



November 1, 2021

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Regional Planning Update

Overview

Updates on regional planning matters are provided regularly to highlight transportation planning issues impacting the Orange County Transportation Authority and the Southern California region. This update focuses on the Regional Early Action Planning Grants Program of 2021, preparations for the 2024 Connect SoCal, and the Orange County Council of Governments' exploration of alternative regional planning governance models.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) regularly coordinates with other planning and regulatory agencies within the Southern California region. This coordination is conducted at many levels, involving the OCTA Board of Directors (Board), executives, and technical staff. Some examples of the regional planning forums in which OCTA participates include:

- Southern California Association of Governments (SCAG) Regional Council, policy committees, and technical working groups,
- State Route 91 (SR-91) Advisory Committee,
- Regional Chief Executive Officers meetings,
- South Coast Air Quality Management District working groups; and
- Interregional planning coordination meetings (OCTA, SCAG, the San Diego Association of Governments [SANDAG], and the California Department of Transportation [Caltrans] districts 7, 11, and 12).

Staff most recently provided a regional planning update to the Board in May 2021. The status of items previously presented and other ongoing regional planning activities is recorded in a matrix that identifies lead agencies, a summary of each activity, key dates, as well as OCTA's interests and current involvement (Attachment A).

Since the May update, new activities have occurred concerning:

- Regional Early Action Planning Grants Program of 2021 (REAP 2021),
- Preparations for the 2024 Connect SoCal – SCAG's Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS),
- An exploration of alternative regional planning governance models being undertaken by the Orange County Council of Governments (OCCOG).

A discussion of each of these new activities is provided below.

Discussion

REAP 2021

AB 140 (Chapter 111, Statutes of 2021) established REAP 2021 with approximately \$600 million available statewide. This funding will support transformative and innovative projects that implement a region's SCS and help achieve goals for housing and transportation options that reduce vehicle miles traveled (VMT). REAP 2021 funds will be provided primarily to metropolitan planning organizations (MPO) such as SCAG. AB 140 allows for sub-allocation of funds to County Transportation Commissions (CTC) such as OCTA. The SCAG region's formula share is estimated to be \$246 million. All funds are to be obligated by June of 2024 and expended by June 2026.

SCAG is considering three main programmatic areas for distributing REAP 2021 funds:

1. Early Action Initiatives: SCAG would expand their Sustainable Communities Program call for projects, which funds greenhouse gas (GHG) and VMT-reducing planning activities and demonstration projects in local jurisdictions throughout the SCAG region.
2. CTC Partnership Program: SCAG is anticipated to create a new partnership program with the region's CTC to fund the development of plans, programs, pilot projects, and even some signature GHG/VMT-reducing capital projects. Examples of candidate funding areas include:
 - Mobility as a service/shared mobility,
 - Congestion pricing studies and pilots,

- Transit recovery and integration pilot projects,
- Dedicated lanes and other tactical transit solutions to improve transit travel time and reliability,
- Micro-transit and other mobility-on-demand services providing first/last mile connections, and
- Regional Advanced Mitigation Program or VMT Mitigation Bank.

SCAG has initiated some early outreach with CTC staff to gauge opportunities for partnership and continued dialogue is anticipated with SCAG in developing the CTC Partnership Program.

3. Housing Supportive Infrastructure Program: SCAG's primary priority of this program element would be investments in utilities (e.g., sewer, gas, electric, broadband, etc.) needed to meet the region's 6th cycle RHNA goals and in the priority growth areas identified in Connect SoCal. SCAG's secondary focus for this program is on parking, in particular, opportunities to develop shared parking and reduce the cost of parking delivery in priority growth areas as well as other housing supportive infrastructure such as community facilities, food markets and childcare facilities. Other components that SCAG is considering for this housing program include promoting wealth building through alternate homeownership models, supporting financing mechanisms to deliver housing, and supporting housing development on publicly owned land.

Additional details on SCAG's plans for REAP 2021 are included in Attachment B.

SCAG 2024 Connect SoCal

SCAG is in the initial phase of developing the 2024 Connect SoCal. A key decision for COGs and CTCs during this phase is whether to pursue a subregional SCS, which demonstrates alignment of transportation, housing, and land-use decisions to meet GHG emission reduction targets. Subregional SCS' were developed for the 2012 RTP/SCS but no subregions exercised this option for the 2016 or 2020 plans. Subregions have until October 29, 2021, to communicate their intent to SCAG.

In considering the decision whether to pursue a subregional SCS, the following key points are relevant.

- SCAG will not issue subregional GHG or any other subregional performance goals,
- SCAG will fulfill all the statutory outreach requirements under SB 375 for the regional SCS. SCAG is strongly encouraging any applicable subregions to design and adopt their own outreach processes that mirror the requirements imposed on the region under SB 375 (Chapter 728, Statutes of 2008),

- The governing board of the subregional agency and the respective CTC Board (at their option) shall approve the subregional SCS prior to submission to SCAG,
- The subregions will need to collaborate with the respective CTC in their area to coordinate the subregional SCS with future transportation investments,
- Funding for subregional SCS or alternative planning strategy activities is not currently available, and
- If a subregion chooses to prepare a subregional SCS, SCAG will develop a Memorandum of Understanding. This agreement will further define the process and timeline for submission of data and draft subregional SCS. It will also establish a conflict resolution process to address the potential modification or adjustments that may occur during the incorporation process.

The OCCOG governing Board is expected to consider a potential subregional SCS at their meeting scheduled for October 28, 2021. Although no official action has been taken, OCCOG is not expected to exercise the subregional SCS option. This is due to the lack of financial support or cost sharing from SCAG and potential legal exposure. SCAG also indicated they reserve the right to adjust growth forecast data submitted via the subregional SCS if needed to meet SB 375 GHG emission reduction targets. While SCAG may allow subregions to propose solutions to adjust the growth forecast data, OCCOG is concerned with the lack of certainty of how subregional SCS' are reflected in the regional SCS.

Other key SCAG activities underway supporting the development of the 2024 Connect SoCal are listed in Attachment C.

OCCOG Alternative Regional Planning Governance Model Exploration

Per OCCOG governing Board direction, a report was prepared to explore alternative MPO and subregional governing models (Attachment D). The purpose is to analyze different models for local control, transparency, and parity for regional planning. The report explores three options.

1. Work internally within SCAG to adopt reforms resulting in greater local control, engagement, and leadership for Orange County and all subregions.
2. Consider merging with another subregion(s) or MPOs such as the SANDAG, with shared county borders, similar demographics, and governing objectives.
3. Establish Orange County as its own MPO in California.

Advantages and disadvantages for each option are presented in the report along with a high-level discussion of key implementation steps. The second and third options would be particularly complex and require changes in federal law and

approvals across a broad spectrum of local, state, and federal officials. Although not specified in the report, the latter options could also significantly impact OCTA's roles and responsibilities. Merging with another subregion or MPO would require new agreements to clarify OCTA's role in MPO transportation planning responsibilities. Whether merging with an existing or establishing a new MPO, OCTA would likely have added responsibilities such as for the development of a Regional Transportation Plan and Sustainable Communities Strategy (in partnership with OCCOG and potentially other agencies) that meets federal and state requirements for air quality transportation conformity, reductions in GHG emissions and VMT, along with an associated program-level environmental impact report.

OCCOG established an ad hoc committee to consider the issues raised in the report. Membership on the ad hoc committee includes the OCTA representative on the OCCOG governing Board, Director Brian Goodell, who has raised the importance of collaborating with OCTA on potential changes to regional planning governance.

Summary

Staff continues to coordinate ongoing activities regarding transportation planning in Orange County and Southern California. As the Regional Early Action Planning Grants Program of 2021, 2024 Connect SoCal, and Alternative Regional Planning Governance Model Exploration Report continue to develop, staff will remain engaged and provide comments as needed to protect OCTA's interests. Additionally, staff will continue to keep the Board informed on the status of these ongoing activities and communicate input received from the Board as appropriate.

Attachments

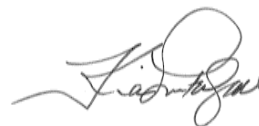
- A. Regional Planning Activities, November 2021
- B. Regional Early Action Planning Grants Program of 2021 (REAP 2021)
- C. Other Key Southern California Association of Governments Activities Underway Supporting the Development of the 2024 Connect SoCal
- D. Orange County Council of Governments, Strategic Planning Options to Innovate Regional Planning Paradigm for Orange County and all Southern California Communities

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