



STAFF REPORT

Date: December 13, 2023

To: Regional Planning Committee

From: TRPA Staff

Subject: Transportation and Sustainable Communities Threshold Standard 1

Summary

In pursuit of the goal to align TRPA threshold standards with the best available science, TRPA adopted Transportation and Sustainable Communities Threshold Standard 1 (TSC1) in April 2021, codifying a new goal for reduction of VMT per capita. TRPA staff, Governing Board members, basin stakeholders, and partners, worked diligently for more than a year to update the standard. Implementing the Regional Transportation Plan (RTP) is central to achieving the threshold standard and there is a significant funding shortfall projected for the RTP. Funding targets were included in the Regional Plan to focus attention on closing the gap. Two notable advancements have occurred since the adoption of TSC1. First, the Bi-State Consultation on Transportation endorsed the “7-7-7” funding strategy after extensive negotiations and community engagement. Second, the partnership secured an additional \$23 million for transportation projects in 2024, exceeding the annual “7-7-7” goal by \$2 million and putting new money on the ground two years in advance of the RTP financial forecast.

Staff Recommendation:

Staff seeks guidance on implementing the adaptive management framework for TSC1 in the goals and policies of the Regional Plan. Specifically, staff would like feedback on how changes in the funding landscape agreed to by the Bi-State Consultation on Transportation that occurred after the adoption of the threshold standard should be considered.

Background:

In 2021, TRPA replaced a nitrogen-focused threshold standard with TSC1 (VMT per capita), which aligned the vision of the RTP and Regional Plan to reduce reliance on the automobile, support greenhouse gas emission reduction, and increase mobility through modes other than the automobile. Coordinated land use (Regional Plan) and transportation (RTP) policies are central to achieving the

threshold standard. A major question during the development of TSC1 was how the Region would fund RTP implementation. Full implementation, including capital projects and other implementing programs of the transportation and sustainable communities' strategy, is estimated to cost \$2.7 billion over 25 years. Increasing investment is the single most effective way to accelerate RTP implementation.

TRPA and basin partners identified closing the funding gap for RTP implementation as critical to achieving the VMT per capita reduction goal (TSC1). To further focus the partnership on bringing in additional revenue, a revenue target (DP-5.4.B) and associated management responses (supplemental compliance measures) to be taken (DP-5.6.A) if the milestone was not attained were established in the Regional Plan as part of the adaptive management structure of TSC1.

GOAL DP-5.4.B

2024 Regional Revenue Milestone - An ongoing regional funding source or sources dedicated to transportation for the Tahoe Region that is reasonably expected to meet the needs set forth for it in the Regional Transportation Plan, shall commence implementation no later than December 31, 2023.

If it is found that the revenue milestone in DP-5.4.B has not been achieved, DP-5.6.A establishes “no-net unmitigated VMT” as the standard of significance used to evaluate the transportation impacts of development that generates new VMT. The impact of the change would make it harder for large projects, even those that contribute to attainment of TSC1, to go forward.

GOAL DP-5.6.A

2024 Regional Revenue Milestone - If the milestone established DP-5.4.B is not attained, the standard of significance for all land uses in Code of Ordinances Table 65.2.3-1 shall be no-net unmitigated VMT, except for deed restricted affordable and/or workforce housing. This measure will remain in effect until the funding sources described in DP-5.4.B commences.

In 2017, the Director of the Nevada Department of Conservation and Natural Resources and the Secretary of the California Natural Resources Agency convened a Bi-State Consultation on Transportation for Lake Tahoe to strengthen regional coordination and accelerate delivery of priority transportation projects. The Bi-State working group brought together over 15 public agencies with private sector partners to address transportation needs in Tahoe. The first phase of Bi-State consultation completed its work in 2018 and delivered a 10-year Transportation Action Plan that identified top-priority projects and services, and a framework and commitment from all sectors to accelerate transportation planning and project implementation in and around Lake Tahoe.

At the time DP-5.4.B was drafted, a leading proposal for closing the RTP funding gap was being advanced by the Tahoe Transportation District called “One Tahoe”. The “One Tahoe” recommendations included

1) an annual fee on households and business in the Tahoe region, and 2) a basin entry fee for non-residents and commuters charged when traveling into the region. The report suggested that 95% of the new revenue would be generated through the basin entry fee. While there was not agreement on this funding approach, the policy reflected thinking at the time.

The Bi-State Consultation on Transportation analyzed additional funding options in 2022 and found the basin entry fee to be infeasible at that time. Instead, the group arrived at consensus to pursue a funding approach modeled after the Lake Tahoe Environmental Improvement Program (EIP), dubbed the “7-7-7” strategy.

Under the “7-7-7” framework, federal, state, and local/private partners would each seek an additional \$7 million per year, for high-priority, regionally significant transportation projects, totaling \$21 million annually. Partners responded to the urgent call to fund the RTP and secured an additional \$23 million for 2024. This milestone exceeds the funding target for the year and arrives two years earlier than anticipated by the 2020 RTP. A sector-based summary of the additional secured funding (funding in excess of the 2020 RTP revenue forecast) is provided in Table 1, and a detailed breakdown is included in Attachment A.

	Federal	State-CA	State-NV	Local/Private	Total
Target	\$7,000,000	\$4,500,000	\$2,500,000	\$7,000,000	\$21,000,000
Secured	\$9,575,000	\$4,065,000	\$3,200,000	\$6,181,000	\$23,021,000
Difference	+\$2,575,000	-\$ 435,000	+\$700,000	-\$819,000	+\$2,021,000

Table 1: Transportation Funding in Excess of RTP Revenue Forecast

If the partnership is successful in securing a similar amount next year, it will put an additional \$46 million on the ground two years earlier than anticipated in the RTP. It would also put the partnership on track to close the \$400M funding gap, four years ahead of schedule.

While the partnership’s success in closing the RTP funding gap for 2024 is impressive, it raises questions about alignment with the goals and policies of the Regional Plan, because the 7-7-7 strategy is not fully aligned with DP-5.4.B.

Staff requests feedback on how the changes in the funding landscape agreed to by the Bi-State Consultation on Transportation should be considered.

At least three options are available:

1. Implement the goals and policies in DP-5.4.B as adopted prior to the funding strategy shift - Find that ongoing regional funding has not been achieved and change the standard of significance to “no-net unmitigated VMT” for development projects.

2. Update the goals and policies in DP-5.4.B to reflect the change in funding strategy - Recognize the change and success of the partnership's approach to closing the funding gap and modify the goals and policies.
3. Amend DP-5.4.B to push the assessment date two years out - Recognize the success of the partnership in exceeding funding targets for this year and delay assessment of DP-5.4.B two years to align with the next Regional Transportation Plan.

Contact Information:

For questions regarding this agenda item, please contact Dan Segan, Chief Science and Policy Advisor, at 775-589-5233, or dsegan@trpa.gov.

To submit a written public comment, email publiccomment@trpa.gov with the appropriate agenda item in the subject line. Written comments received by 4 p.m. the day before a scheduled public meeting will be distributed and posted to the TRPA website before the meeting begins. TRPA does not guarantee written comments received after 4 p.m. the day before a meeting will be distributed and posted in time for the meeting.

Attachments

- A. 7-7-7 Funding Tracking Spreadsheet
- B. Lake Tahoe Bi-State Transportation Letter 2022

Online resources

- C. [Lake Tahoe Transportation Action Plan](#)
- D. [Nevada Resolution \(ACR5\)](#)
- E. [Governing Board Presentation on the Transportation Funding Initiative \(6/22/2022\)](#)
- F. [Lake Tahoe Sustainable Transportation Funding Initiative Revenue Options Briefing Book](#)
- G. [Bi-State Consultation on Transportation Summary Report \(2018\)](#)
- H. [One Tahoe Report](#)

Attachment A
7-7-7 Funding Tracking Spreadsheet

7-7-7 Transportation Funding Tracking Worksheet

(Final FFY 23- as of 9/30/23)

This is a working list of secured new funding and includes funding above and beyond revenue anticipated by the 2020 Regional Transportation Plan. This list will be updated as new funding is secured during the balance of the 2022-23 Federal Fiscal Year.

Federal:

CDS/Earmarks Received:	SR 28/Spooner Mobility Hub	\$2,000,000
	TTD Transit Maintenance Facility	\$2,000,000
	Kahle Drive Complete Streets	\$1,385,000
	TTD Strengthening Mobility and Revolutionizing Transportation (SMART)	\$1,045,000
	Regional Grant Program – IIJA Increased Project funds (STBG, CMAQ, and CRP)	\$ 745,000
	SNPLMA (USFS) – SR 28 Chimney Beach Parking	<u>\$2,400,000</u>
	Total FY23	\$9,575,000

State of CA:

Seeking administrative or legislative fix to recognize Federal population change applied to state programs (145,000 CA + 65,000 NV). Estimated resulting funding \$4,000,000 annually.

Local Partnerships Program (LPP) SB1- Pioneer Trail/US 50 Safety Project	\$3,065,000
CA Tahoe Conservancy – Tahoe Greenbelt (CSLT)	\$1,000,000
Total FY23	\$4,065,000

State of NV:

Legislative support in place:

-ACR 5 NV support of Tahoe Transportation Action Plan and 7-7-7 strategy.

NV Department of Transportation - Spooner Mobility Hub/AIS	\$2,600,000
SB341 – Microtransit Funding to TDVA (\$1.2M over 2 yrs.)	\$ 600,000
Total FY23	\$3,200,000

Local/Private:

TRPA	Microtransit (Lake Link)	\$ 20,000
City of South Lake Tahoe	Microtransit (Lake Link)	\$ 200,000
Placer County	Microtransit+Projects (TART Connect+NTT)	\$2,400,000
El Dorado County	Microtransit (Lake Link)	\$ 200,000
Douglas County	Kahle Complete Streets	\$ 250,000
	Microtransit (Lake Link)	\$ 520,000
Washoe County	Microtransit (TART Connect)	\$ 130,000
	Microtransit (TART Connect) RTC	\$ 290,000
Private Sector	Lake Link Private Consortium	\$ 676,000
	League to Save Lake Tahoe (Micro)	\$ 120,000
	IVCBVB Incline Microtransit	\$ 65,000
	Kahle Complete Streets	\$ 350,000
	Tahoe Fund (SR 28 & Incline Microtransit)	\$ 960,000
	Total FY23	\$6,181,000

	Federal	State-CA	State-NV	Local/Private	Total
Target	\$7,000,000	\$4,500,000	\$2,500,000	\$7,000,000	\$21,000,000
Secured	\$9,575,000	\$4,065,000	\$3,200,000	\$6,181,000	\$23,021,000
Difference	+\$2,575,000	-\$ 435,000	+\$ 700,000	-\$ 819,000	+\$2,021,000

Attachment B
Lake Tahoe Bi-State Transportation Letter 2022

Transportation: A Bi-State Commitment to Improving Lake Tahoe



Lake Tahoe's awe-inspiring environment has attracted visitors from across the globe for generations. Its proximity to major metropolitan areas in Northern California and Nevada make it a popular destination for millions of people getting outdoors into nature. The Tahoe Basin is also a beloved home to tens of thousands of residents and the sacred ancestral lands of the Washoe Tribe of Nevada and California. Today, providing a world class transportation system for residents and visitors is a priority for leaders in California and Nevada. Our states recognize that the health of the lake, local communities, and economy are at risk from outdated transportation infrastructure.

Since 2017, the Director of the Nevada Department of Conservation and Natural Resources and the Secretary of the California Natural Resources Agency have convened a Bi-State Consultation on Transportation for Lake Tahoe. The Bi-State working group brings together public and private sector partners to catalyze needed transportation investment in the Tahoe Region.

The Lake Tahoe Transportation Action Plan is a product of this Bi-State Consultation and reflects the collaboration across local, state, and federal agencies. It prioritizes the most important transportation projects and establishes a funding framework to make these projects a reality.

Transportation investments are being secured through a '7-7-7' funding framework in which each sector of the partnership—local/regional governments and business, state agencies, and federal government— works to allocate additional investments of \$7 million per year. These investments include congressionally designated funds, state supported grant applications, local jurisdiction funding, and private investment from local businesses.

Recent accomplishments include:

- \$2 million in congressionally designated funding for state Route 28 corridor implementation.
- Approximately \$700,000 in new federal annual support for transit operations.
- Nevada passage of Senate Concurrent Resolution 8 (2021) to support transportation solutions at Lake Tahoe.
- California joint funding application with Placer County.
- Public-private partnerships to launch micro-transit service on both the North and South Shores.

We are committed to continuing to build momentum for critical transportation improvements at Lake Tahoe. This shared effort will help us protect and maintain this world-renowned place for residents and visitors alike.

A stylized, handwritten signature in black ink.

Wade Crowfoot, Secretary
California Natural Resources Agency
State of California

A stylized, handwritten signature in black ink.

Jim Lawrence, Acting Director
Nevada Department of Conservation and
Natural Resources
State of Nevada

Attachment C

Lake Tahoe Transportation Action Plan

https://www.trpa.gov/wp-content/uploads/documents/Transportation_ActionPlan_FINAL.pdf

Attachment D

[Nevada Resolution \(ACR5\)](#)

<https://www.leg.state.nv.us/App/NELIS/REL/82nd2023/Bill/10201/Text>

Attachment E

[Governing Board Presentation on the Transportation Funding Initiative \(6/22/2022\)](https://www.trpa.gov/wp-content/uploads/documents/Agenda-Item-No.-VII.A-Transportation-Funding-Initiative-.pdf)

<https://www.trpa.gov/wp-content/uploads/documents/Agenda-Item-No.-VII.A-Transportation-Funding-Initiative-.pdf>

Attachment F

[Lake Tahoe Sustainable Transportation Funding Initiative Revenue Options Briefing Book](#)

https://www.trpa.gov/wp-content/uploads/1TRPA-TTD-Revenue-Options-Briefing-Book_DRAFT-11-30-21.pdf

Attachment G

[Bi-State Consultation on Transportation Summary Report \(2018\)](#)

<https://www.trpa.gov/wp-content/uploads/documents/archive/2/BiStateConsultationOnTransportationFinal-Report-1.17.19.pdf>

Attachment H

[One Tahoe Report](#)

<https://www.trpa.gov/wp-content/uploads/documents/2020-2-7-One-Tahoe-Draft-Final-Project-Report.pdf>