



Mail
PO Box 5310
Stateline, NV 89449-5310

Location
128 Market Street
Stateline, NV 89449

Contact
Phone: 775-588-4547
Fax: 775-588-4527
www.trpa.gov

STAFF REPORT

Date: June 15, 2022
To: TRPA Governing Board
From: TRPA Staff
Subject: Transportation Funding Update

Summary and Staff Recommendation:

Provide feedback on the transportation funding initiative following a presentation from staff and the consultant team Regional Government Services (RGS). This is an informational item with possible Board direction. No formal action is requested at this time.

Background:

New transportation funding to deliver transportation priorities in the Regional Transportation Plan has been elevated broadly over the last few years and more recently with the approval of the 2020 RTP in April of 2021.

The Sustainable Funding Initiative began shortly after the adoption of the 2020 RTP, guided by the Bi-State Consultation on Transportation, with the support of the Environmental Improvement, Transportation and Public Outreach Committee of the TRPA Governing Board (EITPO) and the board of the Tahoe Transportation District. The Tahoe Transportation Implementation Committee (TTIC) has also collaborated extensively on this initiative, helping to identify new transportation funding sources to fulfill an annual \$20M funding gap necessary to achieve RTP goals.

The new funding will accelerate implementation of RTP priorities that will:

- Contribute to required per capita VMT reductions
- Protect Lake clarity and the environment
- Address peak periods of recreation site congestion
- Support workforce/affordable housing

A funding strategy evaluation was completed in December 2021 ([link](#)). After review of this analysis and a robust stakeholder process, stakeholder groups determined a single revenue source was not the preferred path to fulfill the funding gap.

Sectors Approach: "7-7-7" Framework:

In response to the pivot from a single regional revenue source, the partnership developed a shared funding approach dubbed the "7-7-7 strategy." This framework utilized the model of the Environmental Improvement Program (EIP) and distributed the \$20 million annual shortfall among the Federal, State, and Local/Private sectors to advance transportation needs in each sector. This 7-7-7 strategy was endorsed by the Bi-State Consultation, the Tahoe Transportation District Board of Directors, and is currently being brought forward to the local government partners for formal endorsement.

Placer County has already committed to the 7-7-7 strategy via a Board of Supervisors resolution, and we expect additional local government support over the coming months.

Implementation Focus:

With initial project priorities to implement the RTP in place, the focus is shifting to financial planning and securing and leveraging Federal, State, and local/private funding. The Transportation Action Plan is the first regional Capital Improvement Program (CIP) that includes regionally significant projects. With new funding available, it is critical for all sectors to move forward together to meet cost-sharing requirements and to leverage investments.

Federal sector: With the recent passage of the Investment Infrastructure and Jobs Act (IIJA) new funding is available through federal programs and congressionally designated spending to support regional priorities. These funds are a combination of formula and competitive grant programs that align well with regional transportation priority projects. These funding requests will require up to 20% non-federal (local and state) funding commitments as matching funds. The region has already seen new funding through the \$2 million in congressionally designated spending on State Route 28, and additional requests are currently pending.

State sector: Both California and Nevada have been active in the identification of existing state programs and supporting new requests for additional funding. Their leadership with the Bi-State Consultation on Transportation has galvanized a shared regional funding framework that can leverage funding and position Tahoe as a priority for state and federal resources. Legislative and administrative pursuits for funding are underway in both states with a \$22.5 million request pending in California and potential bond funding in Nevada under discussion.

Local/Private sector: Regionally significant transportation priorities that also support local Capital Improvement Programs (CIP) have been developed through basin-wide collaboration. The new local funding to support these projects varies and is the responsibility of each local jurisdiction. The regional momentum to deliver transportation solutions has resulted in local actions to advance new funding for communities around the region. An example is the recent passage of a 2% increase to Placer County's Transient Occupancy Tax that would be available for transportation improvements in addition to the TOT already invested in transit and infrastructure projects by the County. Another funding option under consideration is a zonal congestion/parking fee for the recreation corridors on SR 28 in Nevada and Hwy 89 around Emerald Bay in California. The private sector continues to contribute to transportation solutions around the region. On the south shore, a diverse partnership of private partners has provided critical operating funding for a micro-transit service that will begin operation this summer. Additionally, TART Connect micro-transit has exceeded expectations in the North Shore.

In support of the shared funding approach, partners will continue to jointly coordinate grant requests, legislative funding asks, project timing, and evaluation of the transportation system's performance on an ongoing basis through the Tahoe Transportation Implementation Committee (TTIC). The TTIC will be instrumental in supporting, monitoring, and reporting funding performance alongside system/VMT performance that may lead to recommendations to adapt project timing or types of projects selected for funding. This evaluation of project effectiveness coupled with funding decisions will provide for the adaptive management toward VMT reduction and other transportation goals.

Next Steps:

With a commitment to a shared sector funding approach, this initiative now shifts to coordinated execution. This shift includes supporting the legislative requests in both states, coordination and success in competitive grant programs, local funding initiatives, and enhancing private sector participation. Regular progress check-ins with the TRPA board and relevant committees on transportation system performance and funding will be the norm as TRPA begins the development of the next Regional Transportation Plan update. As part of the new Transportation Sustainable Communities threshold standard (TSC-1), a Transportation Performance Report will be produced every two years to assess progress towards meeting the VMT reduction milestones. TRPA will develop the report and provide recommendations to the TRPA Governing Board on the associated management actions to adaptively manage the transportation system over time in response to progress toward the threshold. The first report will come forward late 2022.

Transportation Funding Initiative Milestones:

- 2020 RTP Approval: 4/21
 - Commitment of Funding: 12/21
 - Bi-State endorsement of the 7-7-7 funding framework: 1/22
 - Final Report and Implementation Framework: 12/22
 - New Funding online: 12/23
 - VMT Reduction Target Check: 2024
 - 2025 RTP: 4/25
- *Ongoing Check-Ins with Board

For additional information visit the funding initiative website: [Sustainable Funding Initiative | Tahoe Regional Planning Agency - TRPA](#)

Contact Information:

For questions regarding this agenda item, please contact Nick Haven, Division Manager, Long Range and Transportation Planning Division, at nhaven@trpa.gov.