




February 5, 2024

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: 2025 Federal Transportation Improvement Program and Financial Plan

Overview

The Orange County Transportation Authority is responsible for the biennial preparation of the Federal Transportation Improvement Program for Orange County. This document is required under state and federal laws and includes the financial information for regionally significant transportation improvement projects in Orange County, with a total value of approximately \$1.645 billion. A summary of the draft 2025 Federal Transportation Improvement Program, and a supporting resolution are submitted for Board of Directors' approval.

Recommendations

- A. Authorize the submittal of the Federal Transportation Improvement Program project list and financial plan for the fiscal year 2024-25 through fiscal year 2029-30 to the Southern California Association of Governments.
- B. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program to facilitate the programming of projects.
- C. Adopt Resolution No. 2024-001 of the Board of Directors of the Orange County Transportation Authority.

Background

The Federal Transportation Improvement Program (FTIP) is the programming document that implements the Regional Transportation Plan. To use any federal funds for transportation projects, they are required to be listed in the FTIP.

The FTIP is comprised of projects of regional significance and projects which are approved to receive state or federal funding. Regionally significant projects are those that would have significant impacts on regional travel and air quality.

Federal law requires the FTIP to be updated at least every four years and under state law, that the Southern California Association of Governments (SCAG) update it every two years. Additionally, the FTIP must be financially constrained to reasonably anticipated revenues. Federal law also requires that the FTIP include a financial plan that demonstrates how the proposed improvements will be funded and implemented. Lastly, SCAG conducts a regional air quality assessment based on projects in the FTIP.

Discussion

The 2025 FTIP contains more than 60 projects in Orange County that expect to use a total of \$1.645 billion in reasonably anticipated federal, state, and local funding sources and are scheduled to begin some phase of work between the fiscal year (FY) 2024-25 and FY 2029-30.

The Orange County Transportation Authority (OCTA) is required to certify by resolution that the projects programmed in the first four years of the FTIP (FY 2024-25 through FY 2027-28) are of high priority and will be implemented in accordance with each project's respective schedule.

FTIP guidelines further require that the projects programmed in the first four years of the plan must be fully funded, with an emphasis on projects programmed in the first two years for implementation. Consistent with these requirements and given uncertainties of future funding, Orange County's FTIP is primarily (98 percent) composed of projects with known funding in the first four years of the FTIP, with 65 percent in the first two years, due to a lack of definitive state and federal funding forecasts for the last two years of FTIP.

The recommended 2025 FTIP can be broken down in terms of project type and primary source of funding as follows:

2025 FTIP breakdown by mode:

- Transit: \$337.61 million (16 percent)
- State Highways: \$1,039.625 million (63 percent)
- Local Streets and Roads: \$267.977 million (21 percent)

2025 FTIP breakdown by fund type:

- Federal: \$455.57 million (28 percent)
- State: \$650.954 million (40 percent)
- Local: \$538.688 million (33 percent)

Programmed Total by FY

| Programmed (\$000s) | FY24/25 | FY25/26 | FY26/27 | FY27/28 | FY28/29 | FY29/30 | Total |
|---------------------|------------|------------|------------|-----------|-----------|---------|-------------|
| Federal | \$ 210,333 | \$ 195,274 | \$ 27,612 | \$ 11,054 | \$ 11,297 | \$ - | \$ 455,570 |
| State | \$ 317,723 | \$ 181,205 | \$ 71,654 | \$ 61,002 | \$ 19,370 | \$ - | \$ 650,954 |
| Local | \$ 126,084 | \$ 32,288 | \$ 379,456 | \$ - | \$ 860 | \$ - | \$ 538,688 |
| Total | \$ 654,140 | \$ 408,767 | \$ 478,722 | \$ 72,056 | \$ 31,527 | \$ - | \$1,645,212 |

As specified in OCTA's guidance for administering the FTIP, provided in Attachment D, all agencies with projects programmed in the FTIP, except for the California Department of Transportation (Caltrans), are required to provide a resolution from their governing board confirming that the projects or project components are fully funded in accordance with FTIP guidelines. With respect to OCTA's projects, the draft 2025 FTIP primarily includes projects that have previously been approved for funding through prior Board of Directors' (Board) actions. The Capital Funding Program (CFP) (Attachment E), which summarizes funding for OCTA's capital projects, is also provided. The CFP shows the current Board-approved funding for OCTA projects. Projects in the CFP that have federal funds as well as regionally significant projects are among those included in the current FTIP.

A key component of the FTIP is programming and monitoring of Transportation Control Measure (TCM) projects. Projects designated as TCMs will reduce emissions or concentrations of air pollutants from transportation sources and include projects such as transit service, carpool lanes, or active transportation type projects. TCM projects must be closely monitored because TCMs that are in the first two years of the FTIP are considered committed TCMs and must be operational by the completion date provided in the FTIP. If they do not proceed as planned, OCTA is responsible for providing a substitute project that provides equivalent or greater emissions reductions. The total funding in the 2025 FTIP being programmed for committed TCMs is \$75.066 million.

The 2025 FTIP includes a new equity analysis section to evaluate how and where investments are being made across the region. Additional performance measures include safety, pavement/bridge conditions, system performance, transit safety, and state of good repair. SCAG plans to use this information to provide informational reports throughout the region.

With Board approval, the certifying resolution (Attachment A), financial plan summary (Attachment B), and FTIP project submittals (Attachment C) will be submitted to SCAG for review. SCAG will model the program, determine air quality benefits, and present the 2025 FTIP to the public, regional transportation commissions, transportation committees, and SCAG's Regional Council for review and comment by July 2024. Following the public comment period, SCAG's regional council will consider the 2025 FTIP, which, if approved, will be forwarded

to Caltrans and the Federal Highway Administration/Federal Transit Administration for final review and approval. The 2025 FTIP is anticipated to be fully approved in December 2024.

Minor changes or amendments to the FTIP may be necessary after the preparation of this report. It is recommended that the Board authorize staff to submit the FTIP project list to SCAG, as well as submit any project changes that may be required. This strategy will allow the most up-to-date project information to be included in the 2025 FTIP.

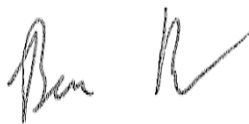
Summary

OCTA developed the 2025 FTIP and associated financial plan, which includes projects that are estimated to use \$1.645 billion. Staff has worked with local agencies and consulted Board-approved plans and previous funding actions to develop the 2025 FTIP. With Board approval, the 2025 FTIP and associated funding plan will be submitted to SCAG.

Attachments

- A. Resolution No. 2024-001 of the Board of Directors of the Orange County Transportation Authority, Fiscal Year 2024-25 to Fiscal Year 2029-30, Federal Transportation Improvement Program
- B. Federal Transportation Improvement Program and Financial Plan Summary, Fiscal Year 2024-25 Through Fiscal Year 2029-30
- C. 2025 Federal Transportation Improvement Program Project List (dollars in \$1,000s)
- D. Orange County Transportation Authority Guidance for Administering the Federal Transportation Improvement Program
- E. Capital Funding Program Report

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