Kehoe Avenue Improvements project (PPNO 2366G), in San Mateo County, for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the Commission extend the period of project allocation for the locally-administered SB 1 LPP (Formulaic) Highway 1: Main Street to Kehoe Avenue Improvements project (PPNO 2366G), in San Mateo County, for the time period as identified in the attachment.

BACKGROUND:

The City of Half Moon Bay will be unable to request an allocation of funds by the June 30, 2026 deadline. The attachment provides project details and explanation for the delays.

Current LPP (Formulaic) Guidelines adopted by the Commission stipulate that funds programmed for all components of local grant projects are available for allocation only until the end of the fiscal year programmed. The Commission may approve a one-time waiver to the timely use of funds deadlines for a period of up to 12 months, as detailed in the attachment.

Attachment

**Time Extension/Waiver – Project Allocation
Local Partnership Program (Formulaic)**

Project Number: 1
Applicant: City of Half Moon Bay
County: San Mateo
District: 04
PPNO: 2366G
Allocation Amount: \$1,516,000
Phase: Construction
Number of Months Requested: 12 Months
Extended Deadline: 06/30/2027
Department Recommendation: Support

Highway 1: Main Street to Kehoe Avenue Improvements

The City of Half Moon Bay (City) requests a 12-month time extension for the period of project allocation for the Construction (CON) phase of Highway 1: Main Street to Kehoe Avenue Improvements project. The City experienced unforeseen delays to complete final design phase of the project.

The project will extend the two northbound through lanes along State Route (SR) 1 from Silver Avenue to approximately 600 feet north of Terrace Avenue, where the roadway will transition back to a single lane near Grandview Boulevard. In the southbound direction, a second travel lane will be added beginning at Grandview Boulevard. Grandview Boulevard will be closed at its existing connection and rerouted to a new west frontage road, which will connect to a new signalized intersection at SR 1 and Terrace Avenue.

Project milestones to date include approval of the project's coastal development permit and California Environmental Quality Act document in December 2018, and completion of all required utility relocation work in 2025. The previous project schedule and budgeting anticipated construction commencing in Fall 2025.

The 100 percent drawing set was submitted to the Department in early 2025. The project received extensive comments from several functional units that were not anticipated and significantly affected the design scope and project schedule. These comments and conditions, including advanced utilities relocations, required substantial additional coordination, technical revisions, and interactive review, resulting in a longer-than-expected permitting process and delays to the original timeline, taking roughly an additional 12 months for resubmittal of the 100 percent drawing set in February 2026.

The project design team is actively working to address additional comments received on the 100 percent drawing set resubmittal in March 2026 and advance the project toward final approval. Based on current progress and remaining requirements, including execution of a cooperative agreement with the Department, final plan approval, and right-of-way certification,

the City is targeting a revised construction start of June 2027.

Therefore, the City is requesting a 12-month time extension for the period of project allocation for the CON phase from June 30, 2026 to June 30, 2027.