REPORT

DATE: April 5, 2007

TO: Administrative Committee
Regional Council

FROM: Wayne Moore, Chief Financial Officer, 213-236-1804, moore@scag.ca.gov

SUBJECT: Applications for US DOT Urban Partnership Agreement, Value Pricing Pilot Program and Intelligent Transportation System Program

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Authorize SCAG to apply for, and if awarded, accept the United States Department of Transportation (USDOT) Urban Partnership designation and Value Pricing Pilot Program and Intelligent Transportation System Program grant funds.

BACKGROUND:

The USDOT is soliciting applications, due April 30, 2007, to enter into an Urban Partnership Agreement with USDOT. Also due April 30,2007 are separate applications for grant funds under the Value Pricing Pilot Program (VPP) and Intelligent Transportation System Operational Testing to Mitigate Congestion Program (ITS-OTMC)

The Urban Partner Program is seeking metropolitan areas willing to implement a comprehensive policy response to urban congestion, including (a) a congestion pricing demonstration, (b) enhanced transit services, (c) an increased use of telecommuting and flex scheduling, and (d) advanced technology deployments. USDOT plans to select 1-5 "Urban Partners," and will support them with available financial resources, regulatory flexibility, and Departmental expertise. Agencies with the designation will receive preferential treatment in the award of VPP and ITS-OTMC grant funds. Preliminary designations will be announced by June 8, 2007 and USDOT will work with these agencies to determine Urban Partner feasibility. Final Urban Partner designation will be announced by August 8, 2007, along with the awards for VPP and ITS-OTMC grant funds

SCAG staff is working with representatives of Los Angeles County Metropolitan Transportation Authority (LA Metro), City of Los Angeles, Caltrans, Los Angeles County, and the Ports of Long Beach and Los Angeles to jointly apply for the Urban Partnership designation. Work is also underway to develop one or more applications for VPP and ITS-OTMC grant funds. Applications are in development for an Integrated Corridor Management (ICM) project along the I-10 from Santa Monica to the I-57, and the expansion of freeway corridor management planning project currently being conducted by SCAG for the I-210 and I-405 under a State Planning and Research grant administered by Caltrans. Additional information about these grant programs is summarized below.

Urban Partnership Agreements

USDOT is seeking metropolitan areas that demonstrate strategies with a track record of effectiveness in reducing traffic congestion to enter into partnership with USDOT. Signatories may include city and county governments, MPO's, State DOT's, chambers of commerce, academic institutions, or other responsible organizations. In return for a commitment to adopt innovative, system-wide solutions to traffic congestion, USDOT proposes to support its Urban Partners with resources (funding from a combination of grants, loans, and borrowing authority), regulatory flexibility, expedited federal approvals, and dedicated expertise and personnel. Although no funding is associated with the Urban Partners designation, funding preference will be given to Urban Partner agencies that separately apply for VPP and ITS-OTMC grant funds.

Value Pricing Pilot Program (VPP)

The overall objective of the VPP program is to establish local value pricing pilot programs. The VPP program's primary focus is on value pricing with road tolls, with a secondary focus on other market-based approaches for congestion relief that do not involve road tolls, such as mileage-based vehicle taxes and leasing fees, parking pricing, and car sharing.

Projects are being sought that have the greatest potential to lead to significant, broad, and near-term congestion relief and achieve at least one of the following: (1) build public support and a technical foundation for near term congestion pricing; (2) develop a pricing program with detailed plans and specifications leading to near-term implementation; and/or (3) implement broad-based pricing and evaluate its effectiveness. Implementation projects should bring about new pricing while pre-implementation projects should demonstrate that near-term implementation is likely, most preferably by January 2009, especially for FY 2007 applications. A maximum of $12 million is authorized for each of the fiscal years 2007 through 2009 to be made available to carry out the VPP program requirements.

Intelligent Transportation System Operational Testing to Mitigate Congestion Program (ITS-OTMC)

The overall objective of the ITS-OTMC Program is to facilitate the operational testing and evaluation of innovative and aggressive congestion reduction strategies incorporating ITS systems that can demonstrate measurable reductions in congestion levels in the deployment areas. Up to $100 million over three years will be awarded through the ITS-OTMC Program in support of innovative technology-based strategies to reduce congestion. Projects are sought that address the operational testing and evaluation of innovative uses of technology to address congestion on a specific facility or facilities, such as a corridor, an urban area or region, and that can directly result in significant, broad, and near-term congestion relief (e.g., within 12 to 18 months from the date of award). Projects may include demand management pricing strategies, advanced traffic signal control, innovative incident detection and management strategies, integrated corridor management, parking management tied to transit service, high occupancy/toll (HOT) lanes, managed lanes,

ramp control, lane-keeping devices or longitudinal control designed to enhance spatial efficiency on existing highways, precision docking, signal priority systems for buses, contactless fare collection, real-time travel information (bus arrival times, schedules, emergency information to first-responders, etc.), advanced traveler information systems, parking alerts or automatic vehicle locator systems. USDOT encourages the submission of project proposals that contain technologies which support pricing strategies. Projects that use technology to support and combine congestion mitigation strategies (such as congestion pricing, expansion of transit capacity, and telecommuting) are encouraged.

FISCAL IMPACT:

Awarded projects will require a twenty percent (20%) match, to be provided by SCAG local funding and/or local partner agencies. Grant funds awarded to SCAG, and associated match, will be added to SCAG's OWP, to conduct the approved projects.

Reviewed by:

Division Manager

Affirmed by:

Department Director

Affirmed by:

Chief Financial Officer