

**Attachment 6:
Summary of 2006 STIP Funding Constraints as of March, 2006**

After receiving RTIP proposals from regions throughout the state, California Transportation Commission (CTC) staff reviews the proposals to ensure that the combination of projects that move forward statewide into the STIP cumulatively match the "color of funds" identified in the STIP Fund Estimate for the five year STIP cycle and for annual funding projections. In the past, the CTC has asked regions to shift projects to later years of their RTIPs to address statewide imbalances. This year, a new challenge has emerged, as described below by David Brewer, CTC staff.

"The level of proposals for highway/road projects far outstrips [the STIP] capacity. The fund estimate identified \$455 million in new capacity for highways and roads. Against that, [the CTC has received] about \$1.3 billion in new programming proposals, including cost increases and new projects. On the transit side (Public Transportation Account - PTA), the fund estimate identified \$1.355 billion in capacity, but the proposals total about \$622 million. **None of this means that regional agencies or the Department [Caltrans] have done anything wrong.** [The CTC] asked the regions to program their RTIPs according to their priorities, and [the CTC] did not try to set up separate highway and transit targets by county share. What all this means is that the restrictions on our funding are out of line with the transportation needs that the regions and Caltrans are identifying. For transportation enhancement (TE) projects, proposals are much more closely aligned to capacity."

Consequently, the CTC has indicated that they will not be able to accommodate 80% of the new highway/street/road projects (\$800 million) that were proposed statewide because the amount of non-transit funds (non-PTA funds) available for programming is so limited.

CTC staff has indicated that they will give priority to funding cost increases on projects carried over from the 2004 STIP, but that in some instances they may have to deprogram large projects that were listed in the 2004 STIP. They will be leaving a significant level of PTA funds unprogrammed, but available for amendments in the future. Beyond that, the CTC has provided little indication on how they will determine which Highway/Road projects will be programmed in the STIP.