

FINANCIAL ELEMENT

Background

The Financial Element identifies the current and anticipated revenue sources and financing techniques available to fund the planned transportation investments described in the Action Element. The intent of the Financial Element is to define realistic transportation financial constraints and opportunities with current available data. Discussion will center on three main topics: current funding revenues, transportation expenditures, and potential funding sources for the future.

The purpose of the Financial Element is to:

- Identify financial forecasts for funding through BCAG
- Estimate the costs and revenues to implement the projects identified in the Action Element
- Identify funding shortfalls
- List the candidate projects if funding becomes available

Financial Assumptions

This section describes anticipated revenues over the next 20 years. The cost estimates for implementing the projects identified in the RTP/SCS reflect “year of expenditure dollars” and consider account inflation rates. Also discussed is the potential for other revenue sources. To determine the level of available funding for each project mode and type, several assumptions were made. Assumptions regarding available funds are moderate and clearly identified. There are three primary funding sources for implementing the projects and programs included. These include federal, state, and local funds.

BCAG used current and past Regional Transportation Improvement Program and the Federal Transportation Improvement Program (documents) funding levels as a reference and to be consistent with the five-year STIP Fund Estimate adopted by the CTC for the 2020 cycle. Thus, it was assumed that state, federal, and local funding programs and levels would remain constant at current funding levels over the 20-year horizon.

All projects identified in the 2020 RTP/SCS are within the financial projections through the horizon of the plan. All projects are consistent with the Goals, Policies and Objectives identified in the Policy Element of the RTP/SCS.

Current Funding Sources and Projected Revenues and Expenditures

FEDERAL

Federal funds are used for all modes, including highways and transit projects. These funds normally require a non-federal match of between 11.47 – 20% for road projects, and up to 50% match for transit projects. However, in certain instances such as safety projects, they may not require a dollar match to fulfill its match obligation. In these cases,

the federal Toll Road Credit Program may be used to fulfill the local match requirement. BCAG utilizes this program to alleviate the local match burden to the local agencies. The federal HBP, CMAQ or earmark programs typically utilize toll credits to fulfill the match requirements.

Fixing America’s Surface Transportation Act (FAST Act), or Public Law (P.L.) 114-94. The FAST Act was signed into law on December 4, 2015 and will expire on September 30, 2020 is the most recent federal transportation legislation. The FAST Act was the first federal law in over ten previous years to provide long-term funding certainty for surface transportation, after multiple extensions of the Moving Ahead for Progress in the 21st Century Act (MAP-21) which began on October 1, 2012 and originally was set to expire on September 31, 2014. The FAST Act built on the initiatives established in MAP-21, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), the Transportation Equity Act for the 21st Century (TEA-21), and the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). As of October 2020, reauthorization has not been approved by Congress. Continuing resolutions will likely remain in place until after the Presidential elections.

Table 13-1
Federal Funding Sources

Fund Source	Abbreviation	Primary Mode
Regional Surface Transportation Program	RSTP	Streets (Local)
Congestion Mitigation/Air Quality	CMAQ	Air Quality
Active Transportation Program	ATP	Bicycle & Pedestrian
Federal Transit Administration Section 5307	FTA 5307	Urban transit
Federal Transit Administration Section 5311	FTA 5311	Rural transit
Federal Transit Administration Section 5309	FTA 5309	Discretionary transit
Federal Transit Administration Section 5310	FTA 5310	Discretionary transit
Highway Bridge Program	HBP	Bridges (Local)
Highway Safety Improvement Program	HSIP	Streets (Local)
Federal Airport Aviation Administration	FAA	Aviation

Surface Transportation Program (STP): This funding pot guarantees counties 110% of their allocation under the old Federal Aid Urban/Federal Aid Secondary (FAU/FAS) program. These funds may be spent on streets and roads projects; however, jurisdictions may also use the funds for bikeway, pedestrian, transit, safety, ridesharing, traffic management, parking, environmental enhancements, and transportation control measure projects.

Counties with urbanized areas less than 200,000 are considered “rural” counties (such as Butte). As such, BCAG is eligible to exchange these federal dollars for state dollars to Caltrans. This process is known as “Regional STP Exchange”. The advantage to this fund exchange is that federal monies have more stringent requirements, including a 20% local match, while state monies do not require any local match. In total, Butte County can expect to receive approximately \$65 million in RSTP Exchange funds during the 24-year period of the Plan.

RSTP funds are apportioned back to each of the cities, town and county, generally for road maintenance. All RSTP funds exchanged for state only funds will be spent on any eligible use as allowed under Article XIX of the State Constitution.

Assuming constant-funding levels over the horizon of this plan, total-funding revenues expected through STP exchange amounts to roughly \$2.7 million per year. This money is expected to be allocated mainly to local streets and roads projects primarily for road rehabilitation needs.

Congestion Mitigation and Air Quality Program (CMAQ): The purpose of the CMAQ program is to fund transportation related projects to help improve the region’s air quality. The BCAG Board of Directors programs projects by approving or amending the Federal Transportation Improvement Program (FTIP). Projects are subject to “Timely Use of Funds” provisions identified in Assembly Bill 1012, Chaptered in 1999. CMAQ funds are made available for programming at the discretion of the BCAG Board of Directors based on programming capacity availability. Based on current estimates provided by Caltrans as part of the development of the 2021 FTIP, BCAG may expect to receive approximately \$1.9 million per year or roughly \$40 million through 2040.

All CMAQ funds received will be programmed throughout the nonattainment areas in Butte County. All projects must demonstrate a reduction in emissions for the respective non-attainment pollutant. Caltrans maintains a CMAQ website at:

http://www.dot.ca.gov/hq/transprog/federal/cmaq/Official_CMAQ_Web_Page.htm.

Highway Bridge Program (HBP): This funding provides for construction and maintenance of bridges. Depending on the size and scope of the project, the range of HBP funds is typically between \$500,000 and \$1,000,000, but may be more depending on the project. Based on feedback from the public works directors on which bridge projects are planned, Butte County can expect to receive approximately \$60 million over the horizon of the RTP/SCS. These funds are not apportioned. Local cities and county

are required to prepare grant application packages to Caltrans for funding consideration. The County is the typical applicant with a very successful track record. The bridge program does not project out funding or projects beyond 10 years.

A list of specific HBP candidate projects has been included in the Action element of the RTP/SCS. Caltrans and FHWA ultimately decide whether or not a project is approved for HBP funding. Caltrans typically amends the HBP statewide list twice a year.

Highway Safety Improvement Program (HSIP): This program provides funds to correct safety problems on roadways in the Federal-aid system, as well as rural minor collectors and local roads. Projects are nominated for funding by local jurisdictions and selected by Caltrans. These funds are spent on local streets and roads. These are competitive grants in which a target of funds cannot be determined. However, the region has received an HSIP grant every couple of years. Currently within the timeframe of the FTIP, BCAG will be receiving \$9.6 million.

Federal Transit Administration

The federal government provides financial assistance to transit operators throughout the country through the Federal Transit Act. There are various sections of the law under which funding is allocated based on purpose, type of transit service, and size of the community. There are three specific programs which Butte County typically receives grants from, they include:

Section 5307: Under this section, funds are provided on a formula basis for capital and operating expenses for small urban transit systems. BCAG currently receives funding from this program to support the urban area of Chico transit service on Butte Regional Transit, also known as B-Line. In fiscal year 2019/20, BCAG will be receiving approximately \$2.4 million to fund transit capital and operations. BCAG can expect to receive approximately \$52 million over the period of the RTP/SCS. Funding in the early years have received an increase due to the federal CARES Act which augmented 5307 apportionments. This is not expected to be an ongoing revenue source.

Section 5311: Under this section, funds are provided to non-urbanized transit systems. Funds are provided on a formula basis for capital and operating expenses. BCAG is the designated recipient of these funds as the operator of B-Line serving the non-urbanized areas of Butte County. During the horizon of the RTP/SCS, it is anticipated that Butte County can expect to receive approximately \$15 million for operating and capital expenses. Within the 5311 program, BCAG is now participating in the 5311(f) subset program for intercity transit subsidies. Because this program is grant driven and not by apportionment, the regional estimate for the timeframe of the RTP/SCS is \$6 million.

Section 5310: This program provides discretionary grants to private, non-profit organizations for capital expenses in transporting the elderly and disabled. Social service transportation providers in Butte County, such as the Work Training Center, regularly

apply for and receive Section 5310 grants to purchase accessible vehicles. BCAG will also be applying for these funds for paratransit vehicles. While Caltrans administers the program, the approval is made by the California Transportation Commission. Projects for 5310 funds are required to be included in a Coordinated Human Services Transportation Plan. The estimate for the 20-year horizon of the plan is approximately \$6 million.

Federal Aviation Administration

The Airport Improvement Program (AIP), administered by the Federal Aviation Administration (FAA), provides grants to public agencies and in some cases, to private owners and entities for the planning and development of public-use airports that are included in the National Plan of Integrated Airport Systems (NPIAS). The NPIAS identifies nearly 3,400 existing and proposed airports nationwide that are significant to national air transportation and thus eligible to receive federal grants. An AIP grant constitutes 90 percent of a project cost. The FAA requires that the local sponsor receiving the grant provide a 10 percent match. Depending on sponsor eligibility (including participation in the CIP) and available funds, the State may contribute up to 5 percent of the federal grant amount to the local sponsor to assist in meeting their 10 percent requirement.

Chico and Oroville Municipal Airport are the primary public use airports in Butte County. Between these airports, Caltrans's CIP has identified \$60.5 million in aviation projects within the timeframe of the RTP/SCS. Specific projects can be found in the Aviation Chapter of the RTP/SCS.

STATE

State funds are generated by license fees, truck fees, sales and fuel taxes, and other state apportioned funds.

Table 13-2
State Funding Sources

Fund Source	Abbreviation	Primary Mode
Interregional Improvement Program/STIP	IIP	State Highways – SR 70 Corridor
Regional Improvement Program/STIP	RIP	State Highways - Regional
State Highways Operations and Protection Program	SHOPP	State Highways – Safety/Rehab
TDA: Local Transportation Fund	LTF	Transit first, streets, bike and ped projects (Local)
TDA: State Transit Assistance Fund	STA	Transit (100%)
State Fuel Tax	Fuel Tax	Streets (Local)
State Fuel Tax RMRA (SB 1)	RMRA	Streets (Local)

State Transportation Improvement Program (STIP)

The STIP identifies all major transportation improvements for state highways and other programs by county. SB 45 consolidated several transportation funding programs into essentially two programs that make the STIP, a local discretionary pot (Regional Improvement Program-RIP) and the state discretionary pot (Interregional Improvement Program-IIP). The 2020 RTP/SCS is consistent with the STIP, ITIP & RTIP.

Regional Improvement Program (RIP): The regional improvement program funds are made available to the regional transportation planning agencies (BCAG), and make up 75% of the STIP. Regions have the discretion to select and program transportation improvement projects on state highways, local roads, and for transit, bike lanes, etc. within the region. Projects for RIP funding are identified in the Regional Transportation Improvement Program (RTIP document). The California Transportation Commission is required to adopt the entire regional program or reject it in its entirety.

The STIP projections prepared are based on the 2020 STIP Fund Estimate. BCAG has taken a conservative approach to identify what is realistic for the region. Over the next 20 years, Butte County can expect to have a programming capacity of approximately \$24 million. This is a stark contrast to the 2016 RTP which estimated revenues for the region closer to \$81 million. The funds for the RIP program have been declining and may continue to decline as California’s priorities now work towards meeting Governor Newsom’s Executive Order N-19-19 and California’s Investment Strategies to address climate change. The emphasis moving forward is alternative transportation, high speed rail, clean vehicles and air quality. While the priorities are well intended and needed, the reality is gas tax revenues will continue to decline. Fortunately, the SR 70 Corridor of projects in which the STIP and the SHOPP are the primary fund sources is fully programmed and for the most part, under way in the project delivery process.

The specific list of financially constrained projects for RIP funds include the SR 70 Passing Lane Project Segment 1, 2 and 3. No other projects are identified at this time due to the magnitude of cost for the project and the limited RIP funds available. Should a cost increase be necessary for unforeseen circumstances, BCAG may be required to utilize unprogrammed RIP programming capacity. It is anticipated that by the time of preparation of the 2024 RTP/SCS, it will be known if existing revenues programmed are sufficient at which point a confident decision can be made by the BCAG Board to identify a new RIP/STIP project for the region.

Interregional Improvement Program (IIP): Caltrans has the discretion for programming “interregional” funds which constitute 25% of the STIP. Projects will focus on SR 70 Corridor in Butte County. These projects will primarily address safety as well as people and goods movement from region to region.

The specific list of projects are the same SR 70 projects discussed above. Caltrans has programmed \$13.2 million for the completion of these projects. The combination of RIP and IIP funds represent approximately 30 percent of the total cost of the projects. The remaining costs are being funded by the SHOPP Program due to fatalities along the corridor and the severity of safety concerns.

State Highway Operations and Protection Program (SHOPP)

Biennially, Caltrans is required to prepare a State Highway Operations and Protection Program for expenditure of transportation funds for major capital improvements that are necessary to preserve and protect the state highway system. Projects included in the program are limited to capital improvements relative to maintenance, safety, and rehabilitation of state highways and bridges that do not add new traffic lanes to the system. Caltrans is required to review a draft of the proposed SHOPP program with the RTPAs prior to submitting the SHOPP to the California Transportation Commission for adoption. Projects can also include bridge replacement and seismic retrofitting. The current estimate for the SHOPP over the 20-year period is \$189 million.

BCAG used the current adopted SHOPP and Caltrans’ 2010 year SHOPP plan to forecast what Butte County can expect to receive over the next 20 years. Beyond the 10-Year SHOPP, BCAG has developed a “lump sum” category. The adopted SHOPP can be found at:

<http://www.dot.ca.gov/hq/transprog/shopp.htm>.

Transportation Development Act (TDA)

Passed in 1971, this legislation provides a regular, guaranteed source of funds for local transit. These funds are administered by the Regional Transportation Planning Agency (RTPA) and apportioned to jurisdictions on a per-capita basis. There are two funding programs provided under TDA:

Local Transportation Fund (LTF): ¼% of the sales tax is returned to the county in which it was generated for use in local transit. Under strict provisions of how the funds may be allocated and spent, the RTPA annually allocates these funds to jurisdictions for transit. The law also permits local agencies to use LTF on local streets and roads, provided that all unmet transit needs that are found reasonable to meet are funded. Each year, BCAG performs the annual unmet transit needs process with extensive public outreach. The ¼% share split to returned to the originating county has not ever been changed nor updated since its inception in 1971.

For fiscal year 19/20, Butte County's apportion is expected to received \$9.1 million in LTF funds. Projecting over the 20 year period, the total funding estimated to be available for LTF is \$183 million. Transit is now funded off the top and apportioned back to the cities and count.

LTF funds are apportioned back to the cities and county to fulfill their transit obligations. In some cases, local street and road improvements such as road maintenance or bike projects are also funded with LTF as allowed by TDA Statute once transit obligations have been fulfilled.

State Transit Assistance (STA): In the annual state budget process, additional transit funding may be made available. Under Section 99313, funding is apportioned to jurisdictions on a per capita basis, while Section 99314 funding is apportioned to transit operators based on farebox revenues.

Senate Bill 1 infused funding dedicated to transit utilizing the STA apportionment process to transit agencies. The for the Butte Region, STA apportionments doubled to approximately \$2 million per year. Pre-SB 1, apportionments were closer to \$1 million per year. The 2020 RTP/SCS is projecting out \$2 million per year for a total of \$40 million. While funds have decreased in 2020 as a result of COVID-19, this anomaly is not expected to remain constant as California returns to normal life. The annual apportionments are assumed to remain constant with no significant increases. STA funding is specifically for transit purposes.

B-Line Fare Revenues: Current B-Line farebox revenues estimates for the 19/20 fiscal year are \$1.3 million. Over the next 20 years the total estimate is \$26 million. These revenues are lower than the 2016 RTP/SCS. As the economy improves and gas prices remain relatively low, transit ridership usually takes a dip. BCAG however is working to improve the transit experience utilizing various methods to attract new ridership.

LOCAL

Traffic Mitigation/Impact Fees

This category includes the various types of local assessments on new development projects which, as a result of their construction, are expected to generate additional traffic. Criteria and location of impact areas are set by the local jurisdictions. Most jurisdictions employ some type of traffic or transportation impact fee. Fees may be assessed area-wide, only in target sections of the jurisdiction, on a project-by-project basis as dictated by project impacts, or a combination of these. Several impact fee programs are currently in effect in Butte County, including those covering the Chico Urban Area, the Thermalito area, and the West side of Paradise.

General Funds

Local jurisdictions may choose to use general fund moneys to help finance transportation projects or services, including airport operations, or as local matching funds for transportation grants. Because of the impacts of the recession and Proposition 13 on local government general fund budgets, this is neither a popular nor commonly used option.

State Fuel Tax & SB 1

The state fuel tax to local cities and county is derived from the State Controllers Report for Local Streets and Roads. The annual apportionment figure was projected out to the year 2035. These funds are typically used for road maintenance. The specific fund source sections include 2105, 2106, 2107 and 2107.5. The respective figures are included in the following Summary of Revenues by Agency tables. As a total, the local agencies are projected to receive \$250 million over the period of the Plan.

Senate Bill (SB) 1, Chapter 5, Statutes of 2017, created the Road Maintenance and Rehabilitation Program (RMRP) to address deferred maintenance on the State Highway System and the local street and road system, and the Road Maintenance and Rehabilitation Account (RMRA) for the deposit of various funds for the program. A percentage of this new RMRA funding is apportioned by formula to eligible cities and counties pursuant to Streets and Highways Code section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Cities and counties receiving RMRA funds must comply with all relevant federal and state laws, regulations, policies, and procedures. Expenditure authority for RMRA funding is governed by Article XIX of the California Constitution; Revenue and Taxation Code, Division 2, Part 5, Chapter 6, section 11051; and Streets and Highways Code, Chapter 2, Division 3, section 2030 (b). Program requirements include Streets and Highways Code sections 2034, 2036, 2037, and 2038. Local agencies are projected to receive approximately \$175 million over the next 20 years.

Maintaining the Transportation System in Butte County

The following table identifies the functional classification of the federal aid system in Butte County by total miles. Typically, gas tax revenue is used to operate and maintain the system. The following financial tables are revenues for which the local agency can use to operate and maintain the freeways, highway and transit system within the region. BCAG will refine its GIS system over the next couple of years to better capture the federal aid system and transportation investments made on it.

Based on the following table, the average cost to maintain a road off the state highway system is \$1.1 million. Butte County has 182.32 of state highways miles to maintain according to the 2006 California Public Road Data reported for the Highway Performance Monitoring System. Therefore, the cost to maintain the system could be as high as \$200 million. At the local level, BCAG surveyed the local Cities and County to develop an average cost per mile of \$200,000. The total cost to maintain the rest of the system is estimated at \$395 million for a total of \$595 million. The funding for the transit element identified in Chapter 7 as FTA fund are restricted to be used for operations and capital. Transit would be supported by FTA and the TDA funds identified.

Table 13-3
Functional Classification for Federal Aid System

Rural Functional Classification	Miles	Urban Functional Classification	Miles	Total ALL
Interstate	0.00	Interstate	0	
Other Principal Arterial	55.03	Other Fwys & Expressways	12.04	
Minor Arterial	84.00	Other Principal Arterial	53.94	
Major Collector	166.64	Minor Arterial	85.88	
Minor Collector	125.70	Collector	155.04	
Local	961.43	Local	456.04	
Total Rural Miles	1392.80	Total Urban	762.94	2155.74

Table 13-4
Highway Performance Monitoring System
Butte County Maintained Miles

Agency	Rural	Urban	Total	Estimated Cost to Maintain (thousands)
Biggs	10.9	0	10.9	\$1,817
Chico	4.53	194.68	199.21	\$33,202
Gridley	8.98	17.47	26.45	\$4,408
Oroville	2.28	72.92	75.2	\$12,533
Paradise	2.59	95.73	98.32	\$16,387
Bureau of Indian Affairs	8	0	8	\$1,333
County Unincorporated	1,023.66	329.67	1353.33	\$225,555
State Highway	129.84	52.48	182.32	\$167,127
State Park Service	53.78	0	53.78	\$8,963
US Forest Service	148.24	0	148.24	\$24,707
Totals	1392.79	762.95	2,155.74	\$496,032

Table 13-5
Revenues by Agency Summary

SOURCE	BCAG		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
STIP - Regional Improvement Program (RIP)	13,770	10,000	23,770
Caltrans IIP	13,220	0	13,220
Caltrans SHOPP	189,793	0	189,793
CMAQ - Streets & Roads	9,698	9,698	19,395
CMAQ - Non Motorized	9,698	9,698	19,395
ATP		39,270	39,270
TDA - LTF	5,500	5,500	11,000
Totals	241,678	74,165	315,843

SOURCE	BUTTE REGIONAL TRANSIT		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
TDA - LTF	\$40,000	40,000	\$80,000
TDA - STA	\$20,000	20,000	\$40,000
Transit Fare Revenue (B-Line only)	13,000	13,000	\$26,000
FTA Sec. 5307 - BCAG/B-Line	27,555	24,555	\$52,109
FTA Sec. 5311 BCAG/B-Line	7,375	7,375	\$14,750
FTA Sec. 5310 Various Non Profit Agencies	3,000	3,000	\$6,000
FTA 5311(f)	3,000	3,000	\$6,000
Totals	\$113,930	\$110,930	\$224,859

Table 13-5 - Continued

SOURCE	BIGGS		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
State Fuel Tax	585	585	1,169
SB 1 RMRA	348	348	696
TDA - LTF	456	456	912
RSTP "State Exchange	187	187	374
CMAQ	160		160
HBP - Highway Bridge Program			0
HSIP - Highway Safety Improvement Program			0
Active Transportation Program (ATP)	809	0	809
TOTALS	2,545	1,576	4,121

SOURCE	CHICO		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
State Fuel Tax	25,442	25,442	50,884
SB 1 RMRA	18,775	18,775	37,550
TDA - LTF	27,179	27,179	54,358
State Aeronautics Program			-
Local Funds	6,385	14,552	20,937
RSTP "State Exchange	12,788	12,788	25,576
CMAQ			-
HBP - Highway Bridge Program	12,545		12,545
HSIP - Highway Safety Improvement Program*	7,400		7,400
Active Transportation Program (ATP)	21,894		21,894
FAA	50,337		50,337
TOTALS	182,745	98,736	281,481

Table 13-5 - Continued

SOURCE	GRIDLEY		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
State Fuel Tax	2,013	2,013	4,025
SB 1 RMRA	1,238	1,238	2,477
TDA - LTF	1,577	1,577	3,154
Local Funds			0
RSTP "State Exchange	837	837	1,674
CMAQ			0
Active Transportation Program (ATP)			0
TOTALS	5,665	5,665	11,330

SOURCE	OROVILLE		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
State Fuel Tax	4,692	4,692	9,384
SB 1 RMRA	3,539	3,539	7,078
TDA - LTF	4,789	4,789	9,578
State Aeronautics Program	154		154
Local Funds	434	504	938
RSTP "State Exchange	2,455	2,455	4,909
CMAQ	540		540
Active Transportation Program (ATP)	3,451	0	3,451
FAA	10,248		10,248
TOTALS	30,302	15,979	46,281

Table 13-5 – Continued

SOURCE	PARADISE		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
State Fuel Tax	7,930	7,930	15,860
SB 1 RMRA	4,720	4,720	9,440
TDA - LTF	1,141	1,141	2,282
Local Funds			0
RSTP "State Exchange	1,512	1,512	3,023
CMAQ	350		350
HSIP - Highway Safety Improvement Program*	1,232		1,232
Active Transportation Program (ATP)	10,615		10,615
TOTALS	27,500	15,303	42,802

SOURCE	BUTTE COUNTY		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
State Fuel Tax	84,572	84,572	169,143
SB 1 RMRA	58,881	58,881	117,762
TDA - LTF	16,663	16,663	33,326
Local Funds	8,100		8,100
RSTP "State Exchange	9,611	9,611	19,222
CMAQ	350		350
HBP - Highway Bridge Program *	48,006		48,006
HSIP - Highway Safety Improvement Program*	1,000		1,000
Active Transportation Program (ATP)	2,501		2,501
TOTALS	229,684	169,727	399,411

Table 13-5 – Continued

2020 RTP/SCS FUNDING SOURCES	TOTALS		
	Group 1	Group 2	TOTALS
	10	10	
	2020 - 2030	2030-2040	
STIP - Regional Improvement Program (RIP)	13,770	10,000	23,770
Caltrans IIP	13,220	0	13,220
Caltrans SHOPP	189,793	0	189,793
Active Transportation Program (ATP)		39,270	39,270
State Fuel Tax	125,233	125,233	250,467
SB 1 RMRA	87,502	87,502	175,004
TDA - LTF	97,305	97,305	194,610
TDA - STA	20,000	20,000	40,000
Transit Fare Revenue (B-Line only)	13,000	13,000	26,000
State Aeronautics Program	60,585	0	60,585
Local Funds	14,919	15,056	29,975
RSTP "State Exchange	27,389	27,389	54,778
CMAQ	20,795	19,395	40,190
FTA Sec. 5307 - BCAG/B-Line	27,555	24,555	52,109
FTA Sec. 5311 BCAG/B-Line	7,375	7,375	14,750
FTA Sec. 5310 Various Non Profit Agencies	3,000	3,000	6,000
FTA 5311(f)	3,000	3,000	6,000
HBP - Highway Bridge Program	60,551	0	60,551
HSIP - Highway Safety Improvement Program	9,632	0	9,632
Active Transportation Program (ATP)	39,270	0	39,270
FAA	60,585	0	60,585
TOTALS	894,479	492,081	1,386,560

Fiscal Constraint

The funding identified demonstrate and reflect the RTP/SCS is a fiscally constrained plan with reasonably anticipated revenues to fund the costs identified for the specific projects identified.

**Table 13-6
Unfunded Regional Projects Summary**

#	Implementing Agency	Project Type	Title	Project Description	Project ID	Fund Total Estimate (1,000s)	STATUS Programmed Planned Project Development Unconstrained	Cost Estimate - All components
								(1,000s)
106	Chico	Bicycle & Pedestrian	Chico - Paradise Bikeway Project	Construct new combination Class 1 & 2 as appropriate from existing Class 1 bike path at the intersection of Honey Run and the Skyway to Paradise Memorial Path at the intersection of Skyway and Neal Rd in the Town of Paradise.	CH-BIKE-LOCAL-2020-9	\$20 million	Unconstrained	20,000
139	Chico	Capacity Increasing	W Eaton Rd	From SR 32 to Catherin Ct. Construct new alignment. 2 lane expressway and bridge - RR crossing	Nexus 604	\$53.7 million	Unconstrained	53,700
140	Chico	Capacity Increasing	W Eaton Rd	Catherine Ct to Esplanade. New road connection	Nexus 605	\$6.2 million	Unconstrained	6,200
145	Chico	Capacity Increasing	Fair Street / Park Avenue Connection	From Fair St to Park Ave. Extend E. 23rd St. /Silver Dollar Pkwy thru "wedge" to connect to Commerce Ct. Connection	Nexus 611	\$.970 million	Unconstrained	970
146	Chico	Capacity Increasing	Holly Avenue / Warner Avenue Connection	From Capshaw Ct. to Fuchsia Way. Construct new 2 lane connector	Nexus 612	\$ 2.580 million	Unconstrained	2,580
147	Chico	Capacity Increasing	Ivy Street	From Hazel St to Meyers St. Construct new 2 lane connector	Nexus 613	\$7.13 million	Unconstrained	71,300
148	Chico	Capacity Increasing	Yosemite Drive	From SR 32 to Humboldt Rd. Construct new 2 lane connection	Nexus 614	\$5.820 million	Unconstrained	5,820

**Table 13-6
Unfunded Regional Projects Summary - Continued**

#	Implementing Agency	Project Type	Title	Project Description	Project ID	Fund Total Estimate (1,000s)	STATUS Programmed Planned Project Development Unconstrained	Cost Estimate - All components
								(1,000s)
150	Chico	Capacity Increasing	Silver Dollar Way Extension	From MLK Parkway to Fair St. Connect exist road stubs	Nexus 616	\$2.76 million	Unconstrained	2,760
163	Chico	Maintenance, Operations, and Safety	Manzanita/Madrone	Roundabout (within existing ROW)	Nexus 630	\$.404 million	Unconstrained	404
168	Chico	Capacity Increasing	West Park Extension	Extension from Midway to Otterson Dr (Bridge at creek)	Nexus 635	\$9.39 million	Unconstrained	9,390
170	Chico	Maintenance, Operations, and Safety	Eaton Rd/ Ceanothus Ave	1-Lane Roundabout	Nexus 637	\$1.16 million	Unconstrained	1,160
171	Chico	Maintenance, Operations, and Safety	Cohasset Rd Widening	Widen Roadway to include left turn lanes and flatten curves between and including Airpark Blvd, and Two Oaks Drive	Nexus 638	\$3.7 million	Unconstrained	3,700
176	Chico	Capacity Increasing	SR 99 Auxiliary Lanes	E. 1st to Cohasset Rd. Construct auxiliary lanes to the outside	Nexus 703	\$40 million	Unconstrained	40,000
245	Paradise	Capacity Increasing	Upper Clark Widening	Widen Clark Rd from Wagstaff Rd to Skyway to facilitate emergency evacuation	PAR-CAPACITY-LOCAL-2020-5	Unfunded	Unconstrained	15,000

Table 13-6
Unfunded Regional Projects Summary - Continued

#	Implementing Agency	Project Type	Title	Project Description	Project ID	Fund Total Estimate (1,000s)	STATUS Programmed Planned Project Development Unconstrained	Cost Estimate - All components
								(1,000s)
179	Chico	Bicycle & Pedestrian	SR 32 (Nord Avenue) Improvements	From W. Lindo Ave to W. 1st Street. Corridor Improvements (traffic flow improvements, bike lanes, ped crossings) per specific plan	Nexus 708	\$15 million	Unconstrained	15,000
180	Chico	Maintenance, Operations, and Safety	SR 32 (W. 8th St) at UPRR	Overpass, highway over railroad with reinforced earth retaining walls.	Nexus 709	\$25 million	Unconstrained	25,000
183	Chico	Maintenance, Operations, and Safety	SR 99 / 20th Street Interchange and 20th Street Corridor	From West of MLK to East of Forest Ave. Reconfigure / reconstruct ramps to increase capacity. Includes roadway improvements / roundabouts on East 20th Street from west of MLK to east of Forest.	Nexus 713	\$19 million	Unconstrained	19,000
184	Chico	Maintenance, Operations, and Safety	SR 99 at Garner, Esplanade and Hicks complex	Intersection improvements and/or I/Cs, connector road from Hicks to SR 99, improvements on SR 99, Esplanade, Hicks, and Garner	Nexus 716	\$2 million	Unconstrained	2,000

186	Chico	Capacity Increasing	SR 99 at Southgate Complex (Interchange and connector roads)	I/C and connector roads (Player, Fair Street, Midway Connection, Notre Dame, Speedway, West Southgate, East Southgate, Midway. Unfunded estimate for construction.	Nexus 717-1	\$40 million	Unconstrained	40,000
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**Table 13-6
Unfunded Regional Projects Summary - Continued**

#	Implementing Agency	Project Type	Title	Project Description	Project ID	Fund Total Estimate (1,000s)	STATUS Programmed Planned Project Development Unconstrained	Cost Estimate - All components
								(1,000s)
223	Paradise	Bicycle & Pedestrian	Pentz Road Trailway Phase II Project	Pentz Road between Pearson Rd and Bille Road (1.63 miles), Pentz Road between Wagstaff Road and Skyway (1.56 miles). Scope of the project is to construct a grade separated, Class I, bike-ped facility along the west side of Pentz Road within the project limits. This project will tie into funded improvements between Bille Road and Wagstaff Road, scheduled for completion summer 2019. (PE Programmed in FTIP)	2020000219	\$ 9.97 million	Unconstrained	9,970
240	Paradise	Capacity Increasing	Neal Road Widening - Emergency Evacuation Route	Widen Neal Road to facilitate emergency evacuation. Provides a critical alternative to SR 191 and Skyway	PAR-CAPA CITY-LOCAL-2020-1	Unfunded	Unconstrained	20,000
241	Paradise	Capacity Increasing	Upper Skyway Widening	Widen Skyway to facilitate emergency evacuation	PAR-CAPA CITY-LOCAL-2020-2	Unfunded	Unconstrained	30,000
243	Paradise	Capacity Increasing	Roe Road Extension to SR 191	Extend Roe Road to SR 191 to facilitate emergency evacuations	PAR-CAPA CITY-LOCAL-2020-3	Unfunded	Unconstrained	5,000
244	Paradise	Capacity Increasing	Pentz Road Widening	Widen Pentz from Town limits to Town limits to facilitate emergency evacuation	PAR-CAPA CITY-LOCAL-2020-	Unfunded	Unconstrained	25,000

					4			
						TOTAL UNFUNDED		423,954

In sum, nearly \$424 million has been identified as needed improvement without a dedicated fund source. These projects are included for information only.

OTHER FUNDING SOURCES

The following are examples of some methods of enhancing the revenues available for transportation.

Resource and Farmland Transportation Incentive Fund

Senate Bill 375 sites language (SCG) in Section 658080(b)(4)(C) indicating that *“The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall consider financial incentives for cities and counties that have resource areas or farmland, as defined in Section 65080.01, for the purposes of, for example, transportation investments for the preservation and safety of the city street or county road system and farm to market and interconnectivity transportation needs.*

The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall also consider financial assistance for counties to address countywide service responsibilities in counties that contribute towards the greenhouse gas emission reduction targets by implementing policies for growth to occur within their cities.”

While the above language indicates the MPO shall consider financial incentives, SB 375 does not identify a new source of funding to establish a financial incentive for those agencies that have policies in place to direct growth specifically to cities. Should a new source of funding occur and should local agencies have specific policies to direct growth in the cities, thus protecting resource areas or farmlands, the MTP should be amended to identify the criteria and mechanism for the incentive.

Regional Impact Fee

Growth and development pressures continue in Butte County. Planning an efficient and affordable transportation system to alleviate existing traffic congestion and support future development within the region will need a new revenue source. Leveraging regional funds for other state and federal funds such as the STIP has increasingly become more important.

Could regional development impact fees be used to finance regional facilities? Such a system could integrate infrastructure provision and tax policy to create equity both across jurisdictions and between the different levels of government.

There are examples of regional impact fees in California and Nevada. The cities of the Coachella Valley (Palm Springs, Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta, Indio and Coachella) and Riverside County have collected impact fees on new development since 1986 to protect endangered wildlife. The fee is \$600 per acre. The Coachella Valley has also collected regional impact fees for transportation since 1988. This Transportation Uniform Mitigation Fee is tied to a ½ cent sales tax approved by voters. That proposition included a “return to source” concept, where the TUMF fees are to be split between the cities (35%), the region (40%), and regional transit (25%). Funding is revoked for cities in the region that do not require regional impact fees.

In Placer, Solano, Stanislaus, San Joaquin, and Yuba Counties, the county and some or all of the cities have instituted joint county facilities fees. The cities collect the fees and pass them on to the county, where they are used for new construction and expansion of regional facilities, including regional transportation, habitat preserves, and county facilities such as jails. The Regional Transportation Commission of Washoe County (Reno, Nevada) has the authority for regional transportation impact fees. Regional impact fees outside of Reno are about 15% higher than those inside the city. Inside Reno, regional transportation impact fees range from \$500/1,000 square feet for manufacturing, to \$3,700/1,000 square feet for large box retail.

Sales Tax Increase

The State legislature has given local jurisdictions the ability to increase the retail transaction use tax, or sales tax, up to 1 percent, which can be earmarked for specific purposes. A majority vote is required on such an increase. A number of California counties, including Sacramento, San Francisco, Contra Costa, Santa Clara, Santa Cruz, Mendocino, and Lake Counties have voted to increase the sales tax by ½ percent to finance specific transportation improvements. In Sacramento County, this ½ percent sales tax is expected to raise \$920 million over 20 years. In 2007, 19 counties in California have special transportation taxes. These counties are referred to as “Self-Help” Counties.

Fuel Tax Increase

With the passage of SB 1, it is unlikely the voters of California would approve another fuel tax increase. With overall revenues declining, the CTC is looking at alternative fund source methods to replace the fuel tax. As electric vehicles become more frequent in numbers and new vehicles become more efficient, the fuel tax revenues will continue to decline.

Traffic Mitigation Fees

Currently used in several areas of Butte County, traffic mitigation fees can be a means to fund roadway, transit, bicycle, and other improvements through assessment of trip-end fees on new development. A capital improvement program is developed based on needs established for future development. A per-trip fee is then calculated based on the total trip generation of new development.

Chico and Butte County use a similar system to fund transportation improvement needs in the Chico Urban Area. A fee is charged to each housing unit based on the land use density capacity at buildout divided into the transportation improvements required at buildout. This Street Facilities Fund then finances the improvements, as they are needed.

Air Quality Mitigation Fees

Similar to traffic mitigation fees, air quality mitigation fees are assessed on new residential and commercial construction based on the amount of pollutants expected to be generated. The Tahoe Regional Planning Agency (TRPA) currently combines traffic and air quality mitigation fees based chiefly on the number of trips expected to be generated by a development, using one method to mitigate both the congestion and air quality degradation that may be expected as a result of additional vehicle trips. These fees are then claimed by jurisdictions for transit and roadway capital improvement programs.

Motor Vehicle Fee

The State currently charges a fee on those who own and operate vehicles in the State of California, for registration and for licensing. Two special programs have been authorized to assess special fees on the motor vehicle tax; \$1 is assessed to fund freeway call box systems and up to \$4 is assessed for air quality programs. Counties are not currently authorized to impose a vehicle registration fee; enabling legislation would have to be enacted by the State legislature to allow such a program.

Parking Fee/Tax

A parking fee is charged for vehicles to park in a particular space, and can be effectively used for on-or-off street parking. The fee could be linked with the transportation-system impact of persons using those parking spaces. A parking tax is a levy on the use of off-street commercial or employer provided parking spaces. The tax is typically collected as a percentage of the total parking charge paid by the motorist and forwarded to the agency (e.g. city) by the parking lot owner or operator.

Counties are not presently authorized to levy parking taxes; however, cities in California may implement a tax under their individual charters. In order for a county to levy a

parking tax, state-enabling legislation would have to be passed. A 2/3 voter approval is then needed before such a tax could be implemented in a jurisdiction to be used specifically for transportation improvements.

In general, a parking fee would not provide as much revenue as parking taxes due to the need to directly link costs and benefits. A fee may not require a public vote but would need to be adopted by each of the city and town councils where it is implemented. The fee or tax, while raising additional funds, has secondary benefits for transportation systems. The imposition or increase of parking charges creates a disincentive to the use of single occupancy vehicle by increasing the cost of driving versus other forms of transportation. As a result, public transportation becomes a more attractive substitute for driving.

Joint Development

Joint development describes an improvement that results from the cooperative efforts of a private company and public agency. Examples of joint development include the private development of a public facility, cooperative financing of public facilities, transfer of development rights, and density bonuses. The legal basis for joint development depends on the circumstances of the agreement. In general, however, the authority to require dedication of land or exactions as a condition of development derives from the agency's police power to protect public interests.

Peak Hour Congestion Pricing

This is a fee charged to those using transportation facilities during the peak period. As a user charge, it is neither a tax nor a toll, and therefore not subject to state or federal tax restrictions.

Congestion pricing, while raising additional funds, has secondary benefits for transportation systems. The imposition of such charges creates a disincentive to the use of transportation systems during peak periods through increased cost. This provides financial motivation for transportation system users to spread their use to non-peak hours. As a result, systems demand is more evenly distributed, thus creating greater efficiency of use.

Bond Measures

Cities and counties may issue general obligation bonds payable through increased property taxes by a 2/3 majority vote of the general electorate. These bonds may be used to fund government services, such as transportation improvements.