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PASSED BY



CALIFORNIA TRANSPORTATION COMMISSION
AMENDMENT TO RESOLUTION #G-90-23
PROPOSITION 116 RAIL PROGRAM GUIDELINES
RESOLUTION #G-91-19

Policy 11a. Transit Integration Plan

All applicants for funding for rail transit extensions shall prepare and submit with the application for funding a Transit Integration Plan. That plan shall integrate bus service with the rail line so as to avoid duplicative and competing bus service. Further, the plan shall address the rail transit extension's anticipated farebox recovery ratio.

Upon receipt of each Transit Integration Plan, the Commission shall submit that plan to the Commission's Peer Review Committee to evaluate the plan for its adequacy. The Peer Review Committee shall transmit recommendations on the plan to the Commission and to the applicant. The applicant shall cause the Committee's recommendations to be implemented or indicate why the recommendations are not being implemented. The Commission shall review the adequacy of the plan before approving the rail transit extension.

For applications submitted to and acted upon by the Commission prior to amending the Guidelines to require the inclusion of Transit Integration Plans, the plan may be submitted by the applicants and considered by the Peer Review Committee and the Commission at a later date, but must be reviewed for adequacy prior to the actual release of funds.

Policy 11b. Commitment by the Applicant to a Transit Integration Plan Process

The Commission also recognizes the difficulty faced by project applicants in providing a completed plan prior to release of Proposition 116 funds. With prior approval from the Commission, the applicant can commit to a process to develop a Transit Integration Plan and receive Proposition 116 funds. The applicant shall submit:

- o A resolution adopted by the applicant committing to a process to develop a Transit Integration Plan that will be submitted by the applicant by a specified date to be negotiated with the Commission. The resolution shall include the signatures of the regional agencies involved in the implementation of the plan and the transit operators.
- o A process and work plan developed in coordination with transit operators to develop the required Transit Integration Plan. The work plan should include a specific timeline for each milestone, which includes such activities as when preliminary rail line schedules will be provided to bus operators, when the public hearings and comment period will take place, and when the new integrated rail and bus lines will take effect. The preliminary rail line schedule should include the number of trains, departure times at each station, and the average speed and distance between stations, etc., for the entire rail line.
- o Quarterly reports shall be given to the Commission on the plan's progress until it is completed and its adequacy is approved by the Commission.

A.2 RAIL GUIDELINES

POLICIES FOR THE
CLEAN AIR AND TRANSPORTATION IMPROVEMENT ACT
RAIL GUIDELINES
Resolution No. G-90-23



GENERAL POLICIES

1. The Commission, as the designated policy body in the Clean Air and Transportation Improvement Act (CATIA) of 1990, will implement the CATIA in a timely, cost effective, and efficient manner.
2. The Commission shall, to the extent feasible, integrate the CATIA process with the State Transportation Improvement Program (STIP) and Transit Capital Improvement (TCI) Program process to minimize multiple application cycles and duplicate applications, while not delaying any CATIA projects proposed for funding.
3. The Commission will award grants as specified in the CATIA and ensure that the CATIA is implemented over the term of the Act from 1990 to 2010.
4. The Commission prefers to implement this grant program so as to assure that use of CATIA funds will lead to rail transit services no later than the year 2000.
5. The Commission will seek to maximize the use of funds in the CATIA and other funding sources to provide transit/rail services.
6. The Commission will only accept grant applications for rail projects as defined or identified in the CATIA (see policy 43).
7. The Commission shall require that all rail equipment and facilities be fully accessible to older persons, persons with disabilities including wheelchair users, and be reasonably accessible to bicycles.
8. The Commission intends that if CATIA bond issues are not sold as anticipated, the amount available to each grant applicant during that time period will be reduced proportionately for that bond issue as allowed by CATIA Section 99604.
9. The Commission shall not permit Passenger Rail and Clean Air Bond Act funds, based on state law (SB 2592, Kopp), or other state funds to be matched with CATIA funds.
10. The Commission will require that the CATIA Rail Right-of-Way projects shall be reviewed under the Commission's Rail Right-of-Way Review Policy (#G-90-17, see attachment) as clarified by the Commission's STIP Adoption Resolution (#G-90-18) to include all rail rights-of-way in California.
11. The Commission shall require the grant applicants and the implementing agencies to demonstrate that the projects do not duplicate existing service, are coordinated with other transit services, and result in

transit service which will generate a sufficient farebox recovery ratio (see policy 32).

12. The Commission shall request that local and regional agencies suggest substitute projects in order to replace the original CATIA project, if:
 - a. Funds remain unencumbered, or if the project proves infeasible or is uncompleted by the year 2000; the Commission intends to make project and funding recommendations to the Legislature for substitute projects in the original jurisdiction(s) or areas designated in the CATIA.
 - b. Funds remain unencumbered, or if the project proves infeasible or is uncompleted by the year 2010; the Commission intends to make project and funding recommendations to the Legislature on substitute statewide CATIA projects.
13. The Commission shall review annually, and as necessary, amend the CATIA policy guidelines, application guidelines, and financial guidelines to ensure that the program reflects the current statutes, as well as Commission policies and programs.

PROGRAM POLICIES

14. All grant applicants shall be encouraged to coordinate and work closely with the Commission (through its staff) and affected agencies during the early preparation stage of the grant application prior to submittal. Advance review by the Commission and the affected agencies is intended to assure timely review of the grant application submittal. Grant applications shall be submitted in conformance with the following:
 - a. A total project application which provides an overview of the project and the transit service it will provide. The total project application shall include a financial plan, an operating plan, and a cash flow expenditure plan over the life of the project.
 - b. An annual request for funds shall be submitted for the proposed project which describes the current financial plan, an operating plan, and cash flow expenditure plan for that year.
 - c. Grant applicants may submit concurrently the total project application and the annual request for funds.
 - d. If the grant applicant is not the intended operating agency for the rail transit service, then the grant applicant must specify the agency and submit assurances from that agency that it will operate and maintain the project once it is completed (see policy 37).
 - e. The grant applicant shall submit the railroad corporation's consent to operate on and use the rail line and facilities for rail transit services.

15. Total project applications and annual requests for funds shall be submitted by the grant applicant to the Commission, as well as the Department of Transportation, transportation planning agencies, transportation commissions, affected transit districts, and affected cities, counties and agencies for review and comment.
 - a. The grant applicant shall respond to the comments as a part of its total project application and annual request for funds and submit its responses to the commenting agency and to the Commission.
 - b. Where multiple funding sources are involved and approval must be given by the appropriate Regional Transportation Planning Agency (RTPA) on the non-CATIA funds, then the RTPA shall within two months of the receipt of the total project and annual request for funds indicate approval or disapproval on that portion of the non-CATIA funding package and submit its response to the Commission. This policy does not relieve the grant applicant from complying with other State statutes that mandate project review and approval.
16. The Commission shall accept applications on a continuous basis during the first application process, but because the CATIA program requires bond issues, the Commission prefers that grant applicants submit the total project applications and annual request for funds on a annual calendar cycle which will provide a better portrait of the bonding needed during that calendar cycle.
17. Where multiple jurisdictions are involved, the appropriate RTPA shall within two months of the receipt of the total project and annual request for funds, assemble comments and responses and submit them to the Commission for consideration and action on the total project application and the annual request for funds.
18. Subject to its approval, the Commission will allow any public agency identified in the CATIA or in the application guidelines as an eligible applicant, to transfer its applicant status to another public agency that accepts the rights and responsibility to implement and deliver the project (CATIA Section 99654).
19. The Commission shall amend all approved CATIA projects by resolution on an ongoing basis into the current State Transportation Improvement Program.
20. The Commission requests that approved grant allocations and annual requests for funds made by the Commission for CATIA projects, excluding the Department's intercity rail projects, be amended into the appropriate Regional Transportation Improvement Program (RTIP).
21. In those instances where multiple rail services occur in a common corridor, the Commission shall require that all the operating agencies coordinate and share the rail rights-of-way and the common maintenance services and station facilities used for intercity and commuter rail. Intercity and commuter rail services shall be coordinated with each

other and with freight traffic to provide integrated rail passenger and freight services that do not conflict.

FINANCIAL/FUNDING POLICIES

22. The Commission intends to adopt the financial guidelines for the transfer and expenditure of funds that are consistent to Section 164.4 of the Streets and Highways Code.
23. The Commission intends to allocate CATIA funds in a manner that minimizes the state debt service on the bond issues.
 - a. The Commission will allocate funds only on an as needed reimbursement basis. The Commission's approval of a total project application or annual request for funding will delineate the state's share of the total project cost and for the grant applicant's purpose shall also serve as a verification letter of the state's funding commitment.
24. The Commission will use its Five-Point Strategy for Program Delivery Reform (#G-90-21), Cost Monitoring Policy (#G-90-11), and Timely Use of Funds Policy (#G-88-6) to ensure that the grant applicant shall provide a rail transit project and services in a timely and cost efficient manner. If the project is delayed, the grant applicant shall describe the causes of the cost increases, and detail measures to fund the increases, and cost control measures on future project costs (see attachments).
25. CATIA funds are not subject to the South/North split and county minimums except where applicable under Sections 188.0 and 188.8 of the Streets and Highways Code.
26. CATIA funds may be used to enhance a completed project if a cost savings exists pursuant to the Commission's Cost Saving Policy (#G-90-9, see attachment).
27. The Commission shall require that the grant applicants/operating agencies demonstrate they have the financial capacity to construct, maintain, and operate the project for transit services, as well as the financial and institutional ability to accept the legal liabilities and obligations.
28. Project cost shall be based on the first total project application and annual request for funds submitted and approved by the Commission.
29. If projects exceed the cost proposed by the grant applicant, then the grant applicant shall cover the cost increases with local, federal and private funds.
30. The Commission shall require that total project applications be updated on an annual cycle to reflect the current status of the project.

31. CATIA funds shall be expended with federal, local, private and other funding sources during the implementation of the project. The intent of the Commission is to allocate funds throughout all the project elements to ensure that reasonable progress and project implementation occurs.

PROJECT POLICIES

32. The Commission shall require that transit services be cost effective and at a minimum that the service match the statutory requirements established for the farebox recovery ratio of 40% for commuter rail and 55% for intercity rail for existing operations or within a three year time period from the start of operations for new services (e.g., Sections 14031.8 and 14031.9 of the Government Code). Farebox ratios shall be calculated consistent with current statutes.

- a. The farebox recovery ratio for urban rail varies; a reasonable recovery ratio (CATIA Section 99663 (c)) shall be recommended to the Commission by the peer review group (CATIA Section 99669), which reviews rail transit extensions and its integration with bus service (see policy 11). The peer review group shall recommend a farebox recovery ratio either following or based upon current statutes (Transportation Development Act).

33. In the event a rail right-of-way project does not result in rail transit service by the year 2000 and the property is no longer needed, the Commission shall require that a liquidation plan be prepared by the grant recipient by January 31, 2000 for approval by the Commission to dispose of the property.

- a. The liquidation plan shall describe all the options available for the disposition of the property including whether or not the property should be retained in the public domain, whether there are hazardous and toxic waste problems and how they will be addressed if the property is sold, the property's estimated value, and if title to the property is clear.
- b. The Commission may consider requesting the Department to assume ownership of the right-of-way project to complete it and implement rail transit service.
- c. The Commission may consider another implementing agency assuming ownership of the right-of-way project to complete it and implement rail transit service.
- d. If the property is sold, the Commission shall have the first "lien" on the funds received from the sale of the property to reimburse the state's bond debt service costs, the state's portion of the original total project cost, and if the sale of the property exceeds the original total project cost, then the state shall receive a proportionate basis of the state's total costs (i.e., debt service costs and state portion of the original total project cost) to the project's total cost.

intent was to liquidate unused rail lines purchased with Prop 116 funds if not executed within 10 years.

34. The Commission will allow up to 5% of the grant allocation for pre-construction work such as preliminary engineering and environmental work, but not feasibility or planning studies.
35. The Commission shall require all intercity and commuter rail cars purchased with CATIA funds to conform with the California Rail car specifications developed by the Department as specified in the CATIA.

ELIGIBILITY POLICIES

36. The Commission shall accept applications from the eligible applicants listed in the CATIA providing they are a legally constituted public agency.
37. The grant applicant designated in the CATIA shall submit a joint application with the operating agency (see policy 14d).
38. The Commission will fund and allocate monies only for those activities which it considers to be eligible based upon the activities defined in the Act and the application guidelines.

JUSTIFICATION POLICY

39. A grant applicant may request the Commission, during its total project application and annual request for funds, to waive a specific policy or policies in the policy guidelines. The grant applicant shall justify the waiver by responding in full to comments and requests for data and information from the Commission, the Department of Transportation, transportation planning agencies, transportation commissions, affected transit districts, and affected cities, counties and agencies.

The affected agencies shall submit their comments to the appropriate RTPA to assemble the comments and responses for submittal to the Commission for consideration and action (see policies 15 and 17). The Commission will consider the applicant's justification request, comments submitted by affected agencies via the RTPA and other information received from interested parties. The Commission will make a formal finding by resolution, to either deny or grant a partial waiver or waive the policy or policies in the policy guidelines for that cycles' total project application and annual request for funds. Future submittals of total project application and annual request for funds are not exempt from the Commission's policies without a resubmittal of a justification waiver request and approval of this resubmittal by the Commission.

DEFINITIONS:

40. Intercity rail (CATIA Section 99602 (h)), means passenger rail service between urban areas of the state.
 - a. An expanded definition of intercity rail (Section 502 of Title 45 of the United States Code) shall also apply. Intercity rail means

that form of passenger transportation operated by common carriers and uses fixed guideway technology where the service is characterized by inter-regional passenger travel oriented towards non-commute hours, provision for personal carry-on baggage, and possible use of specialized cars for food service, sleeping accommodations, checked baggage, and mail and package express.

41. Commuter rail service (CATIA Section 99602 (c)) (which is based upon paragraph (9) of subsection (a) of Section 502 of Title 45 of the United States Code) means that form of passenger transportation which uses fixed guideway technology, is characterized by medium distance home-to-work passenger travel, multiple ride ticketing, recurring peak-hour travel, and uses chair cars with high-density seating.
42. Urban rail service is defined as a rail mass transportation operation usually within an urban area, generally characterized by more frequent service over shorter distances than normally provided by commuter rail service, or intercity rail service and operating on a rail line without any or with very limited rail freight service (CATIA Section 99602 (k)).
43. Rail project means (CATIA Section 99602 (j)) a commuter passenger rail service project, an intercity passenger rail project, or a rail transit project, and includes exclusive public mass transit guideway projects and the Alameda-San Pedro branch rail line grade separation projects. Where studies are designated in the CATIA, they will be considered to be a rail project.

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