

STAFF REPORT

Date: January 20, 2021

To: Environmental Improvement Program, Transportation and Public Outreach Committee

From: TRPA Staff

Subject: Transportation Sustainable Funding Initiative Briefing

Requested Action: This item is for Informational purposes.

Background: New transportation funding to deliver transportation priorities in the Regional Transportation Plan has been elevated broadly over the last few years. TRPA has worked with the Bi-State Consultation on Transportation, local partners and Tahoe Transportation District to engage in a collaborative approach to developing sustainable funding for transportation priorities. TRPA and TTD staff will cooperatively lead this effort. The process and workplan (Attachment 1) has been developed with diverse input and drive to deliver a consensus funding strategy/proposal to the state legislatures for consideration in September 2021. The aggressive schedule detailed in the attached workplan outlines the technical and policy committees necessary to adequately guide and develop the final proposal.

The Environmental Improvement Program, Transportation and Public Outreach Committee is identified as a central policy committee in the development of a sustainable transportation funding proposal. The EIPTPO Committee will provide guidance to the technical work and work through regional policy issues that have been identified or may come up.

Staff will present the workplan and schedule and seek feedback from the EIPTPO Committee.

Contact: For questions regarding this agenda item, please contact Nick Haven at nhaven@trpa.org or 775.589.5256.

Attachment:

A. Transportation Sustainable Funding – Workplan

Attachment A

Transportation Sustainable Funding - Workplan

Transportation Sustainable Funding - Work Plan

To implement Tahoe's Regional Transportation Plan is a \$2.5 billion program of transportation investments. For decades, Tahoe's transportation system improvements have been funded largely by competitive discretionary grants and limited fixed funds. More recently, grant sources and even fixed funds for transportation are becoming more competitive, less reliable, and are on the decline. This framework recommends a process to build broad, multi-sector support for new transportation funding sources dedicated for Lake Tahoe and aligns advocacy for both new and existing sources. The Tahoe Transportation District's (TTD) 2019 One Tahoe funding study that evaluated a menu of potential new funding sources provides a foundation for further work to align local governments, TTD, TRPA, and the states on new transportation funding strategies, understanding there may be different perspectives and approaches that need to be voiced and agreed upon. The finance plan in the draft 2020 Regional Transportation Plan is the starting point to understand the revenues needed to fill transportation program funding gaps to implement the priorities of the RTP. **The outcome will be a collaboratively developed and widely supported Sustainable Transportation Revenue Proposal by August 2021 to both Nevada and California legislatures as well as the federal government that can accelerate implementation of priority projects and programs of Tahoe's RTP.**

Organizing Framework

Recognizing the complexities and urgency to secure dedicated Tahoe transportation funding, this work plan outlines a collaborative approach to resolving issues and unanswered questions. Each task will be guided by direction from policy review teams and further developed through a technical group to bring recommendations to a Bi-State Regional Policy consensus group for concurrence. Additional work, including development of a state and federal legislative and advocacy strategy, will be vetted before engaging with legislative committees, state administrations, and other officials.

Two strategies will support the final *Sustainable Transportation Revenue Proposal*.

A Revenue Strategy will build consensus on specific new funding sources to pursue, building on the work of the "One Tahoe" funding study, and identify essential policy considerations to be addressed. This work will be supported by a policy level group of executives who can speak for the policy considerations of the represented jurisdiction and seek consensus revenue generation proposals to satisfy the sustainable transportation funding needs for Tahoe.

An Implementation Strategy will refine the RTP finance plan, identifying clearly the specific funding need, and address collaboratively developed proposals for how new funding sources will be fairly collected, administered, allocated, and monitored when received. This work will be supported by a technical work group of transportation managers who understand and can offer consensus solutions to the administrative, logistical, and pragmatic details of administering regional transportation funding sources across projects, programs, and the needs of multiple jurisdictions.

The workplan assumes two levels of engagement to arrive at a final *Sustainable Revenue Proposal*.

Technical: This encompasses the necessary technical work to provide details to support an *Implementation Strategy* and *Revenue Strategy* for consideration by decision makers at the Local, Regional, and State levels.

Policy: This encompasses the necessary policy alignment and concurrence necessary across multiple partners. This is recommended to include a *Policy Consensus* and *Policy Review Teams*

to come to agreement around the final Sustainable Revenue Proposal based on products and recommendations from the technical effort.

Staff Support: TTD and TRPA transportation staff will support, coordinate, and lead the work to compile, produce, facilitate, and organize the work product. If there are supporting consulting or professional services needed, they can be procured either through TTD or TRPA.

See “Policy & Technical Venues” graphic below illustrating relationship between policy and technical groups and representatives.

Tasks

The tasks below lead to a regionally aligned regional revenue strategy and action recommendation that can be advanced to the two state legislatures no later than August 2021. The tasks address cooperative development of recommendations on policy topics and technical products needed to advance an aligned transportation revenue generation strategy for transportation funds dedicated to the Tahoe-Truckee region.

Task 1 –Implementation Strategy

This task builds on the Bi-State Consulting parties’ clear transportation vision and agreed regional priority projects and programs that will be funded by new regional revenues. This product will clearly answer “What will we get for the monies/what will be the benefit to Tahoe?”. This task includes a phasing plan for regional and local priorities that supports funding sources considered in Task 2. This task relies on existing information from various sources, including but not limited to the Bi-State Consultation on Transportation, TRPA Regional Transportation Plan, Local Government CIPs, TTD Plans & One Tahoe, Etc.

Collaboration Venues:

- *Technical Team* (Tahoe Transportation Implementation Committee) – Monthly Meetings
- *Policy Review Teams* (Two Committees of the TRPA and TTD Boards) – Bi-Monthly Meetings

- 1.1 Produce transportation system vision statement and supporting information
- 1.2 Compile comparative project and program priorities that support implementation of the Vision, first showing current funding strategy and second a fully funded strategy.
- 1.3 Identify base funding needed from sustainable revenue in conjunction with other funding sources (Federal, State, and Local)
- 1.4 Document phasing of implementation and address capacity (note: capacity changes with funding), include foundational needs

Product: Implementation Strategy - vision statement and supporting information, project and program priorities to be funded, timing of implementation, identified sustainable funding need, description of overall funding landscape.

Milestone: Concurrence on implementation strategy of *Sustainable Revenue Proposal*

Schedule: Dec – March 2021

Task 2 –Revenue Strategy (Part 1- Evaluation and Selection of Funding Mechanisms to Advance)

This task involves the Technical Team’s evaluation and collaborative review of regional revenue funding options as the basis for a *Sustainable Revenue Proposal* made to the Policy work group. This task will include an evaluation/screening process of funding sources from a collaboratively developed list of mechanisms, including input from industry experts, information from One Tahoe process, both states, local governments, TTD, and TRPA, and should consider existing and proposed mechanisms to collectively fund transportation (e.g., existing sales and gas taxes, dedicated transient occupancy tax, mitigation fees, parking fees). The Technical Team will share its screening/evaluation with the Policy Review and Policy Consensus Teams for direction on a funding strategy and associated legislative activities. This direction from the Policy review will lead to development of details of funding administration (i.e.: equity of collection, regional distribution, project selection, governance and administration of funds, fee setting, etc.) that depend on the funding mechanism selected (Task 3).

Collaboration Venues:

- *Technical Team* (Tahoe Transportation Implementation Committee) – Monthly - January-May
- *Policy Review Teams* (Two Committees of the TRPA and TTD Boards) – January, March, May

Consensus Venue:

- *Policy Consensus Team* (Broad Bi-State Committee) – May 2021

- 2.1 Compile and present information on potential sustainable revenue sources, including consideration of regional, state, and national revenue options and practices, input from partners, public, and industry experts.
- 2.2 Establish screening/evaluation criteria
- 2.3 Conduct screening/evaluation process
- 2.4 Produce and vet recommendations for funding mechanisms and conceptual legislative strategy

Products: Recommended revenue mechanisms proposal with list of revenue mechanisms considered, screening/evaluation criteria, results of screening evaluation process, legislative approach.

Milestone: Consensus on selected revenue mechanisms to advance to further development, and supporting conceptual legislative strategy

Timeframe: January-May 2021

Task 3 –Revenue Strategy (Part 2 -Administrative/Equity Framework)

This task will develop a proposed administrative framework for the recommended sustainable revenue mechanisms identified in Task 2. Questions and ministerial considerations to be answered in a regional revenue administrative framework include, but are not limited to, who collects and administers funding, project selection, regional equity (e.g., return to source) for full system implementation, connection to existing local, state and TRPA (MPO activities – RTP & FTIP), consideration of adjacent communities to the Basin (the Resort Triangle area, Minden/Gardnerville, Carson City, Etc.), expenditure oversight, implementation tracking, accountability, etc. The regional revenue funding options and related policy choices (e.g., pricing structures, social equity, local/commuter/visitor components, etc.) will be addressed under Task 2 and 3 above and may depend on revenue sources recommended.

Collaboration Venues:

- *Technical Team* (Tahoe Transportation Implementation Committee) – May, June, & July
- ENVIRONMENTAL IMPROVEMENT,
TRANSPORTATION & PUBLIC OUTREACH
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- *Policy Review Teams* (Two Committees of the TRPA and TTD Boards) – June

- 3.1 Perform additional economic or survey analysis of proposed regional funding mechanisms to assess any potential negative impact to business and social concerns, and to inform any further recommendations for revenue generation (*This task is budget dependent).
- 3.2 Develop *administrative framework* to address administrative processes for the establishment, collection, use, and tracking of regional revenue, including public dissemination and accountability, regional and system equity, connection to local, state and TRPA programming and funding through the RTP and FTIP, consideration of adjacent communities to the Basin (the Resort Triangle area, Minden/Gardnerville, Carson City, Etc.), oversight, tracking and reporting, etc.

Products: Administrative Principles, Administrative Framework, Pricing Analysis, economic study (budget dependent), and polling if possible (budget dependent - statewide polls with Tahoe local jurisdiction overlays cost at least \$70k).

Milestone: Administrative Framework

Timeframe: May-June-July 2021

Task 4 – Sustainable Revenue Proposal – (Vetting and Concurrence)

This task involves the final packaging of the Sustainable Revenue Proposal that addresses policy considerations and the implementation and fiscal components from Task 1-3. This task also includes a vetting process among the *Policy Review and Consensus Teams* and broader stakeholders and the public on the Sustainable Revenue Proposal using the products and information from the Implementation Strategy and Revenue Strategy in Tasks 1-2 and the guidance and additional details from Task 3. This task will include a formal consensus process to provide broad vetting and formal concurrence among State DOTs, local governments, TTD, TRPA, Local Governments and the Private Sector to move into preparation for the legislation campaign (Task 5).

Collaboration Venues:

- *Policy Review Teams* (Two Ad-Hoc Committees of the TRPA and TTD Boards) – July & August 2021

Consensus Venue:

- *Policy Consensus Team* (Broad Bi-State Committee) – August 2021

- 4.1 Prepare Sustainable Revenue Proposal based on content and milestones in Tasks 1-3.
- 4.2 Conduct vetting and arrive at concurrence among Policy Review and Consensus Teams
- 4.3 Circulate proposal and conduct additional outreach (Public workshop(s), TRPA, TTD, Local Governments, Transportation Management Associations, Chambers of Commerce, other local business associations)

Considerations: Full package with results from Tasks 0-2 that can be used for broad communication campaign and as the underlying basis for legislation that can be formally proposed (See Task 5).

Products: Sustainable Revenue Proposal, Prepare materials for legislative process in CA & NV

Milestone: Consensus/Concurrence Statement from Policy Consensus Team for annual Tahoe Summit

Timeframe: July-August 2021

Task 5 – Outreach/Legislative Strategy

There are two parts to this task. The first is a regional outreach strategy. The second is focused on the legislative campaign needed in the state capitols and, if needed, Washington, DC. If budget allows a professional services firm can assist with regional outreach. The legislative work will require professional services in both states and at the federal level and can be assisted by coordination with other legislative advocates of Tahoe sector partners. This ongoing task will run concurrently with Tasks 1-4. Initial activities will focus on local and regional stakeholder outreach. Campaign activities will develop the outreach and legislative strategy for the Sustainable Revenue Proposal and assist in drafting legislative language and coordinating materials for educating legislative committees, staff, and legislatures in both states. This task will also evaluate and coordinate federal legislative priorities for reauthorization of the federal transportation bill in support of Tahoe. The implementation of the Outreach and Legislative Strategy will continue over the course of calendar year 2021 and 2022 to advance comprehensive funding.

Collaboration Venues:

- *Policy Review Teams* (Two Ad-Hoc Committees of the TRPA and TTD Boards) –March, May, July,

5.1 Provide guidance on California and Nevada state legislative considerations during the development of the Implementation and Revenue Strategy identified in Tasks 1-2.

5.2 Coordinate public outreach and input during the development of the Sustainable Revenue Proposal

5.3 Develop Legislative Strategy directly supporting the consensus on selected revenue mechanisms established from Task 2.

5.3 Prepare needed information for bill drafts for both California and Nevada Legislatures to consider. Seek common messaging and coordinated legislative work through partner representation in the state capitols. This will include follow-up work with legislative staff, coordinated presentations and communications, and meeting with/testifying to legislative committees.

5.4 Prepare federal legislative agenda of desired outcomes and requests, including but not limited to the FAST Act or federal transportation act reauthorization bill.

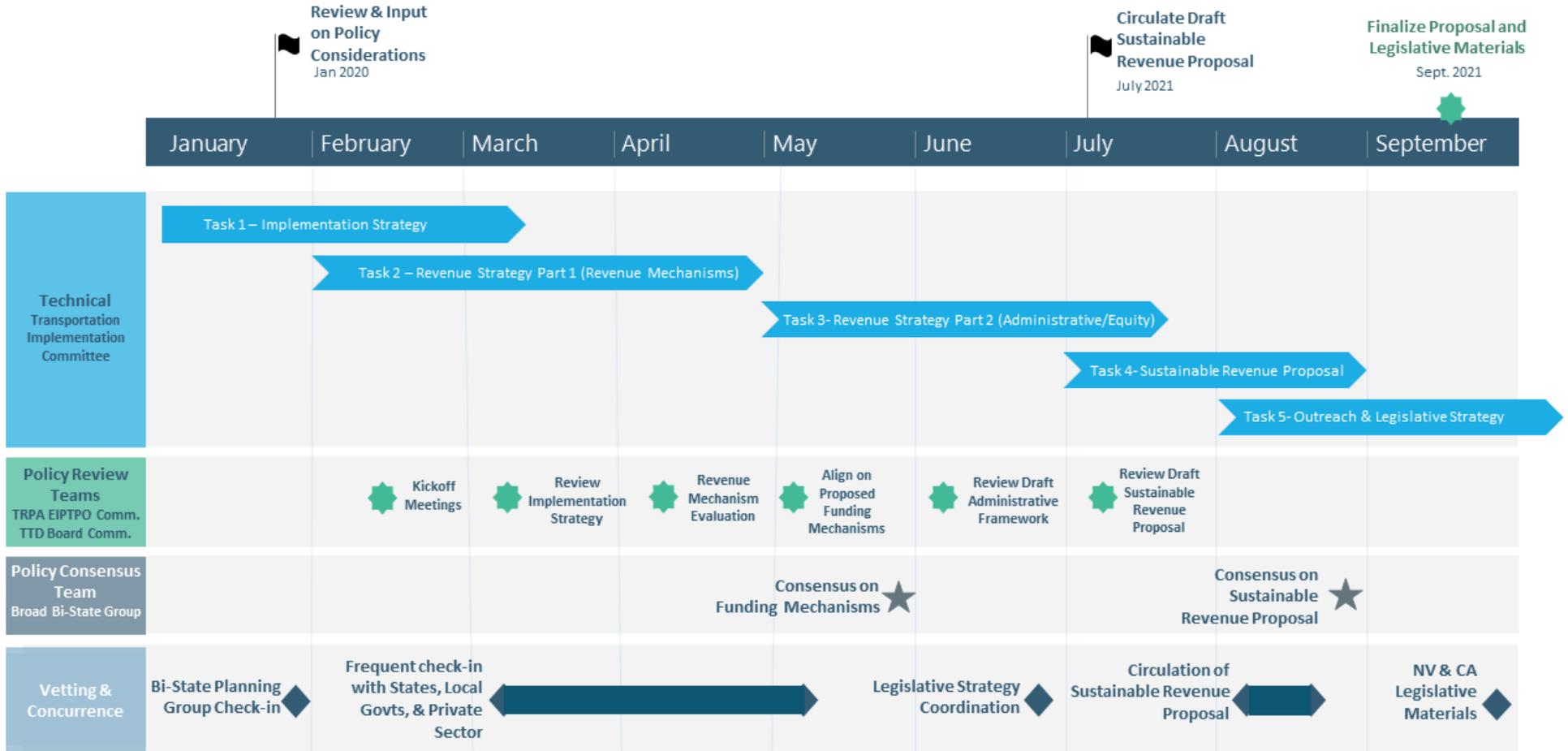
Products: 1) Regional stakeholder outreach state legislative alignment, Federal legislative alignment, Lake Tahoe Summit coordination; 2) Federal legislative agenda, education materials and draft legislative language; 3) State legislative agenda, frequent coordination with state representatives, education materials and draft legislative language.

Milestones: Outreach and Legislative Strategy to support selected funding mechanisms

Timeframe: 1) August 2021; 2) Through 2021; 3) Through 2023

Work Plan Timeline

Lake Tahoe Transportation Sustainable Revenue



Policy

Policy Consensus Team

Broad Bi-State Committee

- NV Dept. of Conservation and Natural Resources (Director Crowell)
- Nevada Dept. of Transportation (Director Swallow)
- CA Natural Resources Agency (Secretary Crowfoot)
- CA State Transportation Agency (Secretary Kim)
- Caltrans (Director or D3 Director)
- Tahoe Regional Planning Agency (Executive Director & Chair)
- Tahoe Transportation District (District Manager & Chair)
- El Dorado County (Elected Official & Executive Officer)
- Placer County (Elected Official & Executive Officer)
- City of South Lake Tahoe (Elected Official & Executive Officer)
- Washoe County (Elected Official & Executive Officer)
- Douglas County (Elected Official & Executive Officer)
- Carson City (Elected Official & Executive Officer)
- Chambers of Commerce (No.&So.) (Executive Officer)
- League to Save Lake Tahoe (Executive Officer)
- Visitors Authorities & So. Tahoe Alliance of Resorts

Policy Review Teams

TRPA Governing Board EIPTPO Committee

(EIPTPO Committee Members w/ additional guests)

TTD Board of Directors Committee

(TTD Chair, TTD Carson Rep, Washoe Rep, SS/TMA Rep, TNT-TMA Rep, TTD NV Governor rep, TTD Caltrans Rep, NDOT Caltrans Rep)

Technical

Transportation Implementation Committee

- Tahoe Regional Planning Agency
- Tahoe Transportation District
- Nevada Department of Transportation
- Caltrans
- El Dorado County
- Placer County
- City of South Lake Tahoe
- Washoe County
- Douglas County
- Carson City
- SS/TMA & TNT/TMA
- IVGID
- NTPUD