



# 2024

**ANNUAL REPORT**  
TO THE CALIFORNIA LEGISLATURE



CALIFORNIA  
TRANSPORTATION  
COMMISSION



The California Transportation Commission is an independent state agency responsible for funding highway, local road, transit, intercity passenger rail, active transportation, and general aviation projects throughout California. The Commission also advises and assists the California State Transportation Agency Secretary and the Legislature on state transportation policies and plans.

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## **CHAIR AND VICE CHAIR LETTER**

Members of the Legislature:

We are pleased to present the California Transportation Commission's 2024 Annual Report to the Legislature. Pursuant to Government Code sections 14535 and 14536, this report summarizes the major policies and funding decisions adopted by the Commission in the past year and offers recommendations to continue improving California's transportation system.

Seven years ago, the Legislature passed Senate Bill 1, the Road Repair and Accountability Act of 2017, providing a sorely needed infusion of new revenues into California's transportation system to tackle the challenges and needs of the coming decade. Together with increased federal investment through the Infrastructure Investment and Jobs Act of 2021, these resources have enabled historic levels of investment in California's transportation system, including \$13.8 billion allocated by the Commission to transportation projects across the state in Fiscal Year 2023-24. This figure represents an increase of \$2 billion over the previous year and is responsible for the creation of over 151,000 jobs. Through careful stewardship of these resources, we have made consistent progress towards the performance targets established in Senate Bill 1 and the State Auditor has removed transportation infrastructure from the list of high-risk issues.

During 2024, the Commission has continued its focus on promoting safety, equity, climate action, and economic prosperity when making these investments in the state's transportation system. In March, the Commission adopted a \$21.2 billion State Highway Operation and Protection Program, funding projects that will maintain and preserve the backbone of the state's transportation system. The Commission also approved nearly \$2.9 billion for regional and interregional priority projects through the State Transportation Improvement Program, with nearly half of the new funding going to rail, transit, and active transportation projects.

Although the final 2024-25 state budget reduced funding for the Active Transportation Program to one-tenth of the funding available in the previous program cycle, the Commission was able to preserve all the funding commitments made last cycle and award an additional \$100 million to new projects that will make it easier to walk and bike around communities throughout California. Next year, the Commission will also award \$90 million to new projects that will make the state's transportation infrastructure more resilient to the effects of climate change through the Local Transportation Climate Adaptation Program.

The total demand of project applicants exceeded the funding appropriated by the Legislature for both these programs by more than double. Achieving a multimodal, resilient transportation system of the future will require even greater levels of investment for these purposes.

This year also saw the Commission update its guidelines for the Senate Bill 1 competitive programs, including the Local Partnership Program, the Solutions for Congested Corridors Program, and the Trade Corridor Enhancement Program, setting the stage for more than \$1 billion in additional investments next year when the Commission awards funding to new projects. We are pleased to build on the success of these programs in achieving the goals of the Climate Action Plan for Transportation Infrastructure by investing in projects that reduce greenhouse gas emissions and provide more multimodal alternatives to Californians.

These updates incorporate feedback from the Interagency Equity Advisory Committee, convened with Caltrans and the California State Transportation Agency. The perspective of the Equity Advisory Committee members provides critical insight into how the Commission ensures its programs and policies support and empower historically marginalized communities. We are eager to build upon this work even further in the coming years.

Despite the progress made in the past year, trouble looms on the horizon. Today, three-quarters of the way through the funding horizon envisioned by Senate Bill 1, our ability to ensure a sustainable funding system for transportation infrastructure is more uncertain than ever. As the state achieves its zero-emission vehicle goals, gas tax revenues will decline by 13 percent by the end of the decade. As a result, the Commission's 2025 State and Local Transportation System Needs Assessment identifies a 10-year funding gap of nearly \$200 billion to adequately address the state's transportation needs, including local streets and roads, highways, transit, active transportation, and climate adaptation.

Addressing this projected shortfall by designing a long-term, sustainable funding solution for transportation is critical to ensure the state has the tools in place to protect the progress that has been made since Senate Bill 1 and provide for a safe, multimodal transportation system that supports all Californians for decades to come.

The Commission recognizes this will not be a simple problem to solve, and that much work lies ahead. We are ready to partner with the Legislature to achieve this outcome. In the meantime, we are committed to continuing to guide investments that promote equitable outcomes, enhance safety, combat climate change, and sustain a vibrant economy. We thank you for your continued collaboration and look forward to continuing this work on behalf of all Californians.

Sincerely,



A handwritten signature in black ink that reads "Carl Guardino".

**CARL GUARDINO**  
Chair



A handwritten signature in black ink that reads "Darnell Grisby".

**DARNELL GRISBY**  
Vice Chair



## COMMISSION IN BRIEF

The California Transportation Commission funds highway, local road, transit, intercity passenger rail, active transportation, and general aviation projects throughout California.

The Commission consists of 11 voting members and two ex officio, non-voting members. Of the 11 voting members, nine are appointed by the Governor, one is appointed by the Senate Rules Committee, and one is appointed by the Speaker of the Assembly. The two ex officio members are appointed one by the Senate Rules Committee and one by the Speaker of the Assembly. The Commission holds public meetings throughout California, at which time it reviews and approves projects for funding. The Commission also holds town hall meetings and workshops across California to engage the public and stakeholder groups.

In Fiscal Year 2023–24, the Commission had 44 positions and an administration budget of \$9.95 million. The Commission appoints an Executive Director, who acts as a liaison between the Commission and the Legislature, as well as the Secretary of the California State Transportation Agency (CalSTA), the Director of the California Department of Transportation (Caltrans), regional transportation agencies, and other state agencies.

The Commission is primarily responsible for the following:

### **Developing and Coordinating Policy**

The Commission sets transportation policies, consistent with state and federal laws, in its program guidelines. Guidelines are developed through workshops open to all stakeholders and the public. The Commission also has a statutory charge to advise the Legislature and the Secretary of Transportation on state transportation policy. To coordinate the implementation of policies that jointly affect transportation, housing,

and air quality, the Commission meets at least twice annually with the California Air Resources Board and the California Department of Housing and Community Development.

### **Funding Transportation Projects**

The Commission's responsibilities vary by program but generally include developing guidelines, adopting programs of projects, and allocating funds. Most programs have funding cycles that span multiple years. When the Commission adopts a program of projects, it commits funds to individual projects in each year of the program cycle. During the year a project is programmed, the agency must request an allocation from the Commission. The allocation authorizes the agency to begin incurring expenditures on the project.

### **Ensuring Project Accountability**

After the Commission allocates funds to projects, Caltrans performs administrative oversight and prepares and submits regular progress reports for each project by program. The Commission takes appropriate actions when issues and concerns are identified. The Commission also ensures accountability by requiring agencies to request approval for project scope, schedule, and/or cost changes.

### **Evaluating Performance Outcomes**

The Commission is required to annually evaluate the progress made by Caltrans toward meeting performance measures for the state highway system, including for pavement and bridge conditions. The Commission also requires regional and local agencies to report on project outcomes, such as lane miles constructed, and/or estimate project benefits, such as pavement quality improvements, greenhouse gas emissions reductions, and reductions in congestion.

## **OTHER MAJOR RESPONSIBILITIES**

**The Commission also is responsible for:**

**Approving Toll Facilities** The Commission has the authority to approve proposals for high-occupancy toll lanes or other toll facilities.

**Administering a Road Charge Committee** The Commission administers the Road Charge Technical Advisory Committee, which is responsible for assessing alternatives to the gas tax for generating state transportation revenues.

**Approving Right-of-Way Matters** The Commission is responsible for approving right-of-way matters, such as property condemnations, new public road connections, state highway relinquishments to local control, and leases for space underneath state highways.



# ACCOMPLISHMENTS

In 2024, the Commission continued to focus on advancing key state transportation goals related to equity, climate, economic growth, safety, and asset management through its policy, planning, and funding decisions. The Commission accomplished its work at a variety of meetings and events open to stakeholders and the public. This included holding seven regular Commission meetings, two joint meetings with the California Air Resources Board and the California Department of Housing and Community Development, two rural Town Hall meetings, six Interagency Equity Advisory Committee meetings, three Road Charge Technical Advisory Committee meetings, and over a dozen program workshops. The Commission continued to hold events in a hybrid in-person/web-based format to allow greater participation from stakeholders and the public and to address accessibility needs. In total, the Commission allocated \$13.8 billion to previously approved projects during the fiscal year, which will create more than 151,000 jobs throughout the state. The Commission also approved new projects in the State Highway Operation and Protection Program and the State Transportation Improvement Program. The remainder of this section of this report describes the Commission's major accomplishments in more detail.





# EQUITY AND PUBLIC ENGAGEMENT

Throughout 2024, the Commission continued to work internally and with interagency partners to improve equitable outcomes in transportation and to enhance public engagement throughout the state, in accordance with its Racial Equity Statement. Adopted by the Commission in January 2021, the Racial Equity Statement recognizes that throughout California’s history, improvements to the State’s transportation system have disproportionately benefitted some population groups and burdened others, and commits to creating mobility opportunities for all Californians, especially those from underserved communities, to thrive in all aspects of life.

## Interagency Equity Advisory Committee

The structure and membership of the Interagency Equity Advisory Committee (Committee) were approved by the Commission, the California Department of Transportation (Caltrans), and the California State Transportation Agency (CalSTA) in late 2022, and the first executive meeting of the Equity Advisory Committee was held on March 21, 2023.

<b>CalSTA, Caltrans, CTC Interagency Equity Advisory Committee 2024 Committee Members</b>			
William Walker, Chair		Martha Armas-Kelly, Vice Chair	
Alexandria Contreras	Gloria Huerta	Andres Ramirez	Randy Torres-Van Vleck
Ana Gonzalez	Peggy Martinez	Michelle Rousey	Cheryl Viegas-Walker
Herb Hastings	Amber Novey	Connie Stewart	Kristine Williams

The Interagency Equity Advisory Committee is a priority for the Commission, Caltrans, and CalSTA. The Committee is intended to elevate diverse and historically marginalized voices to advise each agency on how to achieve meaningful outcomes in transportation equity, environmental justice, and equitable economic opportunities, especially as related to transportation planning and programming.

Between September 2023 and December 2024, the Committee met nine times. Committee members participated in workgroups, funding application review, program guidelines development, public workshops, interagency staff briefings, and Committee updates to the Commission.

In April 2024, members of the Committee took action to form three ad hoc Subcommittees. The following ad hoc Subcommittees were approved and held virtual kickoff meetings in early August:

- Safety and Climate
- Housing, Infrastructure and Broadband (including anti-displacement)
- Walkability, Disability and Complete Streets

In May, Committee members formed an additional ad hoc Subcommittee that provided recommendations to the draft Climate Action Plan for Transportation Infrastructure (CAPTI), led by CalSTA. This ad hoc Subcommittee met twice in July.

Committee members also provided guidance on the following Commission activities:

## **Program Guidelines**

Commission staff solicited feedback and input from Committee members during the development of the updated guidelines for the Active Transportation Program, the Local Transportation Climate Adaptation Program, and the State Highway Operation and Protection Program. Committee members attended workshops for these programs and provided input for consideration in the draft guidelines.

## **Senate Bill 1 Programs**

The Commission hosted an equity-focused workshop in March 2024 and invited Committee members and advocates to provide feedback on changes to the Senate Bill 1 Programs Transportation Equity Supplement. Committee members recommended focusing on strategies that actively engage communities in project development rather than simply informing them of it. This core value was critical to the development of the updated Equity Supplement. To further inclusivity and engagement, the Commission expanded the list of groups that are considered disadvantaged or historically impacted and marginalized communities to add unhoused and displaced individuals, and individuals living with disabilities or mobility impairments. Additionally, the Commission increased the number and types of example inclusion and engagement strategies.

## **Equity and Road Charge Statewide Outreach**

In August 2024, CalSTA began a pilot program to identify and evaluate issues related to the collection of revenue for a road charge program per Senate Bill 339 (Wiener, Chapter 308, Statutes of 2021). To inform the continued study of road charges in California and identify equity issues for consideration, Commission and Caltrans Road Charge Program staff will continue to engage the Committee through a series of briefings regarding equity and road charge.

## **State and Local Transportation System Needs Assessment**

Committee members offered initial input on the development of the 2025 State and Local Transportation System Needs Assessment in November 2023 and provided input at the Needs Assessment Policy Recommendations Workshops in May and June 2024.

More information on the Committee is available on the Commission's website at: <https://catc.ca.gov/programs/interagency-equity-advisory-committee>

## **Equity Trainings**

In 2023 Commissioners, Executive Management and Deputy Directors participated in a mental health-focused Racial Equity Training series. In 2024, the Commission extended this equity-focused training to all Commission staff as a three-year, iterative, and interactive series that supports staff development to become proficient, engaged practitioners of transportation equity within each of their respective roles. These trainings reflect the Commission's commitment to "provide expanded opportunities for Commissioners and staff training related to diversity, equity, & inclusion" laid out in its Racial Equity Statement.

# **TRANSPORTATION, CLIMATE, AND HOUSING POLICY COORDINATION**

In 2024, the Commission collaborated with partner agencies and stakeholders to thoroughly integrate and coordinate planning and policy efforts focused on transportation, housing, and climate.

## **Climate Action Plan for Transportation Infrastructure**

In July 2021, CalSTA adopted the Climate Action Plan for Transportation Infrastructure (CAPTI). The plan details how the state recommends investing billions of discretionary transportation dollars annually to aggressively combat and adapt to climate change while supporting public health, safety and equity. CAPTI builds on executive orders signed by Governor Gavin Newsom in 2019 and 2020 targeted at reducing greenhouse gas emissions from the transportation sector needed to reach the state's ambitious climate goals. The Commission completed implementation of every short- and medium-term Commission-led CAPTI strategy with the adoption of the 2022 Senate Bill 1 program guidelines in August 2022.

In December 2023, CalSTA published its second CAPTI Annual Progress Report, which included several findings demonstrating that the Commission's implementation of CAPTI has shifted state investments substantially towards projects that reduce vehicle miles traveled. For example, CalSTA's analysis found that the projects funded through the Commission's programs after CAPTI generated significantly fewer vehicle miles traveled compared to program cycles before the adoption of CAPTI.

In 2024, CalSTA is working to update CAPTI to further CAPTI's achievements and reduce additional greenhouse gas emissions from key state discretionary transportation funding programs. CalSTA released a draft of the new actions and their descriptions prior to their presentation at the November 2024 Joint Meeting of the Commission, California Air Resources Board, and California Department of Housing and Community Development.

## **Joint Meetings with the California Air Resources Board and the Department of Housing and Community Development**

Pursuant to Assembly Bill 179 (Cervantes, Chapter 737, Statutes of 2017) and Assembly Bill 185 (Grayson, Chapter 534, Statutes of 2019), the Commission meets jointly with the California Air Resources Board and the Department of Housing and Community Development to coordinate policies that affect transportation, housing, and air quality. In 2024, two joint meetings were held: one in the spring and one in the fall.

The Spring joint meeting was held on April 11 in Petaluma. This meeting focused on the topics of sustainable freight and transportation project prioritization. The discussion on sustainable freight and community impacts featured presentations by staff representing the Commission, the California Department of Housing and Community Development, the California Energy Commission, and the Governor's Office of Business and Economic Development. The joint body also heard a presentation on how to achieve state goals through the transportation project prioritization process.

The Fall joint meeting was held on November 7 in Riverside. This meeting, which focused on state initiatives to align climate, housing, and transportation, featured the third annual progress report on CAPTI implementation from CalSTA. The California Air Resources Board presented an update on the Senate Bill 150 (Allen, Chapter 646, Statutes of 2017) data dashboard, which uses housing, transportation, and land use metrics to assess progress for regions working to achieve the goals of their sustainable communities strategies. The California Department of Housing and Community Development presented on the statewide implementation and successes of the Regional Early Action Planning Grants of 2021 (REAP 2.0) program, which funds regional planning and implementation activities that accelerate infill housing development, affirmatively further fair housing, reduce vehicle miles traveled, and advance implementation of regions' Sustainable Communities Strategies to achieve state housing and climate goals.

## **PROGRAM AND GUIDELINE ADOPTIONS**

In 2024, the Commission approved new programs of projects and continued to allocate funds to previously approved projects. Projects funded through Commission programs include, but are not limited to, fixing and improving safety and mobility on state highways, bridges, and local streets and roads; investments in transit systems, including buses and rail lines; and new and improved bicycle and pedestrian facilities. These projects help Californians get to work, to school, and to recreational activities more easily and safely, and facilitate the efficient delivery of goods. Collectively, they are helping to make California's transportation system more equitable and cleaner, while also creating high-paying jobs and building a strong, sustainable economy. During fiscal year 2023-24, the Commission allocated a total of \$13.8 billion to hundreds of projects, creating more than 151,000 jobs.

Table 1 shows the schedule of program adoptions for the seven largest Commission programs. In 2024, the Commission adopted \$21.2 billion for projects in the State Highway Operation & Protection Program and \$2.9 billion for projects in the State Transportation Improvement Program. The Commission also adopted updated guidelines for the Senate Bill 1 Programs (the Local Partnership Program, the Solutions for Congested Corridors Program, and the Trade Corridor Enhancement Program), the Active Transportation Program, and the Local Transportation Climate Adaptation Program in advance of their next funding cycles.

**Table 1: Largest Commission Funding Programs**

<b>Program</b>	<b>Next Adoption Date</b>	<b>Funding (millions)</b>	<b># of Years</b>	<b>Fiscal Years</b>
State Highway Operation & Protection Program	Mar 2026	\$21,200	4	2026-27 to 29-30
State Transportation Improvement Program	Mar 2026	\$2,865	5	2026-27 to 30-31
Trade Corridor Enhancement Program	Jun 2025	\$1,100	2	2025-26 to 26-27
Solutions for Congested Corridors Program	Jun 2025	\$500	2	2025-26 to 26-27
Local Partnership Program	Jun 2025	\$400	2	2025-26 to 26-27
Active Transportation Program	Dec 2024	\$168	4	2025-26 to 28-29
Local Transportation Climate Adaptation Program	March 2025	\$90	3	2026-27 to 27-28

Note: Includes the seven largest programs for which the Commission approves projects. Funding determined by state law.

### **2024 State Highway Operation and Protection Program**

At its March 2024 meeting, the Commission adopted the 2024 State Highway Operation and Protection Program (SHOPP). The 2024 SHOPP is a four-year, approximately \$21.2 billion program of projects. The projects included in the 2024 SHOPP are consistent with the Transportation Asset Management Plan’s (TAMP) targets for the four primary asset classes (pavement, bridge, drainage, and transportation management systems). In addition to improvements to the four primary asset classes, the SHOPP focuses on safety, major damage repair, climate resiliency and adaptation, and complete streets. An analysis of the 2024 SHOPP project portfolio identified that 45 percent of the over 600 projects include bicycle, pedestrian, or transit-focused features. The four-year portfolio of projects in the 2024 SHOPP is expected to make significant progress toward meeting the 2027 performance targets established in Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), the Road Repair and Accountability Act, while also advancing other state priorities such as safety, equity, climate action, and complete streets.

In April 2024, the Commission began updating the SHOPP guidelines with a public kickoff workshop to solicit stakeholder feedback. Areas of interest included: SHOPP eligibility for certain safety and operational improvements; programming and allocation policies for projects implementing alternative delivery methods; funding policies when partnering with non-SHOPP fund sources; and timely use of funds policies. Stakeholder engagement continued through Fall 2024, and the updated guidelines are expected to be adopted in December 2024. Future SHOPP cycles are expected to reflect the changes to the TAMP and the State Highway System Management Plan made by Senate Bill 960 (Wiener, Chapter 630, Statutes of 2024).

## **2024 State Transportation Improvement Program**

Adopted by the Commission at its March 2024 meeting, the 2024 State Transportation Improvement Program includes nearly \$2.9 billion for regional and interregional projects, including \$1.3 billion in new projects. Of the new project funding, 51 percent is for highways and local roads (including projects with complete streets elements); 33 percent for rail and transit; and 16 percent for active transportation projects. As required by statute, the projects adopted were nominated by Caltrans in the Interregional Transportation Improvement Program and by regional agencies in their Regional Transportation Improvement Programs. The adopted program reflects the following priorities and expectations established in the program guidelines: reprogramming existing projects, as amended; funding new projects that meet state highway and intercity rail needs; and funding new projects that consider climate change and reduce greenhouse gas emissions. The guidelines and fund estimate for this program were updated in August 2023 and were highlighted in the Commission's 2023 Annual Report to the Legislature.

## **2025 Active Transportation Program**

By statute, the Active Transportation Program splits its funding across three components: the Statewide component (50 percent), the Small Urban & Rural component (10 percent), and the large Metropolitan Planning Organization component (40 percent). The Commission adopted the first two components in December 2024 and is expected to adopt the Metropolitan Planning Organization component in 2025.

The 2024-25 enacted state budget reduced the recent one-time \$1 billion augmentation to the Active Transportation Program by \$400 million. As a result, the Commission amended its guidelines and program fund estimate to reduce the amount of available capacity for new projects in the 2025 Active Transportation Program down to \$168 million, subject to the split described above. The Commission received 277 applications with a total program funding request of \$2.5 billion, almost 15 times greater than the program's reduced funding level. The total project costs supported by the funding requests are \$4.1 billion. Approximately 99 percent of the requested funds would benefit disadvantaged communities. The reduced funding levels severely exacerbated the tremendous unmet demand in the Active Transportation Program. As communities across the state look to the program to fund critical active transportation projects that meet safety, climate, and equity goals, a permanent source of augmented funding is needed to address the continued underfunding of the program.

Developed in collaboration with Caltrans and the University of California, Davis, the Active Transportation Program Benefit/Cost Tool measures the overall benefits of the investments made in the program. The Benefits Report for the 2023 program was presented in May 2024 and can be found here: <https://catc.ca.gov/-/media/ctc-media/documents/programs/atp/2023-atp-benefits-report-for-posting-v2.pdf>

## **2025 Senate Bill 1 Programs**

In August 2024, the Commission adopted updated guidelines for the three Senate Bill 1 Programs: the Local Partnership Program, the Solutions for Congested Corridors Program, and the Trade Corridor Enhancement Program. Specifically, the Commission incorporated the following changes to program guidelines to further integrate equitable outcomes in the Commission's Senate Bill 1 Programs:

- Using structural and procedural equity strategies to create inclusive, affordable, and resource-efficient transportation infrastructure and to provide special benefits to disadvantaged groups to create fairness in the process.
- Adding tools and resources to enable applicant agencies to use options that work best for projects in their communities.
- Permitting applicant agencies to use existing community engagement plans or activities, to remove barriers in this process for agencies and reduce engagement fatigue within vulnerable communities.
- Emphasizing equitable outcomes and practices in the evaluation of economic development and job creation and retention criteria.

The Commission anticipates adopting new projects into the programs in Summer 2025.

## **2025 Local Transportation Climate Adaptation Program**

The Commission adopted updated guidelines for the 2025 Local Transportation Climate Adaptation Program in June 2024. The second cycle of the program includes \$90 million for new projects that make transportation infrastructure more resilient to the effects of climate change. California continues to experience severe impacts from extreme weather, destructive wildfires, and flooding, illustrating the need for additional, sustained funding to protect the state's transportation infrastructure against continued climate impacts.

The Commission received 15 applications for prospective projects including replacing aging wooden bridges over flood-prone areas, building additional access roads for emergency community evacuations such as wildfires, upgrading pumping stations to prevent roadway flooding, hardening of light rail systems to prevent against heat-related delays, and reinforcing subsurface culverts, for a total programming request of \$238 million. This amount is 2.6 times the amount of funding available for this cycle. The Commission expects to adopt a new program of projects in March 2025.

## **SAFETY AND ASSET MANAGEMENT**

### **Assembly Bill 251 Passenger Vehicle Weight Fee Study**

In October 2023, Governor Newsom signed Assembly Bill 251 (Ward, Chapter 320, Statutes of 2023), which requires the Commission to convene a task force to study the relationship between vehicle weight and injuries to vulnerable road users, such as pedestrians and cyclists, and to study the costs and benefits of imposing a passenger vehicle weight fee. This bill implements a recommendation from the Commission's 2022 Annual Report, which identified studying a potential passenger vehicle weight fee as a potential way of addressing the increasingly significant safety impacts larger cars are having on pedestrians and cyclists.

The bill requires the Commission’s task force to prepare a report summarizing its findings and any legislative recommendations by January 1, 2026. In Fall 2024, the Commission approved the Vehicle Weight Safety Study Task Force membership and contracted with the University of California to support the task force’s study.

### **Transportation Asset Management Plan**

Through resource allocation and engineering practices, asset management is a method for efficiently operating, maintaining, and improving assets, such as bridges and roadway pavement, over the course of their life cycle. Federal regulations (Title 23 Code of Federal Regulations, Part 515.13) require each state Department of Transportation prepare and update an asset management plan at least every four years. The asset management plan presents the existing inventory and condition of the current state highway infrastructure, performance targets, financial plans, investment strategies, a risk mitigation plan, life cycle planning documentation, and identified areas of improvement. Senate Bill 486 (DeSaulnier, Chapter 917, Statutes of 2014) requires the Commission to approve the Transportation Asset Management Plan developed by Caltrans.

The investment strategies outlined in the 2022 Transportation Asset Management Plan focus on the following:

- Preventive maintenance, also known as a “fix it first” approach
- Embracing principles in the state’s Climate Action Plan for Transportation Infrastructure
- Embracing equitable transportation solutions to serve people of all means
- The four primary asset classes (pavement, bridges, drainage, and transportation management system elements), because they represent a significant portion of State Highway System assets
- Leveraging investments to support safety and health; stewardship and efficiency; sustainability, livability, and economy; and organizational excellence

The approved 2022 Transportation Asset Management Plan is available on the Commission’s website at: <https://catc.ca.gov/-/media/ctcmedia/documents/programs/shopp/tamp/2022-tamp.pdf>

### **State Highway System Annual Performance Benchmarks and 10-Year Targets**

Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), The Road Repair and Accountability Act of 2017, set 10-year performance outcomes for the four primary asset classes included in the Transportation Asset Management Plan; requires Caltrans to report annually to the Commission on its progress toward meeting the outcomes; and requires the Commission to evaluate the effectiveness of Caltrans in reducing deferred maintenance and improving road conditions on the state highway system, as demonstrated by Caltrans’s progress toward achieving the outcomes. In March 2018, the Commission set annual performance benchmarks for the four primary asset classes and nine supplementary asset classes. In December 2021, the Commission adopted updated performance targets based on a more robust condition assessment analysis.



At its August 2024 meeting, the Commission evaluated Caltrans' progress towards reducing deferred maintenance and improving road conditions on the state highway system. Tables 2 and 3 show Caltrans' progress toward achieving the 10-year outcomes and meeting the annual benchmarks set by the Commission for the four primary assets. In summary, the 2023 year-end benchmarks are being exceeded for pavement and drainage systems and Caltrans has met the "fix 500 additional bridges" target. The percentage of poor condition Transportation Management Systems decreased by 1.0 percent over the prior year. Caltrans' projections from current investments towards this asset show the conditions improving more rapidly over the next few years and are on track to meet the 2027 Target. The percentage of poor condition bridges and tunnels increased by 0.1 percent over the prior year. While Caltrans expects the condition of poor bridges to improve, current projections indicate Caltrans may fall just short of meeting the 2027 Target for Bridges and Tunnels. Caltrans is implementing process improvements to reduce the time between identifying bridges in poor condition and delivering bridge improvement projects. The Commission will continue to work with Caltrans to help expedite projects and monitor progress towards meeting the 2027 Targets. The Commission's full evaluation is available on the Commission website at: <https://catc.ca.gov/-/media/ctc-media/documents/ctc-meetings/20243/20243-08/2968-4-2412-a11y>

**Table 2: Caltrans' Progress Toward Annual Benchmarks**

<b>Asset Class</b>	<b>2027 Target</b>	<b>2023 Benchmark</b>	<b>2023 Actual</b>	<b>Status</b>
<b>Primary Assets</b>				
Pavement in good and fair condition				
Class 1*	99%	98.0%	98.6%	On Track
Class 2*	98%	97.3%	98.6%	On Track
Class 3*	98%	96.9%	98.6%	On Track
Culverts in good and fair condition	90%	88.4%	90.5%	On Track
Bridges in good and fair condition**	98.5%	97.8%	95.2%	Monitor
Transportation management systems in good condition	90%	82.6%	78.0%	Monitor
<b>Supplementary Assets***</b>				
Drainage Pump Plants	90%	N/A	49.6%	N/A
Highway Lighting	75%	N/A	51.9%	N/A
Office Buildings	90%	N/A	72.4%	N/A
Overhead Sign Structures	85%	N/A	93.4%	N/A
Roadside Rest Facilities	75%	N/A	72.1%	N/A
Transportation Related Facilities	80%	N/A	39.7%	N/A
Bicycle and Pedestrian Infrastructure	98%	N/A	79.4%	N/A
Weigh in Motion Scales	90%	N/A	93.1%	N/A

\* Class 1 includes interstates, other principal arterials, and urban freeways and expressways. Class 2 includes rural freeways and expressways, and minor arterials. Class 3 includes major and minor collector routes. They make up 54 percent, 32 percent, and 14 percent of the state highway system, respectively.

\*\* A poor rating for a bridge does not mean that the bridge is unsafe for use. Any bridge determined to be unsafe for use is immediately repaired or closed to traffic regardless of condition ratings.

\*\*\* Supplementary Asset conditions are reported every other year, rather than annually. Actual conditions shown are from 2022.

**Table 3: Caltrans' Progress Toward Road Repair and Accountability Act Targets**

Asset Class	Measure	2027 Target	2023 Condition	Status
Bridges	Fix additional bridges	500	1,072	Target Achieved
Pavement	Good or fair condition	98%	98.6%	On Track
Pavement	Level of service*	90%	94%	On Track
Culverts	Good or fair condition	90%	90.5%	On Track
Transportation Management Systems	Good condition	90%	78.0%	Monitor

\* For maintenance of potholes, cracks, and spalls.

### Evaluation of Caltrans' Efficiencies Measures

Senate Bill 1 requires Caltrans to implement efficiency measures with the goal of generating at least \$100 million per year in savings to invest in maintenance and rehabilitation of the State Highway System. The legislation requires Caltrans report the generated efficiency savings to the Commission annually. The Commission's State Highway Operation and Protection Program Guidelines require these savings be reported to the Commission annually by November 1.

For Fiscal Year 2022-23 Caltrans reported \$318 million in new and on-going efficiencies that can be reinvested into the maintenance and rehabilitation of the State Highway System. \$138 million of these efficiencies were identified after the passage of the Road Repair and Accountability Act of 2017 (Senate Bill 1) and count towards meeting the efficiencies requirement. Commission staff reviewed the reported efficiencies and presented an informational staff report at the May 2024 Commission meeting. While many of the reported efficiencies are continued practices from prior years, Commission staff commends Caltrans for continuing to identify and report new efficiencies, best practices and processes beyond meeting the Senate Bill 1 efficiencies savings requirement. The Commission staff report on Fiscal Year 2022-23 efficiencies is available on the Commission's website at: <https://catc.ca.gov/-/media/ctc-media/documents/ctc-meetings/2024/2024-05/31-4-16-a11y.pdf>

## **STATE AND LOCAL TRANSPORTATION SYSTEM NEEDS ASSESSMENT (SENATE BILL 1121)**

The Commission remains focused on ensuring adequate and sustainable funding to address the needs of California’s transportation system. Left unaddressed, the anticipated decline in fuel tax revenues will directly impact the state’s ability to invest in improvements that support a safe, equitable, sustainable, multimodal transportation system as well as a strong economy.

Senate Bill 1121 (Gonzalez, Chapter 508, Statutes of 2022) requires the Commission to prepare a needs assessment documenting the cost to operate, maintain, and provide for the necessary growth of the state and local transportation system over a 10-year period and update this needs assessment every five years. The needs assessment is required to include expected revenues for transportation, the costs required to address identified needs – including bicycle and pedestrian facilities; local streets and roads; highways, bridges, and culverts; capital and operational needs of transit, commuter rail, and intercity rail systems; and costs related to system resiliency – and recommendations to address any projected shortfall.

After submitting an Interim Needs Assessment in January 2024, the Commission expects to submit the completed 2025 State and Local Transportation System Needs Assessment in early 2025. The 2025 Needs Assessment was developed through engagement from the Commission’s partner agencies, stakeholders, and the public. The 2025 Needs Assessment identifies a 10-year need of \$736.2 billion and projected available revenues of \$572 billion. The anticipated funding shortfall is \$164 billion, with the financial impact from the adoption of zero-emission vehicles and increased fuel-economy increasing that shortfall by \$31.1 billion. When submitted to the Legislature, the 2025 Needs Assessment will include recommendations for how to address the anticipated shortfall.

## **TRANSPORTATION DATA PROGRAM (ASSEMBLY BILL 744)**

Assembly Bill 744 (Carrillo, Chapter 541, Statutes of 2023) requires the Commission convene relevant state agencies to assess the procurement and implementation of data, modeling, and analytic software tools to support the state’s sustainable transportation, congestion management, affordable housing, efficient land use, air quality, economic, and climate change strategies and goals. Additionally, the bill requires the Commission submit a proposal to the Legislature outlining a process for procuring and granting access to data and tools to local and regional agencies or a process for allocating funds to local and regional agencies for the procurement of data and tools.

State agencies are actively engaged in procurement programs aimed at acquiring big data analytics capabilities. These programs may involve obtaining unique datasets to address a specific project or entering into ongoing license agreements with data providers to access a wide range of data types. The use of big data analytics aligns with broader policy initiatives in California, particularly those related to reducing emissions and promoting sustainability in the transportation sector. The procurement of data

and analytics is a strategic approach to inform evidence-based decision-making and support the achievement of policy goals. However, state agencies lack coordination and sustainable funding for ongoing investments, and many local and regional agencies lack access to new data and modeling tools, need more resources to manage large data systems, or need additional guidance on the implementation and use of data and modeling tools.

This year, the Commission began developing the proposal by convening local, regional, and state agencies to assess existing data, modeling, and analytic software tools and identify gaps in data access and use. This work will continue into 2025, and the Commission will submit the final proposal to the Legislature by July 1, 2025.



# RECOMMENDATIONS

Pursuant to California Government Code section 14536, the Commission's Annual Report is required to include legislative recommendations to improve the state's transportation system.

## ACTIVE TRANSPORTATION PROGRAM FUNDING

The Active Transportation Program is consistently oversubscribed, with the total need for active transportation projects consistently exceeding funding available in the program for new projects. For the 2025 program, the total funding request was 15 times the amount of available funding, due to the \$400 million reduction of the one-time \$1 billion General Fund augmentation in the 2024-25 enacted state budget.

Projects funded in the Active Transportation Program increase the number of trips people make by walking or bicycling, and generally enhance safety, connect community resources, and contribute to the state's fight against climate change.

### Restore Funding Eliminated in 2024-25 State Budget

The 2024-25 state budget reduced the one-time \$1 billion General Fund augmentation to the Active Transportation Program by \$400 million. Consequently, the amount of funding available for the 2025 Program was reduced to \$168.7 million. The Commission received 277 applications for this funding cycle, totaling \$2.5 billion in total funding requests. With the current funding levels, 93 percent of those total requests will go unfunded, including many requests for transformative projects throughout the state's most vulnerable communities.

The details of the budget agreement stipulate \$400 million is subject to appropriation in future budget years. The Commission recommends the Legislature immediately restore this funding to better address the backlog of projects in this funding cycle.

In doing so, funding may become available for some of the projects the Commission has evaluated. These unfunded projects and the Commission's evaluation of their applications can be found on the Commission's website: <https://catc.ca.gov/programs/active-transportation-program>

### **Increase Baseline Funding for Future Cycles**

The high demand for this year's Active Transportation Program cycle is not unique. Even with the full \$1 billion augmentation in the 2023 Active Transportation Program, the Commission received over \$4.5 billion in total funding requests. Current funding levels are inadequate to meet the demand in the program.

The Commission recommends the Legislature explore options to augment baseline funding for the Program in future cycles.

## **LOCAL TRANSPORTATION CLIMATE ADAPTATION PROGRAM FUNDING**

The Legislature established the Local Transportation Climate Adaptation Program in 2022, funded with a combination of one-time state funds and federal formula funds from the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Program. With the expiration of the one-time state funds, and the federal authorization for the federal PROTECT formula funds ending in federal fiscal year 2026, the program will be left without a funding source for new projects after the current funding cycle concludes.

The Local Transportation Climate Adaptation Program funds critically needed resilience improvements, projects that enhance community resilience or evacuation routes, and projects that address at-risk coastal infrastructure. It is the only state program dedicated solely to these purposes.

### **Identify an Ongoing Funding Source for the Program**

With every passing year, California's transportation system is increasingly impacted by the effects of climate change. In each of the two previous years, the State Highway Operation and Protection Program has included major damage reservations of more than \$1 billion to address emergency repair work necessitated in part by storm damage or coastal erosion. The 2025 State and Local Transportation System Needs Assessment also identifies growing needs related to climate adaptation over the 10-year period of the Needs Assessment.

The Commission recommends the Legislature identify an ongoing funding source to meet these growing needs and provide consistent funding levels once the existing state and federal funds are exhausted.

## **2025 STATE AND LOCAL TRANSPORTATION SYSTEM NEEDS ASSESSMENT**

Senate Bill 1121 (Gonzalez, Chapter 508, Statutes of 2022) requires the Commission prepare a needs assessment documenting the cost to operate, maintain, and provide for the necessary growth of the state and local transportation system over a 10-year period. The Needs Assessment is required to include recommendations to address any projected shortfall between the 10-year needs and expected revenues over the same period.

The Commission expects to submit the 2025 State and Local Transportation System Needs Assessment in early Spring 2025. The initial findings identify a 10-year need of \$736.2 billion and projected revenues of \$572 billion. This results in an expected shortfall of \$164 billion. While the state continues to make progress in meeting goals around zero-emission vehicles, the rapid adoption of zero-emission and more fuel-efficient vehicles is reducing gas consumption and eroding the associated revenues from the gas excise tax.

### **Revenue Shortfall Solutions**

The Commission's 2025 State and Local Transportation System Needs Assessment will include recommendations for how to address this shortfall. The Commission recommends the Legislature review these options to assess potential statutory changes and determine its approach to addressing the projected funding shortfall.

## **PREVIOUS RECOMMENDATIONS**

The Commission made a number of recommendations in the Senate Bill 671 Clean Freight Corridor Efficiency Assessment submitted to the Legislature in December 2023. The Assessment can be found on the Commission's website here: <https://catc.ca.gov/programs/sb671>

The Commission continues to recommend these actions to facilitate the deployment of zero-emission freight.

### **Streamline Zero-Emission Station Development**

The Commission continues to recommend the Legislature enact a statutory exemption from the California Environmental Quality Act for zero-emission freight charging and hydrogen fueling stations and establish a statutory default permit approval deadline for zero-emission freight charging and hydrogen fueling stations.



## **Support Fleet and Truck Owners through the Zero-Emission Vehicle Transition**

The Commission continues to recommend the Legislature create a new limited-term (five-year) zero-emission truck incentive program to assist fleets with purchasing zero-emission trucks, and create a vehicle buy-back program that would set aside funds to buy back used zero-emission trucks from fleets once they reach their useful life as a “new” vehicle in order to support the nascent secondary market for zero-emission trucks.

These recommendations are discussed in greater detail in the Commission’s 2023 Annual Report to the Legislature, available here: <https://catc.ca.gov/-/media/ctc-media/documents/ctc-reports/annual-reports/2023/ctc-129-23-full-annual-report-dor.pdf>.



## PROGRAM SUMMARIES

Over a dozen transportation funding programs fall under the Commission's purview. These programs have a tremendous positive impact on the quality of life of Californians. Projects funded through Commission programs include, but are not limited to, fixing and improving safety and mobility on state highways, bridges, and local streets and roads; investments in transit systems, including buses and rail lines; and new and improved bicycle and pedestrian facilities. These projects help Californians to get to work, to school, and to recreational activities more easily and safely, and facilitate the efficient delivery of goods. Collectively, they are helping to make California's transportation system more equitable and cleaner, while also creating high-paying jobs and a strong, sustainable economy.

The programs under the Commission's purview are established in federal and/or state laws, which set forth the program funding levels and overarching program frameworks. The Commission's responsibilities vary by program but generally include developing guidelines, adopting programs of projects, and allocating funds. Program guidelines establish the specific policies and procedures used to administer the program and are developed through public workshops open to all partner agencies, stakeholder groups, and the public.

Program guidelines and/or statute set forth program funding cycles. Most programs have funding cycles that span multiple years. When the Commission adopts a program of projects, it commits funds to individual projects in each year of the program cycle. During the year a project is programmed, the agency must request an allocation from the Commission. The allocation authorizes the agency to begin incurring expenditures on the project.

After the Commission allocates funds to projects, Caltrans performs administrative oversight and prepares and submits regular progress reports for each project by program. The Commission takes appropriate actions when issues and concerns are identified. The Commission also ensures accountability by requiring agencies to request approval for project scope, schedule, and/or cost changes and to report on project outputs.

### **Senate Bill 1: The Road Repair and Accountability Act of 2017**

Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), the Road Repair and Accountability Act, was enacted in 2017, providing the first significant, stable, and ongoing source of state transportation funding in decades. Funding from this legislation goes for the repair of state highways and local roads and improvements to transit, intercity rail, and active transportation. The legislation also provides funds to improve goods movement and alleviate congestion through multimodal solutions in critical corridors throughout the state. Funding comes from gas and diesel excise taxes, diesel sales taxes, transportation improvement fees (paid at vehicle registration based on the value of a vehicle), and zero-emission vehicle fees.

Programs funded in part or in whole by the Road Repair and Accountability Act where the Commission has a role include:

- Active Transportation Program
- Local Partnership Program
- Local Streets and Roads Program
- Solutions for Congested Corridors Program
- State Highway Operation and Protection Program
- State Transportation Improvement Program
- Trade Corridor Enhancement Program
- Transit and Intercity Rail Capital Program

Some of these programs were in existence prior to the passage of the legislation and receive other state and federal funds, including the Active Transportation Program, the State Highway Operation and Protection Program, the State Transportation Improvement Program, and the Transit and Intercity Rail Capital Program. For this reason, the Commission generally uses the term “Senate Bill 1 Program” to refer to the three new programs where the Commission approves individual projects: the Local Partnership Program, the Solutions for Congested Corridors Program, and the Trade Corridor Enhance Program.

To meet legislative intent to hold agencies accountable for Senate Bill 1 expenditures, the Commission adopted updated Senate Bill 1 Accountability and Transparency Guidelines in March 2023. In addition to requiring timely delivery of projects and reporting on outcomes and benefits for all projects, the guidelines require Baseline Agreements for larger projects with enhanced reporting and accountability measures.

The remainder of this section of this report provides additional detail on each Commission program and highlights examples of projects funded through them.

## ACTIVE TRANSPORTATION PROGRAM

Investment in active transportation is critical to California's efforts to meet its greenhouse gas reduction targets and make its transportation system more sustainable, equitable, and safe. Active transportation projects can include comfortable bikeways, improved sidewalks, comprehensive networks, multi-use paths, safer street crossings, and streetscaping elements such as shade trees, benches, wayfinding signage, and bike racks. These projects improve quality of life, build healthier communities, connect neighborhoods, and allow Californians to access jobs, schools, community resources, and transit without using a car.

The Active Transportation Program is the state's only dedicated funding source for walking and biking projects. The program is in high demand and extremely oversubscribed. To help address the backlog of critically-needed, high-quality projects that have gone unfunded due to the program's lack of adequate funding, the Governor and Legislature approved a one-time, \$1 billion augmentation for the 2023 Active Transportation Program. However, the 2024-25 state budget reduced the one-time augmentation by \$400 million, resulting in only \$168.7 million in available funding for new projects in the 2025 Active Transportation Program.

In developing the guidelines for the 2025 Active Transportation Program, the Commission held nine branch workshops with 21 participating counties. Commission staff conducted over 150 virtual and in-person project site visits across 47 counties. The Commission adopted guidelines for the 2025 Active Transportation Program in June 2024 and subsequently received 277 project applications with a total funding request of \$2.5 billion, almost 15 times greater than the available program capacity.

Last year, the Active Transportation Program helped the City of Berkeley improve pedestrian and bicyclist safety at four intersections along Sacramento Street, including Virginia Street, Delaware Street, University Avenue, and Addison Street. The Commission awarded \$1.542 million for project improvements including 1,200 linear feet of new bike lanes to fill gaps along critical bike trails, like the Ohlone Greenway and West Street Pathway, and to create a more seamless and safer biking experience. Additional improvements funded by the program include the reconstruction of 36 sidewalk ramps to meet Americans with Disabilities Act standards, the enhancement of 6 sidewalk crossings, the shortening of 10 crossings, and the addition of a new Rectangular Rapid Flashing Beacon to improve bicyclist and pedestrian safety while crossing.

**Program Webpage:** <https://catc.ca.gov/programs/active-transportation-program>



Addison Street – Before



Addison Street – After

## Program Background

### Types of Projects Funded

Infrastructure projects (e.g. bike lanes, sidewalks, multi-use paths, quick-build improvements, and intersection enhancements); non-infrastructure programs (e.g., skills courses and encouragement campaigns); and active transportation plans in disadvantaged communities.

### Goals of the Program

Increase active modes of transportation, including walking and biking; increase the safety and mobility of non-motorized users; reduce greenhouse gas emissions; improve public health; and enhance the mobility of disadvantaged community members.

### How to Access Funds

Program funds are awarded through a competitive process every two years. Cities, counties, school districts, tribal governments, regional agencies, transit agencies, and natural resources and public land agencies may apply.

### Funding Available

Each four-year program cycle averages approximately \$550 million in programming capacity, including funds

from the SB 1 Road Maintenance and Rehabilitation Account, the federal Transportation Alternatives Program, the federal Infrastructure Investment and Jobs Act, and other state and federal sources. Each program cycle is split between the Statewide component (50%), the Metropolitan Planning Organization component (40%), and the Small Urban and Rural component (10%).

### Evaluation Criteria

Projects are evaluated for benefit to disadvantaged communities, need, safety, public participation and planning, scope and plan consistency, and cost effectiveness. Larger projects are also evaluated for innovation, potential to be transformative, and context sensitivity.

### Equity

Nearly all projects benefit disadvantaged communities, consistently exceeding the statutory requirement of 25%. Projects are evaluated based on direct benefit to, and public engagement with disadvantaged communities, using a scaled system that awards more points to projects that benefit severely disadvantaged communities.

## Program Accomplishments & Metrics

### Programmed Funds: All Program Cycles

- \$3.8 billion programmed for 1180 projects
- 96 percent of programmed funds benefit disadvantaged communities
- 648 Safe-Routes-to-School projects programmed

### Allocated Funds: FY 2023-24

- \$378.2 million to 204 projects
- \$263.8 million for construction
- \$90.7 million for pre-construction
- \$23.7 million for non-infrastructure

### What did we invest in?

- 90 miles of bikeways
- 39 miles of sidewalk
- 29 miles of multi-use trail
- 22 non-infrastructure programs

## LOCAL PARTNERSHIP PROGRAM

Local and regional agencies generate more than a third of all transportation revenues in California. These revenues support improved infrastructure, new infrastructure, and help

California receives more federal discretionary funds. Much of this revenue is generated by voter-approved taxes, tolls, and fees, such as county sales tax measures, but also includes agency-imposed fees, such as developer fees.

The Local Partnership Program funds transportation improvement projects for local and regional agencies that have enacted or voter-approved taxes, tolls, and fees dedicated to transportation. This provides an incentive for agencies to continue or start to raise transportation revenues. The program includes a formulaic component that allocates funding to each eligible jurisdiction and a competitive component that selects specific projects for funding. This is consistent with Senate Bill 1, which balances directing increased revenue to the state's highest transportation needs while fairly distributing the economic impact of increased funding.

The City of Yuba City was awarded \$2.8 million in the 2020 Local Partnership Competitive Program to widen Bridge Street between Cooper Avenue and Gray Avenue from a two-lane roadway to a four-lane Complete Streets facility in Yuba City, Sutter County. The project was completed in June 2024 and was the final segment to complete the entire Bridge Street Corridor from State Route 99 to State Route 70, which connects Yuba City and Marysville. The project also constructed an ADA-accessible sidewalk, a bicycle pathway, a raised landscape median with native and drought-tolerant trees, new synchronized traffic signals, and dedicated crosswalks for pedestrians and bicyclists. This project provides new active transportation options for the residents of Yuba City, Marysville, Sutter County, and Yuba County, improves the efficiency of the existing transportation network, better facilitates goods movement on State Routes 99, 70, and 20, increases access to jobs, improves safety and critical emergency response times, and reduces greenhouse gases and fuel consumption.

**Program Webpage:** <https://catc.ca.gov/programs/sb1/local-partnership-program>



Bridge Street – Before



Bridge Street – After

## Program Background

### Types of Projects Funded

New transit stations; tracks for passenger and commuter rail; high-occupancy vehicle, express, and other lanes; bicycle and pedestrian improvements; traffic light synchronization; zero-emission bus purchases; sound walls; and local road improvements and rehabilitation.

### Goals of the Program

Provide funding to counties, cities, districts, and regional transportation agencies in which voters have approved fees or taxes dedicated solely to transportation improvements or that have imposed fees, including developer fees, dedicated solely to transportation improvements.

### How to Access Funds (Competitive)

Eligible taxing authorities and eligible agencies with imposed fees submit project nominations that are evaluated according to criteria set by the Commission.

### How to Access Funds (Formulaic)

Eligible taxing authorities submit project nominations consistent with their approved funding distribution amount set by the Commission.

### Funding Available

Annual funding is \$200 million. Funds are split 40 percent for the competitive program and 60 percent for the formulaic program, after \$20 million is taken off the top for incentive funding for agencies with new taxes or fees.

### Evaluation Criteria (Competitive)

Accessibility, air quality and greenhouse gases, community engagement, cost effectiveness, deliverability, projects that leverage funds above the required match, safety, system preservation, land use and housing goals, and vehicle-miles traveled.

## Projects Funded

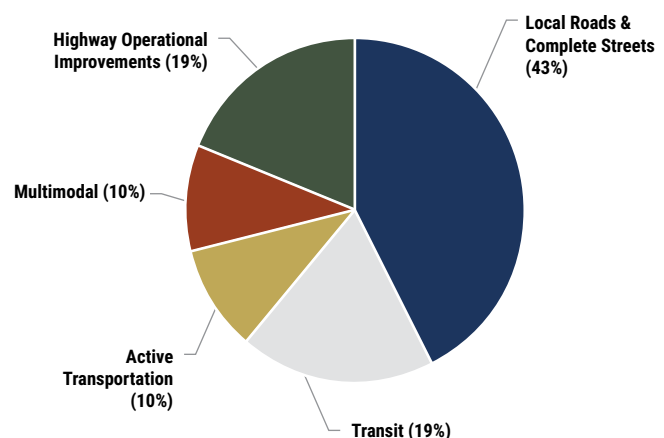
### Allocated Funds: FY 2023-24

\$138.9 million total allocated  
\$134.9 million for construction  
\$4 million for pre-construction

### What did we invest in?

101 miles of local road rehabilitation  
205 upgraded curb ramps  
35 intersection/signal improvements  
25.4 miles of new local roads  
27 miles of bikeways and walkways  
36 miles High Occupancy/auxiliary lanes  
19 new crosswalks and crossing islands

**Project Allocations by Type  
FY 2023-24**



## LOCAL STREETS AND ROADS PROGRAM

California's 58 counties and 481 cities own and maintain over 300,000 paved lane-miles of local streets and roads, as well as related infrastructure including bridges, drainage systems, and traffic signals. The local road system is a critical component of the state's transportation network for virtually all types of travelers, including drivers, bicyclists, pedestrians, and bus riders. Local roads also help transport goods and services, contributing to economic vitality throughout the state. Investing in local road maintenance and preservation helps save money in the long run by delaying pavement deterioration and replacement.

Under Senate Bill 1, the Local Streets and Roads Program provides formula funds to cities and counties for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system. As a result of this program, communities are benefitting from potholes being filled, pavement repaired, lanes restriped, bike lanes added, and crosswalks and sidewalks made accessible.

The Residential Slurry Seal Program (I-159) Project is an example of a project funded through the Local Streets and Roads Program in the City of Torrance. The project was completed in fiscal year 2022-23. The work included removing and resurfacing the asphalt roadway and reconstructing Americans with Disabilities Act-compliant access ramps. New pavement markings were painted. This project re-established the pavement structure, restored the surface integrity, improved the ride quality of the roads and the walkability of sidewalks, and beautified the neighborhood.

**Program Webpage:** <https://catc.ca.gov/programs/sb1/local-streets-roads-program>



Plaza Del Amo and Cabrillo Ave  
– Before



Plaza Del Amo and Cabrillo Ave  
– After



## PROGRAM BACKGROUND

### Types of Projects Funded

Eligible projects include road maintenance and rehabilitation; safety projects; railroad grade separations; complete streets components (such as bike lanes or sidewalks); and traffic control devices, among others.

### Goals of the Program

Address deferred maintenance on the local streets and roads system as well as critical safety projects.

### How to Access Funds

The Commission adopts a report of eligible cities and counties and sends it to the State Controller. Cities and counties then receive annual funding apportionments from the State Controller according to a statutory formula.

### Funding Available

Annual funding of approximately \$1.7 billion (for fiscal year 2024-25).

### Evaluation Criteria

Cities and counties that have prepared and submitted a project list to the Commission each fiscal year and that have been included in a list of eligible entities submitted by the Commission to the State Controller.

### Program Workshops

Commission staff held two trainings to assist agencies prepare their Fiscal Year 2022-23 expenditure report. Over 67% percent of the reporting jurisdictions participated in the webinars.

Staff held two technical training sessions to prepare jurisdictions for the 2024-25 project list submittals, where 46% of cities attended and 66% of counties registered for at least one session.

## PROJECTS FUNDED

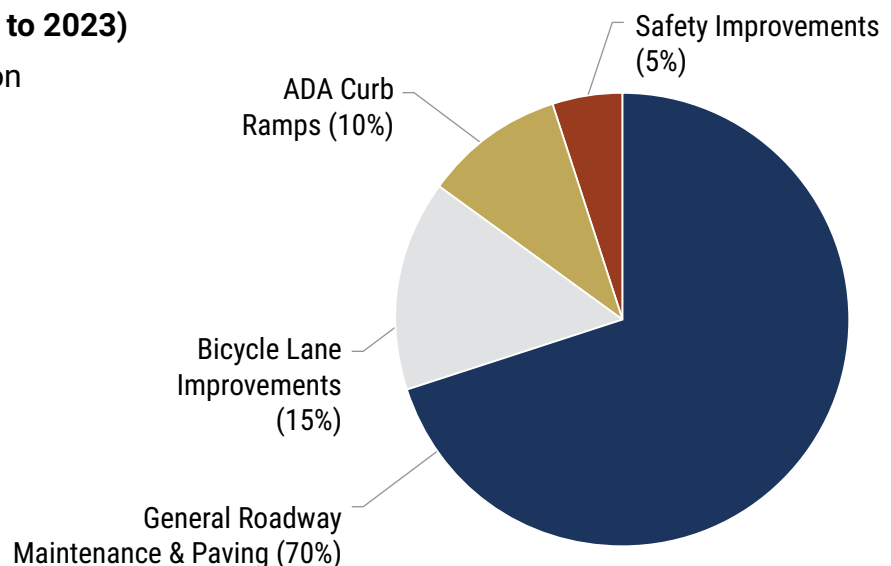
### All Program Cycles (2017 to 2023)

Total Expended: \$4.2 billion  
Funding: \$1.7 billion

### What did we invest in?

4,262 projects:  
1,156 completed  
2,044 in-progress  
1,062 carried over  
\$1.2 billion million spent

### FY 2022-23 Project Outputs (by type)



## LOCAL TRANSPORTATION CLIMATE ADAPTATION PROGRAM

Adapting California’s existing surface transportation infrastructure to climate change impacts is essential to increase the climate resiliency of California’s communities and public infrastructure investments. Adaptation projects fortify the transportation system’s ability to withstand severe weather events while continuing to provide essential functions, and, if tolerances are exceeded, quickly rebound back to service. For millions of climate-vulnerable Californians, climate adaptation projects provide greater equity in mobility and prosperity during severe weather events.

The Local Transportation Climate Adaptation Program is a five-year competitive program that supports the development and implementation of climate adaptation projects for existing surface transportation infrastructure to improve transportation and community climate resiliency. Funding for the program includes \$252.5 million in federally apportioned Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program funding and a one-time appropriation of \$148 million from the State Highway Account. Eligible applicants include Tribal governments, metropolitan planning organizations, regional transportation planning agencies, cities, counties, and transit agencies.

The Commission adopted guidelines for Cycle 2 of the Local Transportation Climate Adaptation Program in June 2024, and will award the remaining \$90.8 million to new projects in 2025.

The Olivehurst Roadway Climate Resiliency Project retrofits several critical roads to increase climate resiliency relating to flooding. The project entails the design and construction of a comprehensive drainage system in the legacy gold-mining and unincorporated community of Olivehurst. The project will construct 26,000 linear feet of storm drain, 52,000 linear feet of sidewalks, 52,000 feet of Class III bike routes, crosswalks, striping, ADA compliant ramps, plus curbs and gutters.

**Program Webpage:** <https://catc.ca.gov/programs/sb1/local-streets-roads-program>



Olivehurst Roadway Project



Olivehurst Roadway Project

## PROGRAM BACKGROUND

### Types of Projects Funded

Resilience improvements to an existing surface transportation asset to withstand, or increase resilience against, weather events or natural disasters.

Community resilience and evacuation route activities.

At-risk coastal infrastructure activities that enhance the resilience of highway and non-rail infrastructure.

System resilience elements for projects carried out with PROTECT Formula funding, such as natural infrastructure or the construction or modification of storm surge, flood protection, or aquatic ecosystem elements that are functionally connected to the eligible project.

### Goals of the Program

Develop and implement capital projects adapting local transportation infrastructure to climate change.

### How to Access Funds

Eligible applicants may apply to the competitive grant process.

### Funding Available

\$400.5 million over five years (\$148 million State Highway Account, \$252.5 million federal PROTECT Program).

Cycle 2 encompasses \$90.7 million of remaining PROTECT funding.

### Evaluation Criteria

Climate threat impacts on transportation infrastructure and climate-vulnerable communities; resiliency, preservation, enhancement, and protection benefits for mobility, accessibility, economic development and vitality, goods movement, environmental or natural resources, cultural resources, other critical infrastructure, and safety; environmental equity; and community engagement.

## PROJECTS FUNDED

### Allocated Funds: FY 2023-24

- \$26.57 million allocated
  - \$6 million for construction
  - \$20.57 million for pre-construction

### What did we invest in?

- Stormwater management upgrades
- Evacuation route efficiencies and enhancements
- Vegetation management
- Slope stabilization
- Roadway rehabilitation

## SOLUTIONS FOR CONGESTED CORRIDORS PROGRAM

California is home to nearly 40 million people and some of the country's most congested travel corridors. While congestion is a vexing challenge, regions are addressing congestion in highly traveled corridors by undertaking long-term innovative, comprehensive, and multimodal approaches that seek to reduce congestion by expanding travel choices, improving the quality of life, and preserving the local community character within the corridor.



Watsonville to Santa Cruz  
Multimodal Corridor Program

The Commission's Solutions for Congested Corridors Program was created by the Road Repair and Accountability Act of 2017 (Senate Bill 1) to support collaborative and comprehensive proposals to reduce congestion in highly traveled corridors across the state. To prepare for the third cycle of this competitive program, the program guidelines underwent an extensive, consensus-driven development process. The guidelines for the 2024 Solutions for Congested Corridors Program focus on advancing equity and community engagement, and added public health as an additional information area to encourage projects that promote and consider public health impacts.

### *Watsonville to Santa Cruz Multimodal Corridor Program (\$92.8 million)*

The Solutions for Congested Corridors Program is investing in transformative regional solutions to tackle the state's congestion crisis. One example is the Watsonville to Santa Cruz Multimodal Corridor Program in the County of Santa Cruz which was awarded in the program's second cycle in 2020.

The Watsonville to Santa Cruz Multimodal Corridor Program increases the safety and throughput of a regionally significant and congested corridor with an innovative solution to improve and integrate transit, active transportation, and highway/local roadway modes of travel. The project includes corridor improvements across three transportation modes centered in the Highway 1 corridor. The project will construct bus-on-shoulder and auxiliary lanes, active transportation facilities, and adaptive traffic signal control/transit signal priority at several intersections along the route. The project will increase multimodal options, reduce vehicle miles traveled, reduce congestion, and reduce greenhouse gas emissions in the corridor.

**Program Webpage:** <https://catc.ca.gov/programs/sb1/solutions-for-congested-corridors-program>

Pursuant to Streets and Highways Code Section 2397, project information (i.e., project scope, cost, schedule, benefits, and outcomes) for all projects programmed in the Solutions for Congested Corridors Program can be viewed on the California Department of Transportation's Senate Bill 1 Semi-Annual Progress Reports webpage (<https://dot.ca.gov/programs/sb1/progress-reports>).

## **PROGRAM BACKGROUND**

### **Types of Projects Funded**

Infrastructure projects such as high occupancy vehicle lanes, express lanes, transit and rail infrastructure, transit fare system improvements, zero-emission buses, clean rolling stock, and safety improvements.

### **Goals of the Program**

Fund projects that reduce and manage congestion in highly traveled corridors through innovative strategies, include multimodal solutions, advance transportation equity, and align with the state's climate goals.

### **How to Access Funds**

Program funds are awarded through a competitive process. Regional transportation planning agencies, county transportation commissions, and Caltrans are eligible to apply for program funds.

### **Funding Available**

Total annual funding is \$250 million. Each program cycle combines funds for multiple years; a two-year cycle awards \$500 million.

### **Evaluation Criteria**

Congestion; safety; accessibility; community engagement; economic development, job creation and retention; air quality and greenhouse gas emission reductions; efficient land use and housing; matching funds; and project deliverability, collaboration, and cost effectiveness.

## **PROJECTS FUNDED**

### **2023-2024 Allocations**

- \$404.1 million to 8 project segments for construction
- \$13.8 million in construction cost savings

### **What did we invest in?**

- 7.9 miles of new or rehabilitated rail tracks
- 41 bus contactless card readers and system equipment
- 3.1 miles of new bicycle/pedestrian facilities
- 12 new stations and facility improvements
- 32 new rail cars and transit vehicles
- Programmed Funds: All Program Cycles
- \$2 billion programmed to 26 projects
- \$1.7 billion allocated
- Total project costs of over \$9.3 billion

## STATE HIGHWAY OPERATIONS AND PROTECTION PROGRAM

The State Highway System is critical to California's economic well-being and quality of life, as it enables the movement of people and goods around the state. Maintaining and preserving state highways, which includes bridges and drainage systems, and associated assets, such as lighting and signage, is critical for protecting the state's investment and allowing for efficient mobility. Backlogs of deferred maintenance ultimately cost the state more money in repairs, as well as drivers and public transit operators in damage to their vehicles.



Gleason Beach Highway 1 Realignment Project

The State Highway Operation and Protection Program (SHOPP) is the State's "fix-it-first" funding program for the State Highway System. It is a four-year program of projects built entirely through the performance-driven asset management process that collectively improves the condition, operation, and sustainability of the State Highway System and associated transportation infrastructure in California. By continuously repairing and rehabilitating the State Highway System, the SHOPP maintains the approximately 16,000 mile State Highway System .

For the second year in a row, the SHOPP Major Damage Reservation saw an above average number of allocations as Caltrans responded to multiple atmospheric rivers bringing heavy rain and snow to the state. At the close of Fiscal Year 2023-24, Caltrans had approved construction contracts totaling \$1.1 billion from the SHOPP Major Damage Reservation. This is the second highest annual dollar amount on record from this program, which typically averages around \$500 million per year.

The SHOPP funds many different types of critical highway projects throughout the state. One example is Caltrans' recently completed Gleason Beach Highway 1 Realignment Project. Midway between Bodega Bay and Jenner, the project's location is at the very edge of a coastal bluff and experiences ongoing threats of roadway closure or roadway loss due to significant coastal erosion exacerbated by sea level rise. Erosion of the coastal bluff has been approximately one foot annually. Multiple emergency damage repairs (funded by the SHOPP) have been implemented to prevent the roadway from collapsing into the ocean. 11 of the 21 houses along the highway have collapsed into the ocean.

This project provides a permanent and sustainable solution to protect Highway 1 from coastal erosion and maintain safe access and connectivity for the local communities and regional users by realigning the highway approximately 400 feet inland and building a new 850-foot-long bridge over Scotty Creek and its floodplain. The realignment and new bridge also provide a rare opportunity to remove a fish passage barrier, restore coastal wetlands/riparian habitats, improve public access and the coastal trail, and improve bicycle and pedestrian accessibility and safety along this stretch of Highway 1.

**Program Webpage:** <https://catc.ca.gov/programs/state-highway-operation-and-protection-program>

## PROGRAM BACKGROUND

### Types of Projects Funded

Projects are limited to maintenance, safety, operation, and rehabilitation of state highways and bridges, including complete streets elements for bicyclists and pedestrians. Projects cannot add new traffic lanes to the State Highway System.

### Goals of the Program

Preserve and maintain State Highway System assets and ensure safety and operational efficiency on the system.

### How to Access Funds

Projects must be consistent with the Transportation Asset Management Plan approved by the Commission. Caltrans, as the owner and operator of the State Highway System, is the only agency that receives funds through this program.

### Funding Available

The program receives over \$5 billion annually from the Road Maintenance and Rehabilitation Account as well as other state and federal funds from the State Highway Account.

### Evaluation Criteria

The Commission reviews the program of projects proposed by Caltrans for consistency with the Transportation Asset Management Plan and the goals of the program.

### Public Engagement and Equity

Caltrans' SHOPP development process solicits input from public agencies, Native American tribal governments, non-governmental organizations, and members of the public.

## PROJECTS FUNDED

### 2023-2024 Allocations

- \$4.9 billion for construction
- \$1.9 million for pre-construction

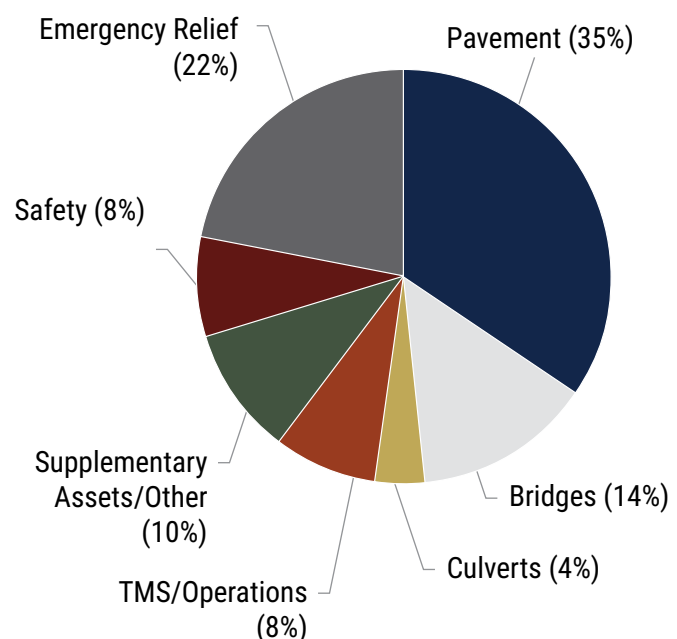
### What did we invest in?

- 104 bridges fixed
- 1,513 lane miles of pavement rehabilitated
- 380 culverts fixed
- 1,329 Transportation Management System elements fixed

### Recent Program Cycles

- 2016: \$10.1 billion to 872 projects
- 2018: \$18.0 billion to 1,000 projects
- 2020: \$17.4 billion to 920 projects
- 2022: \$17.9 billion to 733 projects
- 2024: \$21.2 billion to 635 projects

**FY 2023-24 SHOPP Allocations**  
**Total = \$6.8 Billion**



## STATE TRANSPORTATION IMPROVEMENT PROGRAM

California has diverse transportation needs across its different regions. Urban areas tend to experience significant congestion and wear and tear on transportation systems, while rural areas face challenges in connecting people and goods to more remote locations. Differences in density, climate, and economic activity mean that one sized solutions do not fit all. Connecting these regions through efficient and sustainable transportation networks is important for the state's economy and the quality of life for all Californians.

The State Transportation Improvement Program (STIP) is a biennial five-year plan adopted by the Commission each even-numbered year, with each new STIP adding two new years to prior programming commitments. The STIP includes a wide variety of regional and interregional capital projects that improve local roads, support active transportation, and help facilitate the movement of people and goods by improving the state highway system, intercity rail, and transit. The 2024 STIP was adopted in March 2024.

The Sonoma-Marín Area Rail Transit (SMART) Windsor Rail Systems Project, located between Santa Rosa's Airport Boulevard and the Town of Windsor in Sonoma County, replaces non-operating, publicly owned railroad tracks with a 3.1-mile passenger rail extension and an adjacent Class 1 active transportation trail. The STIP contributed \$10 million in STIP funds to complete the full SMART Windsor Rail and Pathway Extension project. The project started construction in November 2023 and is anticipated to open for passenger rail service in late Spring 2025.

**Program Webpage:** <https://catc.ca.gov/programs/state-transportation-improvement-program>



Sonoma-Marín Area Rail Transit (SMART)  
Windsor Rail Systems Project



Sonoma-Marín Area Rail Transit (SMART)  
Windsor Rail Systems Project



## PROGRAM BACKGROUND

### Types of Projects Funded

The STIP includes a wide variety of capital improvements, including bicycle and pedestrian facilities, intercity rail and public transit improvements, highway and local road improvements and transportation system/demand management.

### Goals of the Program

Address regional priorities by providing funding that meets the region's most urgent needs as well as the effective and efficient interregional movement of people and goods.

### How to Access Funds

The new funding available is divided with 75% for the regional program and 25% for the interregional program. The regional program is further subdivided by formula into county shares.

### Funding Available

Funding is made available from a portion of the excise tax on gasoline that is adjusted annually for inflation. The 2024 STIP Fund Estimate, covering fiscal years 2024-25 through 2028-29, was adopted at the August 2023 Commission meeting and provided new program capacity of \$1.674 billion over the five-year period. This includes \$435 million available to the STIP from the Public Transportation Account,

which is insufficient to support existing rail and transit commitments. All rail and transit projects currently programmed in the STIP must maintain federal eligibility.

### Evaluation Criteria

Projects are nominated by each regional agency in its respective Regional Transportation Improvement Program or by Caltrans in its Interregional Transportation Improvement Program. Proposed projects must be consistent with adopted long range Regional Transportation Plans, the Interregional Transportation Strategic Plan, the Sustainable Communities Strategies, and all applicable state and federal laws.

### Public Engagement and Equity

Public engagement occurs at the regional and state levels as part of the development of the long-range Regional Transportation Plans and the Interregional Transportation Strategic Plan.

The 2024 STIP guidelines require each Regional Transportation Improvement Program and the Interregional Transportation Improvement Program to include an in-depth summary on what community engagement was performed and how community feedback was acknowledged and incorporated into each respective program.

## PROJECTS FUNDED

### 2023-2024 Allocations

- \$489.8 million to 141 projects
  - \$431.3 million for construction
  - \$44.9 million for pre-construction
- \$13.6 million for planning, programming, and monitoring

### What did we invest in?

- \$368.4 million for 65 highway and local road projects (including complete streets elements)
- \$70.9 million for 7 rail and transit projects
- \$11.8 million for 11 standalone active transportation projects
- \$127,000 for 4 bridge projects

## TRADE CORRIDOR ENHANCEMENT PROGRAM

California is a preeminent global goods movement gateway. The Ports of Los Angeles and Long Beach move roughly 35 percent of all containers in the United States and approximately 40 percent of United States imports and 25 percent of exports pass through the San Pedro Bay. The Trade Corridor Enhancement Program provides critical funds for projects on significant freight corridors to facilitate goods movement. The program also supports the state's transition to zero-emission freight by funding zero-emission freight infrastructure.

The Trade Corridor Enhancement Program supports multi-modal approaches to goods movement. In the program's third cycle, the Commission funded the Port of Long Beach America's Green Port Gateway: Pier B Early Rail Enhancements project. The project proposes to add two lengthened yard tracks, remove an at-grade crossing, construct a new retaining wall to provide staging for more and longer trains, construct a locomotive support facility, and create a 10,000-foot support track to allow for increased daily train movements. Overall, the project will increase the national competitiveness and productivity of the San Pedro Bay Port Complex rail network and address port-related community impacts.

**Program Webpage:** <https://catc.ca.gov/programs/sb1/trade-corridor-enhancement-program>



Port of Long Beach Pier B Early Rail Enhancements Project



Port of Long Beach Pier B Early Rail Enhancements Project

## **PROGRAM BACKGROUND**

### **Types of Projects Funded**

Eligible projects include highway improvements, zero-emission freight infrastructure, freight rail system improvements, port capacity and efficiency enhancements, border access improvements, road connector improvements, technology improvements, and environmental and community mitigation.

### **Goals of the Program**

Fund freight infrastructure improvements on significant freight corridors.

### **How to Access Funds**

The program is competitive. Eligible applicants include public entities, such as cities, counties, metropolitan planning organizations, regional transportation planning agencies, port authorities, public construction authorities, and Caltrans. Project proposals from private entities may be submitted by a public agency sponsor.

### **Funding Available**

The fourth program cycle, covering Fiscal Years 2025-26 and 2026-27, has \$1.07 billion available, including \$817 million

from state diesel excise tax revenues and \$254 million in federal National Highway Freight Program funds.

### **Evaluation Criteria**

Evaluation criteria include freight and transportation system factors, community impact factors, project readiness, leveraging funds, jointly nominated projects, community engagement, and zero-emission freight features. The 2024 program guidelines include more detailed zero-emission freight infrastructure criteria to provide applicants with more guidance.

### **Public Engagement and Equity**

Community engagement is an evaluation criterion, and a Transportation Equity Supplement provides resources to applicants on how to consider equity in project nominations. The Commission updated the Transportation Equity Supplement for the 2024 program cycle, incorporating additional examples, tools, and strategies. The Commission held nine public workshops to solicit input to inform the fourth cycle program guidelines and hosted 29 virtual office hour sessions for potential applicants.

## **PROJECTS FUNDED**

### **2023-2024 Allocations**

- \$515 million
  - Cycle 1 projects: \$29 million
  - Cycle 2 projects: \$218 million
  - Cycle 3 projects: \$163 million
  - Cycle 4 projects: \$105 million

### **What did we invest in?**

- 4 grade separation or rail crossing improvements
- 3 miles of new track
- 2 port improvements
- 5 interchange improvements
- 27 miles of truck climbing lanes
- 145 medium and heavy-duty vehicle charging stations

### **All Program Cycles**

- \$3.98 billion programmed
- 104 projects programmed
- \$2.4 billion allocated

## TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM

California’s transit systems deliver transportation services to the public through buses, light rail, heavy rail, commuter rail, ferry service, and other means. Transit serves a critical role in the state’s transportation network by enabling subsidized access to transportation services for individuals unable to own or ride in a privately owned vehicle. Transit also can move large numbers of people more efficiently than passenger vehicles, which can help alleviate congestion on the state’s highways and roads as well as reduce greenhouse gas emissions.

The Transit and Intercity Rail Capital Program funds transformative capital improvements that modernize California’s intercity rail, commuter rail, urban rail, bus, ferry, and rail transit systems. The program’s objectives are to reduce greenhouse gas emissions, expand and improve transit service to increase ridership, integrate the rail service of the state’s various rail operations, and improve transit safety. Under the program’s statute, the California State Transportation Agency is responsible for developing guidelines, evaluating project applications, and selecting projects for funding. After projects are selected, the Commission allocates funds to projects when ready to be implemented and monitors project delivery milestones.

The Solano Regional Transit Improvements project includes a suite of capital improvements and fleet electrification that improve the frequency, access, and safety of the Fairfield-Vacaville Intermodal Station, the Suisun-Fairfield Intermodal Station, and the SolanoExpress assets. The project includes the electrification of the SolanoExpress long-haul fleet, as well as capital improvements such as pedestrian improvements at three locations in Solano County and site improvements for the electrification of buses. With resources such as a regional express bus service, two Capitol Corridor train stations, a ferry terminal, and connections to BART, Solano County can better integrate all these services and offer convenient and reliable transit options to commuters. This project promotes mode-shift away from single occupancy vehicles and towards rail, express bus, or ferry services.

**Program Webpage:** <https://catc.ca.gov/programs/transit-intercity-rail-capital-program>



Fairfield Transportation Center – Before



Fairfield Transportation Center – After

## PROGRAM BACKGROUND

### Types of Projects Funded

Improvements to modernize transit services by enhancing and improving intercity, commuter, and light rail; procuring rolling stock; expanding existing or building new transit facilities; rehabilitating transit facilities; and integrating networks amongst various transit operators.

### Goals of the Program

Reduce greenhouse gas emissions; expand and improve transit service to increase ridership; integrate the state's various rail services; and improve transit safety.

### How to Access Funds

The California State Transportation Agency selects projects through a competitive process. Public agencies, including joint powers agencies, that operate or have planning responsibility for existing or planned regularly scheduled intercity or commuter passenger rail service, urban rail transit service, or bus or ferry transit service are eligible to apply.

### Funding Available

Funding comes from 10 percent of Cap-and-Trade auction proceeds and 70% of Transportation Improvement Fees (paid by vehicle owners at registration). Each award cycle varies in available funds.

The 2024 program cycle opened the call for projects in April 2024, with \$900 million in available program capacity.

### Evaluation Criteria

Ability to reduce greenhouse gas emissions, increase ridership, integrate rail and transit service, implement safety improvements of the transit systems, reduce vehicle miles traveled, demonstrate alignment with state housing policies and goals, invest in clean air technology, and promote active transportation.

## PROJECTS FUNDED

### 2023-2024 Allocations

- \$1.385 billion for 88 projects:
  - \$1.062 billion for construction
  - \$323 million for pre-construction

### 2023-2024 Allocations by Commuter Type

- Urban Rail - \$583.4 million
- Commuter Rail - \$578.9 million
- Transit - \$147.3 million
- Intercity Rail - \$75.5 million

### What did we invest in?

- \$668.8 million for system infrastructure improvements/upgrades
- \$440.5 million for vehicle and/or equipment procurement
- \$233 million for new systems and supporting infrastructure
- \$18.9 million for rail expansion
- \$18.4 million for service improvements
- \$5.4 million for new or replacement track or track infrastructure



## OTHER PROGRAMS

### Aeronautics Program

This program consists of: (1) an Annual Credits Program, which provides \$10,000 grants or “credits” to each of the state’s 149 general aviation airports for use at the sponsor’s discretion, subject to applicable laws and regulations; (2) Airport Improvement Program Matching Grants, which assist airports in meeting the local match for an Airport Improvement Program grant from the Federal Aviation Administration; and (3) Acquisition and Development Grants, which fund capital improvement projects, including repair or replacement, and expenditures for compatible land use planning in the area surrounding an airport.

In Fiscal Year 2023-24, the (1) Annual Credits Program was fully funded at \$1.44 million; (2) the Commission allocated \$2.5 million for Airport Improvement Program Matching Grants (to be used in Fiscal Year 2024-25) from available funds, of which \$1.7 million has been sub-allocated towards 39 projects, and; (3) no funding was available for the Commission to allocate for Acquisition and Development Grants, for which there are currently 11 projects programmed totaling \$2 million. A list of the 11 unallocated projects is available on the Commission website at: <https://catc.ca.gov/-/media/ctc-media/documents/ctc-meetings/2024/2024-08/35-3-7-a11y>

### Enhanced Mobility of Seniors and Individuals with Disabilities Program

The Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program is a federal grant program for the purchase of transit capital equipment to meet the specialized needs of elderly and disabled people for whom mass transportation services are unavailable, insufficient, or inappropriate. Government Code Sections 14055.2 through 14055.4 require the Commission to direct the California Department of Transportation on how to allocate funds for the program,

establish an appeals process, and hold at least one public hearing before approving a program of projects. In March 2024, the Commission adopted the \$22.378 million program of projects for the Small Urban and Rural Areas Program, funding 123 projects.

### **Environmental Enhancement and Mitigation Program**

This program funds environmental enhancement and mitigation projects directly or indirectly related to the environmental impact of modifying new or existing transportation facilities. Pursuant to Streets and Highways Code Section 164.56, projects must fall within one of three categories: urban forestry; resource lands; or mitigation projects beyond the scope of the lead agency. Any local, state, or federal agency, or nonprofit entity is eligible to participate in the program. The California Natural Resources Agency prescribes procedures and criteria to evaluate grant project proposals and recommends projects for funding to the Commission annually. The Commission awards grants to fund projects as recommended by the California Natural Resources Agency.

The Commission approved the 2023 Environmental Enhancement and Mitigation Program in March 2024, programming eight projects totaling \$9.35 million.

### **Local Assistance Program**

This program is made up of various federal and state programs specifically designed to assist the transportation needs of local agencies. These programs fund a wide range of purposes, including bridge replacements, railroad grade crossings, pedestrian safety improvements, and improvements to relieve congestion and improve air quality. The Commission allocates these funds to Caltrans to then sub-allocate to local agencies. Caltrans is required to update the Commission quarterly about the status of state and federal local assistance allocations. In federal Fiscal Year 2022-2023 the Commission allocated \$2.3 billion to Caltrans for sub-allocation to local agencies. The Commission expects to allocate \$2.3 billion in federal Fiscal Year 2023-2024 based on project funding levels. Table 4 includes detail on the federal and state allocations by program for each year.

**Table 4: Local Assistance Allocations by Program**

As of June 30, 2024  
(Dollars in Millions)

<b>Federal</b>	<b>2022-23</b>	<b>2023-24</b>
National Highway Performance Program (Bridge) and Off-System Bridge	\$309	\$310
Bridge Formula Program	253	253
Surface Transportation Block Grant Program	572	509
Congestion Mitigation and Air Quality Improvement Program	472	474
Highway Safety Improvement Program	112	60
Railroad Grade Crossing Protection Program	26	25
Carbon Reduction Program	32	66
Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Discretionary Grants Program	11	-
Discretionary and Special Programs	220	283
Highway Infrastructure Program	46	19
Community Project Funding/Congressionally Directed Spending Program	92	99
<b>Federal Total</b>	<b>\$2,145</b>	<b>\$2,098</b>
<b>State</b>	<b>2022-23</b>	<b>2023-24</b>
Surface Transportation Block Grant Program State Match and Exchange	\$64	\$71
Bridge Inspection & Seismic Retrofit State Match	1	1
Railroad Grade Separations	15	15
Railroad Grade Crossing Protection Maintenance		4
Miscellaneous Unassigned Local Programs	3	3
Freeway Service Patrol	25	25
Freeway Service Patrol - Senate Bill 1	25	25
Senate Bill 137 Exchange - HSIP	50	100
<b>State Total</b>	<b>\$183</b>	<b>\$244</b>
<b>Grand Total</b>	<b>\$2,328</b>	<b>\$2,342</b>

Note: Numbers may not add up due to rounding.



## **Proposition 1A**

Also known as The Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, this measure created \$9.950 billion in state general obligation bond funding to be paid off over 30 years. The High-Speed Rail Authority received \$9 billion for the high-speed rail project connecting San Francisco and Los Angeles. The Commission received the remaining \$950 million to fund transit improvements to support and provide direct connectivity to the high-speed train system, as well as capacity enhancements and safety improvements. Since the program's inception, the Commission has programmed \$931 million and allocated more than \$897 million to 18 intercity rail, commuter rail, and urban rail projects. The remaining balance was set aside for administration costs. Commission staff continues to work with Caltrans to allocate the remaining balance and close out the program.

## **Proposition 1B**

Also known as The Highway Safety, Traffic Reduction, Air Quality, and Port Security Act of 2006, this measure authorized the issuance of \$19.9 billion in state general obligation bonds. Proposition 1B requires the Commission to program and allocate approximately \$12.4 billion of that funding to specific transportation programs intended to relieve congestion, facilitate goods movement, improve air quality, and enhance the safety of the state's transportation system. As of the end of Fiscal Year 2023-24, the Commission has allocated \$12.3 billion of the \$12.4 billion in bond funds programmed under its purview. Most Proposition 1B projects have either been constructed or are nearing completion. To better administer the program, the Commission developed and implemented an accountability plan, which required bond fund recipients to report to the Commission quarterly, and the Commission to submit semiannual reports to the Department of Finance to document whether projects are proceeding on schedule and within their estimated cost. In 2020 the Commission changed bond recipient reporting from quarterly to semiannually. The quarterly and semiannual reports and the list of projects funded are available on the Commission website at: <https://catc.ca.gov/programs/proposition-1b-highway-safety-traffic-reduction-air-quality-and-port-security-bond-act-2006>

## **Proposition 116**

This measure enacted the Clean Air and Transportation Improvement Act of 1990 and designated nearly \$2 billion toward specific projects, primarily for passenger rail capital projects. The Commission has successfully programmed and allocated all available Proposition 116 funds since the program's inception over 30 years ago.

## **Seismic Safety Retrofit Program**

This program was established by the Legislature following the 1989 Loma Prieta earthquake to improve the safety of bridges on the State Highway System and the local streets and roads network. The State Highway System Component totaled \$12 billion and seismically retrofitted a total of 2,199 bridges. As of February 2019, the State Highway System Component has been completed. In 2006, the Local Streets and Roads Component, which originally consisted of 1,235 bridges, received \$125 million from Proposition 1B to retrofit the remaining 479 local bridges in the program. As of June 2024, \$104 million has been suballocated. Of the 1,235 bridges in the program, 1,200 bridges have been completed and 35 bridges have not been completed. Of the 35 incomplete bridges, 22 bridges are in construction and 13 bridges have yet to move into construction.

## **Short-Line Railroad Improvement Program**

This program funds short-line railroad infrastructure projects intended to improve freight mobility, increase volume thresholds, and support modern rail freight traffic throughout California. The program was funded by a one-time appropriation with savings from Proposition 1B through Senate Bill 87 (Committee on Budget and Fiscal Review, Chapter 32, 2019). By the close of Fiscal Year 2022-23, all \$6.8 million in program funds had been allocated to the eight programmed projects. In Fiscal Year 2023-24, the third project of the eight programmed projects was completed, in which \$1.79 million in program funds were used to replace 1.6 miles of 100-year-old rail, rehabilitate 17 switches, and refurbish or replace six grade crossings. Thus far, \$3.39 million in program funds have been used to successfully rehab, repair, or replace approximately 5.4 miles of rail. Collectively, the eight programmed projects will rehabilitate aging rail and rail bridges to modern standards and construct new rail spurs and rail track. The projects entail a variety of benefits including increasing goods movement, reducing congestion, reducing truck miles traveled, providing safety and operational improvements, and reducing greenhouse gas emissions. The list of projects funded is available at: <https://catc.ca.gov/programs/short-line-railroad-improvement-program>

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# PLANNING

Under state and federal law, Caltrans is required to develop a series of long-range transportation planning documents on behalf of the state. The Commission provides direction on the development of these plans. These include the California Transportation Plan, which provides a vision for the state's transportation future, as well as several statewide plans that are intended to advance the goals and objectives of the California Transportation Plan. These plans, also known as the state's modal plans, include:

- The California Aviation System Management Plan
- The California Freight Mobility Plan
- The California State Rail Plan
- The Interregional Transportation Strategic Plan
- The State Bicycle and Pedestrian Plan

The California Transportation Plan and the modal plans are subject to various federal and state statutory requirements. While the plans are on different update cycles, they are required to be updated every four to five years depending on the plan.

In 2024, the Commission received updates from Caltrans on the Interregional Transportation Strategic Plan.

## **PLANNING GUIDELINES**

In addition to providing direction on the development of Caltrans' long-range planning documents, the Commission also maintains guidelines for the development of transportation plans, including the California Transportation Plan and Regional Transportation Plans. The most recent update to the California Transportation Plan guidelines were adopted in 2023. In 2022 and 2023, the Commission held a series of public workshops and facilitated workgroups in partnership with Caltrans to receive feedback on the update to the Regional Transportation Plan guidelines.

Two key themes that emerged from the workshops were the need to update the Regional Transportation Plan guidelines to conform with minor changes in federal legislation and regulations since the last guidelines update in 2017, and the need to incorporate new planning practice examples. To address those themes, language was added in the following areas: equity and environmental justice; coordination with the Regional Housing Needs Allocation process; federal performance management requirements; climate adaptation guidance and tools; vehicle miles traveled analysis under the California Environmental Quality Act; and clarifications to the Sustainable Communities Strategies process and implementation resources. Draft guidelines were released for public comment and feedback received was posted online. The updated guidelines incorporated new federal and state legislation; added a reference to new reports, plans, and best practices; and integrated feedback from partners. The Regional Transportation Plan guidelines for Metropolitan Planning Organizations and Regional Transportation Planning Agencies were adopted by the Commission in January 2024.

## **STATE AND LOCAL TRANSPORTATION SYSTEM NEEDS ASSESSMENT (SENATE BILL 1121)**

Senate Bill 1121 (Gonzalez, Chapter 508, Statutes of 2022) requires the Commission to prepare a needs assessment documenting the cost to operate, maintain, and provide for the necessary growth of the state and local transportation system over a 10-year period and update the assessment every five years. The needs assessment is required to include expected revenues for transportation, the costs required to address identified needs – including bicycle and pedestrian facilities; local streets and roads; highways, bridges, and culverts; capital and operational needs of transit, commuter rail, and intercity rail systems; and costs related to system resiliency – and recommendations to address any projected shortfall.

Since the most recent transportation needs assessment prepared in 2011, the pressures on California's transportation system have changed, such as the increased frequency and severity of extreme climate events impacting transportation infrastructure. From December 2022 through April 2023, California experienced multiple atmospheric rivers, causing significant damage due to heavy rainfall for prolonged stretches of time. Entire towns have been lost due to increasingly intense wildfires. Entire segments of roadways have either been underwater or have fallen into the Pacific Ocean. The impact of the COVID-19 pandemic and changing commute patterns have eroded transit ridership and farebox revenues at a time when transit operators are attempting to use limited funds available for capital purposes to transition their fleets to zero emissions.

On top of these impacts and changing needs, available revenues generated by the state's gasoline fuel tax have been eroding due to increased vehicle fuel efficiency. This loss is being further accelerated due to the aggressive adoption of zero-emission vehicles. While increased fuel economy and more zero-emission vehicles on the road are positive steps towards reducing greenhouse gas emissions and improving air quality, these trends have also resulted in reduced excise tax revenues generated by gas consumption. The 2024 State Transportation Improvement Program Fund Estimate, prepared by Caltrans and adopted by the Commission in August 2023, provides a near-term analysis of how increased fuel economy and zero-emission vehicles have impacted gasoline consumption. The adopted Fund Estimate projects gasoline tax revenues to decrease by \$1.3 billion (13 percent) due primarily to increases in fuel economy and zero-emission vehicles.

The Commission submitted an Interim Needs Assessment to the Legislature in January 2024. The Interim Needs Assessment highlights the gas excise tax as the primary State source of transportation funding. The increased use of more fuel-efficient and zero-emission vehicles will lead to a reduction in fuel consumption and a decrease in available transportation funding from the gas excise tax. The final 2025 State and Local Transportation System Needs Assessment will be submitted in January 2025.

After submission of the Interim Needs Assessment, the Commission began collecting information from existing Regional Transportation Plans prepared by Metropolitan Planning Organizations and Regional Transportation Planning Agencies to further inform the development of the 2025 Needs Assessment. In addition to the near-term analysis provided by the Department of Transportation, the Legislative Analyst's Office and the Mineta Transportation Institute produced ten-year transportation revenue projections which are currently being analyzed for the 2025 Needs Assessment.

With the preliminary information gathered from the Regional Transportation Plans and the reports from the Legislative Analyst's Office and the Mineta Transportation Institute, the Commission initiated workshops throughout 2024 to engage with stakeholders to gather input to help establish a baseline scenario and formulate the policy recommendations in the 2025 Needs Assessment.

The Commission has engaged with a diverse array of stakeholders, including, but not limited to, community-based organizations, environmental justice and equity-based organizations, organized labor, the transportation industry, Metropolitan Planning Organizations, county transportation commissions, Regional Transportation Planning Agencies, local governments, and transit operators to inform the development of the Needs Assessment.

The Draft 2025 Needs Assessment will be circulated for public review in early 2025. The 2025 Needs Assessment identifies total 10-year needs of \$736.2 billion based on the combined Regional Transportation Plans, California State Rail Plan, the State Highway System Management Plan, and the 2022 Local Streets and Roads Report. Available revenues are projected at \$572 billion, resulting in an expected shortfall of \$164 billion. This shortfall is expected to be exacerbated by the increasing adoption of zero-emission vehicles and more fuel-efficient vehicles, which is expected to reduce gas tax revenues by \$31.1 billion over 10 years for a total shortfall of nearly \$200 billion. When completed, the 2025 State and Local Transportation Needs Assessment will provide a more complete picture of California's extensive transportation needs between 2025 – 2035 and potential policy solutions to address the funding shortfall.

More information on the 2025 State and Local Transportation System Needs Assessment can be found on the Commission's website here: <https://catc.ca.gov/programs/sb1121>



# FINANCING

## ROAD CHARGE

Senate Bill 1077 (DeSaulnier, Chapter 835, Statutes of 2014) tasked the Chair of the Commission, in consultation with the California State Transportation Agency, to convene a 15-member Road Charge Technical Advisory Committee to study road usage charge alternatives to the gas tax, make recommendations to the Secretary of the Transportation Agency on the design of a pilot program, and recommend criteria to be used to evaluate the pilot program. In 2015, the Chair of the Commission established the Technical Advisory Committee, which includes membership that represents technical and public interest areas. The pilot program called for under Senate Bill 1077 concluded in 2017, having enrolled 5,000 vehicles to test a variety of mileage tracking methods while using mock invoices and payments.

More recently, the need for a road charge has been heightened due to the issuance of Executive Order N-79-20, in September 2020, which requires a complete transition for new passenger vehicle sales to a fully zero-emission vehicle market by 2035. With zero-emission vehicles making up more than 25 percent of vehicle sales in parts of 2023, the need to move toward a different way of collecting transportation taxes that are not based on traditional fuel taxes is increasingly critical.

Recognizing this need, the Governor signed Senate Bill 339 (Wiener, Chapter 308, Statutes of 2021), which implements a legislative recommendation from the Commission's 2020 Annual Report to authorize a new road charge pilot program to test revenue collection. Senate Bill 339 required the Technical Advisory Committee to provide recommendations on the design of the pilot to the California State Transportation Agency, including fee structures to be used in the pilot.



In May 2024, the Technical Advisory Committee adopted revised road charge rates for the pilot to account for inflationary changes. The pilot began in August 2024 and findings are expected to be released in early 2025.

## **GARVEE BOND FINANCING**

Federal Grant Anticipation Revenue Vehicle (GARVEE) bonds may be used to finance projects in the State Transportation Improvement Program and the State Highway Operation and Protection Program. GARVEE bonds are tax-exempt anticipation notes backed by annual federal appropriations for federal aid transportation projects. They generally are used to finance large projects that would otherwise be unaffordable with available funding. Although this allows strategic projects to be delivered earlier than otherwise, the debt service limits future flexibility. The Commission has approved the issuance of GARVEE notes twice: once for State Transportation Improvement Program projects in 2004 and once for State Highway Operation and Protection Program projects in 2008. Both bonds have been repaid and all projects funded with the bond proceeds have been completed.

Government Code Section 14553.10 requires the Commission report, on or before October 1 each year, to the Governor, the Chairs of the Senate and Assembly Transportation Committees, the Department of Finance, and the Legislative Analyst on the amount of GARVEE bonds the Commission intends to issue for the subsequent fiscal year. In October 2024, the Commission notified these parties that it did not anticipate requesting issuance of GARVEE bonds in Fiscal Year 2025-26, which was based on an assessment of funding levels available for the two programs, as identified in the 2024 Fund Estimate adopted by the Commission on August 16, 2023. In its notification, the Commission also reported that neither the California Department of Transportation nor regional transportation agencies had requested the issuance of GARVEE bonds in the upcoming fiscal year to deliver their programs.

## **TOLL FACILITIES**

Assembly Bill 194 (Frazier, Chapter 687, 2015), authorizes the Commission to approve tolling of transportation facilities in California. Under this legislation, regional transportation agencies or Caltrans may apply to the Commission to develop and operate high-occupancy toll lanes or other toll facilities, including a value pricing program and exclusive or preferential lane facilities for public transit or freight. The legislation includes specific eligibility criteria for approving a facility, including that the facility will improve the corridor's performance such as increasing passenger throughput or reducing delays for freight shipments and travelers. The Commission also has established additional required information for applicants to submit in its toll facility guidelines.

The Commission has received and approved five tolling applications under this legislation. Assembly Bill 194 requires the Commission to summarize the progress of the development and operation of the toll facilities it approves in its Annual Report to the Legislature, in cooperation with the Legislative Analyst's Office. Approved facilities and their progress are as follows:

### **Interstate 405 High-Occupancy Toll Facility in Orange County**

In May 2016, the Commission approved an application from the Orange County Transportation Authority to develop and operate a high-occupancy toll facility on Interstate 405 between State Route 73 and Interstate 605 in Orange County. The facility has reached substantial completion and was opened to the public in December 2023. The Orange County Transportation Authority reports that the following additional milestones were accomplished as of the end of Fiscal Year 2023-24:

- Established opening day and holiday toll rate schedules,
- Adopted a revised toll policy that includes HOV3+ free travel at all times of the day and discounts for HOV2 and clean air vehicles,
- Executed an agreement with the California Highway Patrol to provide enforcement services,
- Executed an agreement with Caltrans to provide freeway roadway maintenance services,
- Opened the customer service center to the public and started opening 405 Express Lanes accounts,
- Opened over 10,000 405 Express Lanes accounts,
- Registered over 38 million transactions that have translated into approximately 10 million trips,
- Collected over \$20 million in total revenues that has been used for expenses and reserves,
- Final acceptance for the Interstate 405 Improvement Project is anticipated by the end of 2024.

### **San Mateo County U.S. 101 Express Lanes Project**

In August 2019, the Commission approved an application from the San Mateo County Express Lanes Joint Powers Authority, a joint venture between the City/County Association of Governments of San Mateo County and the San Mateo County Transportation Authority, to develop and operate a 22-mile high-occupancy toll facility on U.S. 101 in San Mateo County between the Santa Clara County line to the south and Interstate 380 to the north.

The San Mateo County Express Lanes Joint Powers Authority reports that the following milestones were accomplished in Fiscal Year 2023-24:

- Both the Civil Construction and Toll System Integration Phases were completed on schedule and within budget. Project closeout for both phases is currently ongoing.
- Caltrans awarded the construction contract for the Highway Landscaping Phase, which is the final phase of the project. Construction began in January 2024.
- The Total Project Baseline budget is approximately \$581 million while the project has expended approximately \$558 million as of June 30, 2024.
- In March 2024, the Project was fully operational for a year. The latest quarterly operations performance report for the full 44 miles of Express Lanes (22 miles in each direction), covering the 4th Quarter of Fiscal Year 2023-2024 (April 1 – June 30, 2024) indicates that the toll facility is performing as expected. It continues to help manage congestion along US 101, with a steady year-over-year increase in express lane traffic volume and FasTrak toll tag adoption in vehicles. The Express Lanes provide additional capacity along the corridor and improved speeds for more reliable travel times. Speeds in the Express Lanes were mostly above 45 mph with an estimated travel time savings of up to 10 minutes compared to general purpose lanes.
- San Mateo County Express Lane - Joint Powers Authority (SMCEL-JPA) assessed the dynamic pricing algorithm to ensure effectiveness, particularly in more congested areas, and will continue to monitor it.
- A toll facility leakage study was conducted to better understand “leakage” and express lanes performance degradation; resulting in recommendations to mitigate leakage and improve driver education on express lanes rules and requirements.
- Since its inception, the US 101 Express Lanes Community Transportation Benefits Program has provided benefits to nearly 4,600 eligible community members in San Mateo County in the form of preloaded FasTrak toll transponders or transit Clipper Cards with a value of \$100. This is an increase of nearly 2,200 participants since the end of Fiscal Year 2022-2023.
- After an evaluation of the Benefits Program, SMCEL-JPA approved the following recommendations:
  - Beginning July 31, 2024, the benefit amount increased from \$100 to \$200. The increase in value from \$100 to \$200 offers more support to the highest need community members for longer periods of time.
  - Next Gen Program: In November 2023, SMCEL-JPA approved the development of the Next Generation Community Transportation Benefits Program (Next Gen Program), which will offer community members even greater flexibility by providing the \$200 benefit on a mobility debit card, rather than preloaded on a FasTrak transponder or Clipper Card. The Next Gen Program will enable community members to fund mobility choices that meet their unique mobility needs. In addition, eligible individuals will be able to enroll in the program online to help decrease barriers to entry.

## **Interstate 105 High Occupancy Toll Facility in Los Angeles County**

In October 2019, the Commission approved an application from the Los Angeles County Metropolitan Transportation Authority to develop and operate a high-occupancy toll facility along Interstate 105 between Interstate 405 and Interstate 605. The Los Angeles County Metropolitan Transportation Authority reports that the following milestones were accomplished in Fiscal Year 2023-24:

- Design for Package 1 (I-405 to Central Avenue), Package 2 (Central Avenue to I-710), and Package 3 (I-710 to Studebaker Road) have been submitted to Caltrans for review.
  - Package 1: 100% Opinion of Probable Construction Cost was received from the Construction Manager General Contractor.
  - Package 2 and Package 3: 65% Opinion of Probable Construction Cost was received from Construction Manager General Contractor.
- The project's current cost estimate is \$1.44 billion.
- The I-105 project team is coordinating with the Los Angeles County Metropolitan Transportation Authority (Metro) rail operations to reduce potential impacts and disruption to the Metro C Line and project construction, and with the Southeast Gateway Line project that will include a new C line station in the median of I-105 and light rail tracks over I-105.

## **State Route 37 Toll Facility**

In May 2023, the Commission approved an application from the Bay Area Infrastructure Financing Authority (BAIFA) to develop and operate a toll facility on State Route 37 as part of the Sears Point to Mare Island Improvement Project. The toll facility will be located along State Route 37 in Solano and Sonoma Counties. The project will be delivered by an integrated team consisting of the Metropolitan Transportation Commission and Caltrans along with its North Bay Transportation Authority partners. BAIFA reports on behalf of the partnership that the project has accomplished the following milestones in Fiscal Year 2023-2024:

- May 2024: Developed phased delivery strategy.
- June 2024: Completed an addendum/re-validation to the environmental document to account for a new project feature, the replacement of the Tolay Creek Bridge.
- June 2024: Completed data collection on origin-destination/corridor traveler information.
- July 2023-June 2024: Discount program development- Updated travel data to understand SR 37 traveler origins, destinations, and demographics. Evaluated Metropolitan Transportation Commission/Association of Bay Area Government discount pilot programs to inform potential expansion of eligibility and enrollment standards.
- Current activities:
  - 65% Project Plans Specifications & Estimate is underway.
  - Conducting traffic and revenue and equity analysis to help inform the toll program and financing capacity.
  - Working on a procurement for a Construction Manager to deliver the project using the Construction Manager General Contractor delivery method.

## **Interstate 80 – U.S. Highway 50 Toll Facility**

In May 2024, the Commission granted the Capital Area Regional Tolling Authority (CARTA) authority to develop and operate a toll facility as part of the Yolo 80 Corridor Improvements Project (Yolo 80). The project will add 17 lane miles of toll lanes (one in each direction) on Interstate 80 in Yolo County, between the cities of Davis and West Sacramento. The Yolo 80 project is being delivered as a partnership between CARTA, Yolo Transportation District, Caltrans District 3, and the Sacramento Area Council of Governments. The project has accomplished the following milestones in Fiscal Year 2023-2024:

- Completed Project Approval and Environmental Document in May 2024
- Completed Final Design in May 2024
- Project Advertised in June 2024

## **CALIFORNIA TRANSPORTATION FINANCING AUTHORITY**

Assembly Bill 798 (Nava, Chapter 474, Statutes of 2009) created the California Transportation Financing Authority (Financing Authority). Assembly Bill 798 provides that a project sponsor, as defined in Government Code section 64102(g), may apply to the Financing Authority for bond financing or refinancing of a transportation project that Caltrans and the Commission have approved for construction. The Financing Authority and the Commission are required to develop an approval process that results in project approval by the Commission and financing approval by the Financing Authority in a cooperative manner that is not sequential, so that both approvals may be delivered to a project at approximately the same time.

Beginning in June 2011, and annually thereafter, the Financing Authority is required to present to the Commission a summary of actions taken in the previous calendar year, including the number of project sponsors that sought financing through the Financing Authority, a description of each project, a summary of the sources of funding used to finance or refinance the project, and any recommendations the Financing Authority may have to improve the financing of transportation infrastructure. This information is to be included in the Commission's Annual Report to the Legislature. Since enactment of this legislation, the Financing Authority has not received a formal request to finance or refinance a project.



# PROJECT DELIVERY

## ADVANCE MITIGATION

Advance mitigation for transportation projects can address potential future environmental compensatory mitigation needs in a way that provides better ecological, economic, and overall project delivery outcomes. Senate Bill 1 (Beall, Chapter 5, Statutes of 2017) The Road Repair and Accountability Act of 2017, required that commencing with Fiscal Year 2017-18, and over a four-year period, a total of \$30 million dollars would be set aside each year. This set aside would provide Caltrans a total of \$120 million dollars to conduct an Advance Mitigation Program, with the intent for it to become self-sustaining.

California Streets and Highways Code section 800.7 requires Caltrans to submit an annual report on the program to the Commission. These reports are intended to provide the Commission with information on the financial activity in the Advance Mitigation Account, the transportation projects that have purchased mitigation credits from the Advance Mitigation Program, and the amount, type and location of mitigation credits that the Advance Mitigation Program has made available to transportation projects. Caltrans staff has also provided an update each year at a Commission meeting.

In Fiscal Year 2023-2024, the Advance Mitigation Program finalized Regional Advance Mitigation Needs Assessments, nominated and scoped advance mitigation projects statewide, funded credit purchases through the Advance Mitigation Account, documented credit transfers to benefitting transportation projects, and identified advance mitigation planning resource needs for the next fiscal year. The Advance Mitigation Program finalized five Regional Advance Mitigation Needs Assessments,

bringing the total number of Regional Advance Mitigation Needs Assessments to 16. The number of advance mitigation projects being proposed and approved for funding increased, from 9 funded projects to 13 by the end of the reporting period. Roughly 80 percent of the funds in the Advance Mitigation Account had been approved for funding advance mitigation projects. The Advance Mitigation Program successfully completed a credit purchase within District 6 to purchase 7.38 acres of aquatic resource credits from the Sacramento Corps In-Lieu Fee Program, and successfully transferred 1.17 credit acres to six Caltrans District transportation projects to satisfy regulatory permit requirements in this reporting period. The Advance Mitigation Program will continue to acquire mitigation credits and apply them to transportation projects.

In Fall 2023, the Advance Mitigation Program staff met with all Districts to plan their potential need for Regional Advance Mitigation Needs Assessments, Project Initiation Proposals, and Project Initiation Documents for Fiscal Year 2024-2025. The Advance Mitigation Program identified up to eight new Advance Mitigation Program funded projects, three additional Regional Advance Mitigation Needs Assessments, and two Regional Advance Mitigation Needs Assessment amendments.

## **DESIGN-BUILD**

Design-build is a project delivery system used in the construction industry in which the design and construction services are contracted by a single entity. Assembly Bill 401 (Daly, Chapter 586, Statutes of 2013) superseded prior design-build legislation to provide Caltrans and local transportation entities the authority to use the design-build project delivery method. Assembly Bill 401 authorized 10 design-build projects for Caltrans over a 10-year period from 2014 to 2024 and granted unlimited design-build authority on projects on the State Highway System sponsored by local transportation entities. Assembly Bill 1499 (Daly, Chapter 212, Statutes of 2021) extended the 10-year period authorization period for Caltrans through 2034 and also requires Caltrans to submit a report to the Legislature on or before January 1, 2033, on its experience with the use of the design-build method of procurement, including relative costs and time to complete projects.

As of June 2024, Caltrans has six projects in its design-build program authorized by Assembly Bill 401. These six projects are listed in Table 5. Local transportation agencies have also continued to utilize their unlimited design-build authority to deliver projects on the State Highway System.

**Table 5: Design-Build Projects Authorized under Assembly Bill 401**

<b>Project</b>	<b>Scope</b>	<b>Construction Cost* (in millions)</b>	<b>Status</b>
US 50 Multimodal Corridor Enhancement and Rehabilitation Project	Construct HOV lanes and rehabilitate US 50 in Sacramento	\$388	In construction
Riv-10 Pavement Rehabilitation	Pavement rehabilitation	\$188	In construction
I-405 Improvement Project	Pavement rehabilitation and operational improvements	\$216	In construction
District 4 Replace Traffic Management System Devices	Replace traffic management system devices throughout District 4	\$47	In procurement
Construct/Upgrade Pedestrian Facilities (Americans with Disabilities Act Compliance)	Improve pedestrian accessibility and Americans with Disabilities Act compliance at various locations	\$24	In construction
District 8 Maintenance Building	Maintenance building	\$22	In suspension (termination in progress)

\*Construction cost for projects in construction are the awarded amount to Design-Build contractor.

## **CONSTRUCTION MANAGER GENERAL CONTRACTOR**

The Construction Manager General Contractor contracting method is a two-step process in which an agency enters into a pre-construction services agreement with a contractor but remains the engineer of record and utilizes the contractor as a construction manager during the design process to leverage the contractor’s construction expertise, means, and methods to optimize project cost and schedule. The incorporation of the construction manager on the project delivery team, especially during constructability reviews, is a tool for identifying and mitigating project risks prior to entering the construction phase of a project. At a mutually agreed point in the design phase, the agency and the construction manager negotiate the price to construct the project, and an independent estimating team confirms this price is reasonable. After an agreement has been reached, the two parties enter into a construction agreement, the construction contract is awarded, and the construction manager becomes the general contractor for the project. If they cannot reach an agreement on the price, the Construction Manager General Contractor is relieved of their duties and the standard design-bid-build contracting process commences.



Assembly Bill 2498 (Gordon, Chapter 752, Statutes of 2012) authorized Caltrans to use the Construction Manager General Contractor project delivery tool for six projects as a pilot program, and the Commission subsequently incorporated provisions specific to the contracting method in its program guidelines. As of June 2024, all six projects authorized as a pilot program under the Assembly Bill 2498 legislation have either been completed or are currently in construction. The status of these projects is outlined in Table 6.

**Table 6: Construction Manager General Contractor Projects Authorized Under Assembly Bill 2498**

<b>Project</b>	<b>Scope</b>	<b>Construction Cost* (in millions)</b>	<b>Status</b>
Interstate 5 North Coast Corridor	HOV lanes and rail	\$753	Construction (Work Packages)
Mariposa State Route 140 - Ferguson Slide Restoration	Slide restoration	\$269	Construction (Work Packages)
Bay Bridge Demolition	Bridge demolition	\$186	Complete
State Route 58 Kramer Junction Widening and Realignment	Widening and realignment	\$182	Complete
Fresno State Route 99 Realignment	Realign State Route 99 to accommodate high-speed rail	\$162	Complete
Interstate 215 at Barton Road Interchange Reconstruction	Interchange reconstruction	\$49	Complete

\*Construction cost for completed projects is the final construction amount paid to the contractor. For projects still in construction, construction cost is an estimate to complete construction.

More recent legislation expanded Caltrans' authority for Construction Manager General Contractor project delivery. Assembly Bill 2126 (Mullin, Chapter 750, Statutes of 2016) authorized Caltrans to use Construction Manager General Contractor on up to six additional projects, and Assembly Bill 115 (Committee on Budget, Chapter 20, Statutes of 2017) authorized Caltrans to use the project delivery method on up to ten additional projects. Senate Bill 1262 (Beall, Chapter 465, Statutes of 2018) removed the limit on the number of authorized Construction Manager General Contractor projects for Caltrans, while also requiring interim and final reports that comprehensively assess the effectiveness of the project delivery method relative to project cost and time savings. Projects authorized under Assembly Bill 2126, Assembly Bill 115, and Senate Bill 1262 are listed in Table 7.

**Table 7: Construction Manager General Contractor Projects Authorized Under Assembly Bill 2126, Assembly Bill 115, and Senate Bill 1262**

<b>Project</b>	<b>Scope</b>	<b>Construction Cost* (in millions)</b>	<b>Status</b>
Mendocino 1 Albion River Bridge Replacement	Replacement and rehabilitation of bridges	\$52	Pre-Construction
Yreka Rehabilitation	Pavement rehabilitation and accessibility improvements	\$64	Construction
Sacramento River Bridge Deck Replacement and Dunsmuir Gap	Rehabilitate Sacramento River Bridge and Overhead and rehabilitate pavement on Northbound Interstate 5	\$141	Construction
Sacramento State Route 99 Cosumnes River Bridges	Replacement and rehabilitation of bridges	\$150	Complete
Yuba State Route 70 Binney Junction Roadway Rehabilitation and Complete Streets	Roadway rehabilitation and operational improvements	\$101	Construction (Work Packages)
Sacramento State Route 51 American River Bridge Rehab	Replace bridge deck	\$201	Construction (Work Packages)
Nevada Interstate 80 Acid Flat Bridge Replacement	Replace bridge	\$50	Pre-Construction
Interstate 80/Interstate 680/State Route 12 Interchange Package 2A	Interchange connection	\$60	Complete
State Route 101 Managed Lanes	High Occupancy Toll lanes	\$385	Complete
Westbound Interstate 80 Cordelia Truck Scales	Replace the existing Cordelia Commercial Vehicle Enforcement Facility	\$155	Pre-Construction
SM-82/El Camino Real Roadway Rehab/Sidewalk ADA Upgrade Project	Pavement rehabilitation and accessibility improvements	\$95	Pre-Construction
SF-80 & SF 101 Bridge Rehabilitation of Central and Bayshore Viaducts	Rehabilitation of viaducts	\$34	Pre-Construction
Saratoga Creek Bridge Rehabilitation	Bridge rehabilitation	\$12	Construction

<b>Project</b>	<b>Scope</b>	<b>Construction Cost* (in millions)</b>	<b>Status</b>
Scofield Retrofit	Retrofit Scofield Ave undercrossing	\$16	Complete
Alameda Interstate 80 University Avenue	Increase vertical clearance	\$160	Pre-Construction
Open Road Tolling Gantries and Toll Plaza Reconfiguration	Convert toll operations to ORT system	\$73	Pre-Construction
Santa Barbara US 101 High Occupancy Vehicle Lanes	High Occupancy Vehicle lanes	\$706	Construction (Work Packages)
San Luis Obispo State Route 46 Corridor Improvements	Construct a 4-lane divided expressway	\$568	Construction (Work Packages)
Fresno 99 Rehabilitation	State Route 99 Rehabilitation from El Dorado Street to Clinton Avenue Project	\$257	Pre-Construction
Ventura State Route 1 Slope Restoration	Permanent slope restoration	\$43	Construction
Los Angeles Interstate 405 San Gabriel River Bridge Scour Mitigation	Bridge scour mitigation	\$19	Pre-Construction
Los Angeles Interstate 210 Hinge Replacement	Reconstruct hinge diaphragms	\$17	Construction
Interstate 405 Active Transportation Management and Integrated Corridor Management	Rehabilitate and upgrade transportation management systems	\$30	Pre-Construction
Vincent Thomas Bridge Deck Rehabilitation	Replace the bridge deck	\$628	Pre-Construction
Stockton Channel Viaduct Bridge Rehabilitation	Bridge rehabilitation	\$482	Pre-Construction
San Dieguito Lagoon Restoration	Restore wetlands of adjacent San Dieguito Lagoon	\$66	Construction
San Diego Interstate 5 State Highway Operation and Protection Program Asset Management	Roadway rehabilitation and corridor improvements	\$76	Pre-Construction
State Route 78 SHOPP Asset Management Project	Restore anchor assets and multiple satellite asset facilities	\$104	Pre-Construction

\*Construction cost for completed projects is the final construction amount paid to the contractor. For all other projects listed, the cost is an estimate at this point in time for the respective phase of project delivery.

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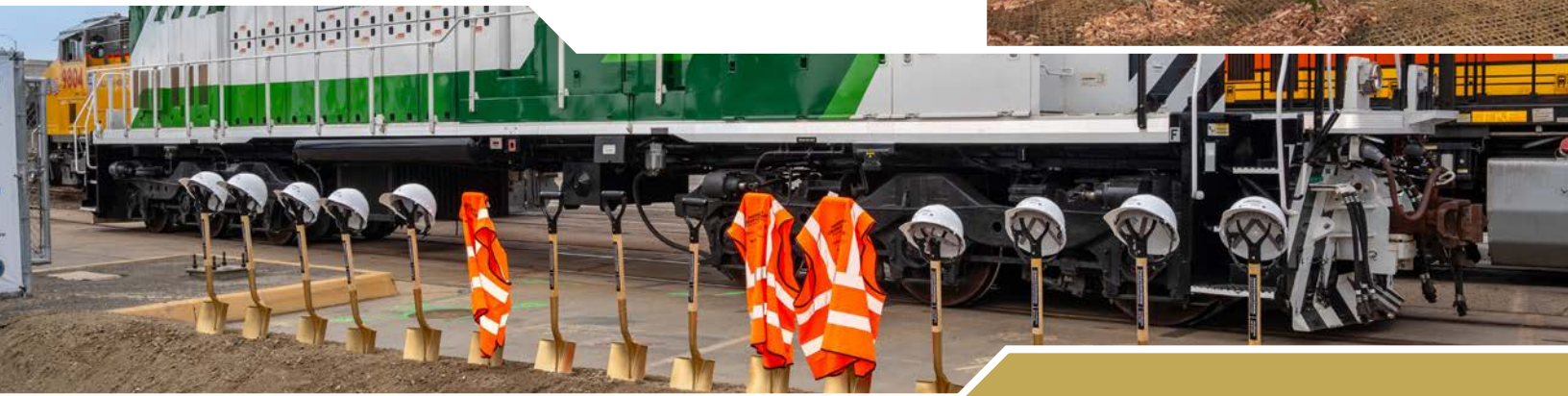


# 2024

## ANNUAL REPORT

TO THE CALIFORNIA LEGISLATURE

### RECOMMENDATIONS & ACCOMPLISHMENTS



CALIFORNIA  
TRANSPORTATION  
COMMISSION

California Transportation Commission  
1120 N Street, MS-52  
Sacramento, California 95814

Tel: 916.654.4245  
Fax: 916.653.2134  
[www.catc.ca.gov](http://www.catc.ca.gov)