



**September 2, 2021**

**To:** Regional Planning and Highways Committee  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** 2022 State Transportation Improvement Program

**Overview**

Every two years, the Orange County Transportation Authority develops a program of projects for funding through the State Transportation Improvement Program. Project recommendations are presented for Board of Directors' consideration and approval. These recommendations are consistent with the Board of Directors' programming policies.

**Recommendations**

- A. Approve the 2022 State Transportation Improvement Program submittal to program \$164.647 million to seven projects, from fiscal year 2022-23 through fiscal year 2026-27.
- B. Authorize the use of \$11.396 million in Measure M2 funds for the Interstate 5 Improvement Project from Interstate 405 to Yale Avenue (Segment 1).
- C. Consistent with construction phase estimates for the Transit Security and Operations Center, authorize the use of \$27.234 million from the following fund sources:
  - \$19.650 million in Local Partnership Program Formula funds,
  - \$3.924 million in additional State of Good Repair, and
  - \$3.660 million Coronavirus Response and Relief Supplemental Appropriations Act, 2021.
- D. Authorize staff to make all necessary amendments to the State Transportation Improvement Program and the Federal Transportation Improvement Program and execute any necessary agreements to facilitate the recommendations above.

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***Background***

The State Transportation Improvement Program (STIP) is a major source of funding for transportation improvements throughout California. Every two years, state and federal transportation revenues are forecasted and programmed for the subsequent five-year period.

A fund estimate (FE) is developed each STIP cycle to determine funding shares for each county. For the 2022 STIP, Orange County's new capacity would be \$34.977 million, including \$10.382 million of 2021 mid-cycle STIP funding derived from federal Coronavirus Response and Relief Supplemental Appropriations Act funds. A report on funding was presented to the Board of Directors on June 14, 2021. On August 23, 2021, the Board received the 2022 STIP overview as an information item that provided more detail regarding the funding share for Orange County.

The Orange County Transportation Authority (OCTA) is responsible for developing and programming of the STIP for Orange County, which is submitted to the California Transportation Commission (CTC) for approval and adoption. Consistent with the Board adoption of the Capital Programming Policies on February 11, 2019, OCTA dedicates STIP funds for Measure M2 (M2) freeway, commuter rail, fixed-guideway projects, planning/programming and complementary activities, and seek an equitable balance between freeways and transit capital and are consistent with state goals.

***Discussion***

The overall strategy for programming the 2022 STIP is to maintain funding for existing projects and implement a multimodal STIP. For the 2022 STIP, several projects were considered, including active transportation projects, transit station improvements, and additional M2 freeway projects. The recommended projects are a high priority for OCTA, fit within the guidelines of the STIP, and serve as a balanced and multimodal approach to meet the transportation needs of Orange County. A map of the 2022 STIP projects is provided as Attachment A.

The OCTA 2022 STIP proposal totals \$164.647 million. Of this amount, the 2022 STIP will make approximately \$153.774 million available over the five-year period that ends in fiscal year (FY) 2026-27. Per the STIP FE and Guidelines, the CTC may approve and program STIP funding above the targets up to the STIP maximum. OCTA is proposing to request \$10.873 million over the STIP target, which results in the total STIP request of \$164.647 million. If approved, the \$10.873 million will be advanced from the 2024 STIP cycle, reducing new capacity funding that might otherwise be available in the 2024 FE.

A significant portion of this funding is committed to existing projects. The difference between what is committed and what is available is considered the

“new capacity”. This new capacity combined with the deferred 2021 mid-cycle STIP funding provides OCTA with approximately \$34.977 million available to program to new projects. There are also two projects within the committed STIP projects that have been alternatively funded. The environmental phase for the Interstate 5 (I-5) Managed Lane from Avenida Pico to San Diego County Line (\$5.5 million) and the plans, specifications, and estimates (PS&E) phase for State Route 74 (SR-74) Ortega Highway Multimodal Improvements – Calle Entradero to city/county line (\$8.54 million), were advanced using other funds, which provide approximately \$14.04 million in additional programming capacity. The \$8.54 million for the SR-74 Ortega Highway Multimodal Project is proposed in the 2022 STIP to be redirected to the right-of-way (ROW) phase.

OCTA staff is recommending the 2022 STIP as presented in the table and discussed in further detail below:

STIP Projects (\$000)	2020 STIP	2022 STIP
<b>Carry Over Projects</b>		
I-5 Improvements from I-405 to Yale Avenue (Segment 1) (CON)	\$95,338	\$95,338
I-5 Improvements from SR-73 to El Toro Road (replacement planting/landscaping)	\$6,000	\$6,000
Planning, Programming, and Monitoring	\$3,419	\$6,327
SR-74 Ortega Highway Multimodal Improvements – Calle Entradero to City/County Line	\$8,540	\$37,600
<b>Funded with M2 and Other Federal Funding</b>		
I-5 Managed Lane from Avenida Pico to San Diego County Line (ENV)*	\$5,500	\$0
<b>Proposed New Projects</b>		
Transit Security and Operations Center (TSOC) (CON)	\$0	\$10,382
SR-57 Truck Climbing Lane Phase II – Lambert Road to County Line (ENV)	\$0	\$6,500
Digital Bus Stop Signs	\$0	\$2,500
<b>Total</b>	<b>\$118,797</b>	<b>\$164,647</b>

CON – Construction

ENV - Environmental

I-405 - Interstate 405

SR-57 – State Route 57

SR-73 - State Route 73

\*I-5 Managed Lanes Project from Avenida Pico to San Diego County Line was alternatively funded using Federal Surface Transportation Block Grant Program funds.

The I-5 improvements from I-405 to Yale Avenue (Segment 1), which will add one lane in each direction and the replacement planting/landscaping for I-5 improvements from SR-73 to El Toro Road are projects B and C in the Next 10 Delivery Plan, and continue to be important projects to OCTA, and staff is proposing that they remain in the STIP. Further, the STIP funds were assumed

as part of the most recent Next 10 Delivery Plan. Additionally, for the I-5 improvements from I-405 to Yale Avenue (Segment 1), staff is seeking approval for an additional \$11.396 million in M2 freeway funds, which will replace SB 1 (Chapter 5, Statutes of 2017) Local Partnership Program Formula (LPP-F) funds in the ROW phase. The LPP-F funding is programmed to the project and needs to be used no later than FY 2022-23, but the ROW phase is planned to start in FY 2023-24. Therefore, the LPP-F funds are proposed to be used for the TSOC project, which is scheduled to start construction in FY 2022-23. Additional information is included in Attachment B, which provides a brief description of each project and details of the proposed funding changes.

The SR-74 Ortega Highway Multimodal Improvement Project is a carryover project which is proposed to receive additional STIP funds. The PS&E phase was alternately funding utilizing a combination of Measure M2 Regional Capacity Program, local jurisdiction and mid-cycle STIP funds as approved by the Board on May 11, 2020 and June 14, 2021. The STIP funding previously programmed to PS&E is proposed to be directed into the ROW phase. Additional funding is proposed for the ROW and CON phase. This project will alleviate a chokepoint and complete a gap in the arterial system for one of the more critical transportation links in southern Orange County and is a project of interregional importance. This project will widen SR-74/Ortega Highway from two to four lanes by adding one lane and one bike lane in each direction, a new north-side sidewalk and reconstruction of the south-side sidewalk. It is considered a gap closure project with multimodal components and is one of three key projects that have been identified along with Los Patrones Extension and the I-5 Improvement Project from the San Diego/Orange County border to Avenida Pico that will relieve congestion in south Orange County.

TSOC is an important project that will replace the existing Garden Grove Annex. The Garden Grove Annex serves as OCTA's operations center for its transit and emergency security functions. This facility is at capacity and does not meet the continuous operation standard, which is required of essential facilities in California. The proposed TSOC facility will house critical OC Bus and related safety services, as well as communication and dispatch equipment. In addition to STIP funding, staff is seeking approval for \$19.650 million in LPP-F, which is partially redirected from the ROW phase from the I-5 Improvement Project from I-405 to Yale Avenue due to timely-use of fund requirements discussed above. In addition, staff is requesting Board approval for use of \$3.924 million in future FY 2022-23 State of Good Repair (SGR) and \$3.660 million Coronavirus Response and Relief Supplemental Appropriations Act of 2021. The Board previously approved the use of FY 2020-21 and FY 2021-22 SGR funds of \$8.428 million for the project. Based on current estimates, these funds will support the \$46.044 million need for the construction phase of TSOC. The overall project cost estimate is \$56.436 million including prior expenditures for environmental and ROW acquisition. Use of these funds for this project is

consistent with the Board-approved Capital Programming Policies. Additional information is included in Attachment B regarding these funds.

The SR-57 Truck Climbing Lane Phase II is part of Project G of the Next 10 Delivery Plan and will complement the SR-57 Lambert Road Interchange Project currently under construction. This project will construct a truck climbing lane on the SR-57 from the Lambert Road undercrossing to just north of the Orange County/Los Angeles County line. Funding for the environmental phase will position the project for SB 1 (Chapter 5, Statutes of 2017) Trade Corridor Enhancement Program (TCEP) for capital phases in the future. Staff will return to the Board with funding recommendations for further project development phases at a later date.

Finally, staff is proposing funding to acquire and deploy up to 143 digital bus stops to simplify use of public transit service. The project will propose to install real-time bus system information displays along major OC Bus routes 29, 43, 57, 60, 64, 66, 529, 543, and 560. The digital bus stop signs will provide real-time bus arrival information, advisory information as well as other related travel information, and lower one of the barriers to riding the bus thus making the service more accessible.

Attachment C provides a table that depicts the projects proposed for the 2022 STIP and is part of the submittal that will be provided to the CTC. Attachment D provides the updated Capital Funding Plan, which provides summarized funding information for all OCTA's capital projects.

Per STIP guidelines, CTC staff may request changes due to revised funding capacity or timing constraints related to the state and federal funding. Adjustments to the recommended program may be necessary, and staff will continue to work with the CTC, the California Department of Transportation (Caltrans), and other appropriate agencies to ensure the projects continue to move toward the 2022 STIP adoption by spring 2022. Staff will keep the Board apprised if material changes are necessary.

OCTA's submittal is for the Regional Transportation Improvement Program which is 75% of the STIP, Caltrans also submits a request for funding for the Interregional Transportation Improvement Program (ITIP) which is the remaining 25%. Caltrans primarily submits projects that are significant for interregional transportation with a focus on interregional highways and intercity rail. Caltrans is required to meet with OCTA to discuss the Caltrans submittal for District 12. OCTA staff has met with Caltrans District 12, and they have indicated they submitted a request to Caltrans Headquarters for ITIP funding for the SR-74 Ortega Highway Multimodal Improvements and the I-5 Managed Lane from Redhill Avenue to the Los Angeles County Line Project.

New 2022 STIP Requirements

The 2022 STIP Guidelines includes new requirements to inform the State about interregional and multimodal opportunities in the County. An explanation of each requirement and responses is provided below:

- OCTA is required to identify the most significant interregional highway and intercity rail needs within the region. To be consistent with Caltrans District 12's request for ITIP funding, the SR-74 Ortega Highway Multimodal Project will be identified as the most significant interregional highway need;
- OCTA is also asked for information on priority intercity rail needs. Staff is working with the Los Angeles - San Diego – San Luis Obispo Rail Corridor Agency to identify the appropriate intercity rail needs within Orange County. Initial discussions indicate that track improvements, rehabilitation and station work between the City of Irvine and San Clemente would be prioritized for Orange County; and
- The guidelines also ask for information regarding opportunities where state highways may serve as boulevards by incorporating multimodal features. Staff will review recent studies that have been carried out for Pacific Coast Highway, Beach Boulevard, Bristol Street, and Harbor Boulevard to respond to the request for information.

#### **Next Steps**

With Board approval, staff will finalize and submit the 2022 STIP to the Southern California Association of Governments, and then to the CTC by December 15, 2021. The CTC will hold public hearings on the proposed 2022 STIP on January 27, 2022, in Northern California and on February 3, 2022, in Southern California. The CTC is expected to adopt the program on March 23-24, 2022. A 2022 STIP development schedule is included as Attachment E.

#### **Summary**

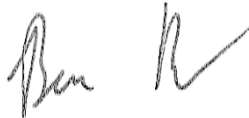
OCTA is responsible for the development and programming of the STIP for Orange County. OCTA is proposing to submit seven projects for \$164.647 million in STIP funds for FY 2022-23 through FY 2026-27. The use of STIP funds for these projects supplements the local M2 Program and will provide a range of benefits to all of Orange County.

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***Attachments***

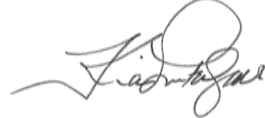
- A. OCTA 2022 State Transportation Improvement Program, Proposed Projects
- B. 2022 State Transportation Improvement Program, Project Descriptions
- C. Funding Plan for 2022 STIP-Proposed Projects
- D. Capital Funding Program Report
- E. 2022 STIP Development Schedule

**Prepared by:**



Ben Ku  
Section Manager II  
Formula Funding Programs  
(714) 560-5473

**Approved by:**



Kia Mortazavi  
Executive Director, Planning  
(714) 560-5741