

**Existing Capital Programming Policies by Fund Source
February 2019**

Funding Source/Agency	State and Federal Programming Policies
All State and Federal Fund Sources	First priority of all funding sources is to fulfill commitments to the latest Next 10 Delivery Plan, specifically Measure M2 (M2) projects and to maintain existing the Orange County Transportation Authority's (OCTA) assets in a state of good repair. Consideration will also be given to use state and federal funds for projects that are complementary to M2 projects and that share the program goals to reduce congestion, strengthen the economy, and improve the quality of life. All fund sources must be programmed through formal programming actions.
State	
Active Transportation Program – Southern California Association of Governments (SCAG) Regional Selection (Formula)/California Transportation Commission (CTC)/SCAG	Bicycle and pedestrian projects up to a ten percent set-aside and contingent on ready-to-go projects as submitted through competitive calls.
Cap-and-Trade (Competitive) – Affordable Housing and Sustainable Communities Program (AHSC)/Strategic Growth Council	Use AHSC for fixed-guideway and transit corridor projects that serve disadvantaged communities and reduce greenhouse gas (GHG) emissions. *Note – In the guidelines, a transit project must be paired with an affordable housing project for Transit-Oriented Development Program funds.
Cap-and-Trade (Formula) – Low Carbon Transit Operations Program (LCTOP)/California Department of Transportation (Caltrans)	Use LCTOP for transit operations or capital for expansion of bus transit service, fare reduction programs, and other bus and commuter rail transit efforts that increase ridership and reduce GHG emissions, where 50 percent of the funds provide benefits for passengers in disadvantaged communities. Funds generated from commuter rail service in Orange County may be used in Orange County for the expansion of commuter rail service, fare reduction programs for commuter rail, and other eligible commuter rail efforts that increase ridership and reduce GHG emissions.
Cap-and-Trade (Competitive) – Transit and Intercity Rail Capital Program (TIRCP)/California State Transportation Agency	Use TIRCP for capital projects that expand bus and rail service to increase ridership and for projects that improve the integration between bus and rail systems. Projects must also reduce GHG emissions.
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Proposition 1A/CTC	All funds are programmed.
Proposition 1B – Competitive Programs Funding/CTC	Maximize the Orange County allocations consistent with each program and ensure the receipt of allocated funds.
Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA)/ Caltrans	Use PTMISEA funds for commuter rail improvements and to fund existing State Transportation Improvement Program (STIP) - Public Transit Administration projects (approximately \$60 million) currently programmed in the 2010 STIP and for eligible OC Bridges projects.

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Proposition 1B – Transit System Safety, Security and Disaster Response Account (TSSSDRA)/California Governor’s Office of Emergency Services	Use TSSSDRA to support capital projects that enhance the safety, security, and emergency response capabilities of transit.
Proposition 116 (CTC)	Use cost savings for commuter or intercity rail capital improvement projects along the Metrolink corridor (between the cities of Buena Park and San Clemente) that are funded with Measure M1 and M2 funds on a first-come, first-served basis.
SB 1 (Chapter 5, Statutes 2017) - Local Partnership Program (LPP) – Formula/CTC	Use LPP for ready-to-deliver M2 projects which are compatible with state goals and seek to balance funds between freeways, streets and roads, transit capital and eligible environmental clean-up and based on the timing for the request for project nominations.
SB 1 - State of Good Repair (SGR)/Caltrans	Use funds for bus transit capital projects and for maintenance, rehabilitation, and replacement of existing OCTA transit assets
SB 1 - Trade Corridors Enhancement Program (TCEP)/CTC	Use TCEP first for eligible M2 Program projects that meet the requirements and goals of the program, then fund other eligible Orange County projects
STIP/CTC	Use of STIP funds for M2 freeway, commuter rail, fixed-guideway projects, planning/programming and complementary activities, which seek an equitable balance between freeways and transit capital and are consistent with state goals.