



Jobs for Main Street Act Fast Facts



Tools to Implement a Second Federal Economic Stimulus Bill

Last year, the federal government passed the American Recovery and Reinvestment Act of 2009 (ARRA), which provided \$212.4 million in transportation funding for Orange County. ARRA sought to stabilize a national recession by providing funding for projects that would quickly create economic stimulation and job growth. This funding allowed the Orange County Transportation Authority (OCTA) to accelerate major infrastructure projects, as well as mitigate impacts to the county transit system.

The House of Representatives has passed a second economic stimulus bill in December 2009, the Jobs for Main Street Act of 2010 (JMSA). Acknowledging that additional investment in transportation projects will serve as a reliable, cost-effective means of creating jobs and improving the economy, the JMSA seeks to provide an additional \$27.5 billion in highway investment, and \$8.4 billion in transit funding, of which up to 10 percent can be used for transit operations. OCTA is estimated to receive \$103 million in highway funds, \$3.8 million in transportation enhancement funding, and \$77 million in transit funding.

As the United States Senate continues to debate the JMSA, it is critical that the State of California start preparing for an immediate influx of federal funding by ensuring current funding allocation methods and regulations will allow regions to quickly spend the funds and meet the intent of the federal legislation. Legislation similar to ABX3 20 (Chapter 21, Statutes of 2009) may be needed to allocate the funding.

90-Day Timeline

One crucial difference between the JMSA and ARRA is that the JMSA aggressively accelerates project obligation deadlines, requiring that 50 percent of the funds be contracted and awarded within 90 days. ARRA simply required that projects be awarded for funding within 90 days.

The State recognizes the difficulty of meeting the contract award requirement and has asked the regional transportation planning agencies to provide a list of potential projects that could meet the 90-day requirement. On January 27, 2010 the California Department of Transportation (Caltrans) issued preliminary distribution of JMSA highway funds for initial programming purposes. Although federal legislation has not yet been passed, the state's metropolitan planning organizations are required to program projects immediately to meet the proposed 90-day deadline. The California Transportation Commission is expected to amend the State Transportation Improvement Program (STIP) on or after February 24, 2010, to add

projects nominated by the regional transportation planning agencies for JMSA funding. This action can be modified if legislation is passed.

Project Solicitation Process

OCTA has worked with the state and local agencies to develop potential project lists to meet the 90-day deadline. Projects must be environmentally cleared, 100 percent designed, and meet all of the requirements of the STIP. OCTA's proposed project list is included.

OCTA is also working with local agencies to develop a list of local street and road projects to meet the deadlines. This solicitation process assumes the funds to be allocated within the region on a competitive basis.

Transit Funding

OCTA is currently recommending that transit funding received through the JMSA be directed to operating assistance and supplement the capital costs of contracting. To accomplish this within the designated timeline, OCTA will amend the Federal Transportation Improvement Program to program the JMSA funds, in the amount of \$77 million to fixed-route operating assistance, up to the maximum amount allowable. Any remaining balance will be allocated to preventative maintenance, capital cost of contracting, and non fixed-route operating assistance.

In addition, OCTA and other stakeholders are advocating at the federal level for a greater share of funding for transit operations, as this is one of the fastest methods of utilizing the funding with immediate stimulus to the economy.

Streamlining Measures

At the federal level, OCTA and other stakeholders are also advocating for additional streamlining measures which will allow funding to be allocated efficiently. These measures include the following:

- Allow the Transportation Improvement Program (TIP) financial constraint to be 20 percent higher for stimulus funding.
- With regard to highway funding, allow pre-award spending authority which is already allowed for transit projects.
- Allow substitution of state environmental review and permit processes for federal processes.
- Allow expedited project advertisement and bid procedures.

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Federal Jobs for Main Street Act's Initial Programming Strategy¹

	90-Day to Award (\$ million)	One-Year to Award (\$ million)	Estimated Jobs ²
Regional Surface Transportation Program			
I-405/I-605 West County Connectors Project ³	\$25		450
Metrolink Service Expansion Program	\$48		864
Local Agency Projects		\$30	540
Subtotal	\$73	\$30	1854⁴
Transit Program			
Operating Assistance and Capital Maintenance	\$77		1001
Transportation Enhancement		\$4	
Total	\$150	\$34	2855

¹Reflects JMSA funding levels. Actual funding to be based on final bill.

²Job assumptions based on 18 jobs created per \$1 million on highway and 13 jobs per \$1 million on transit.

³Assumes \$161.4 million of funding from state's portion of JMSA. Negotiating use of state's share of \$25 million.

⁴An additional 2898 jobs will be created through the \$161.4 million state share of funding for the WCC project.

Initial Overview of Local Agency Projects Ready for 90-Day Project Submittals*

Project Description – Streets and Roads	Stimulus Request (\$ x \$1,000)	Minimum Number of Days to Project Contract Award
Anaheim Gene Autry Way	\$29,000	90 Days
Anaheim Olive Avenue Rehabilitation	\$1,400	90 Days
Buena Park Knott Avenue Rehabilitation	\$1,300	90 Days
Costa Mesa Wilson Street Rehabilitation	\$1,000	90 Days
Laguna Hills La Paz Road widening at I-5 ¹	\$1,900	90 Days
Tustin Ranch Road extension, Walnut Avenue to Valencia Avenue	\$24,000	90 Days
Tustin Armstrong extension, Warner Avenue to Barranca Parkway	\$8,000	90 Days
Villa Park (landscape median - Villa Park to Santiago) TE Project ²	\$660	90 Days
Villa Park (landscape median - Lemon to Cannon) TE Project	\$350	90 Days
Subtotal – 90 Days to Contract	\$67,610	
Total	\$150	

¹I-5 – Santa Ana Freeway (Interstate 5)

²TE – Transportation enhancement

*Project list may change