

TCA/Caltrans Cooperative Agreement (Section 2.4.1.15)

In the late 1970s, the County of Orange began planning the transportation infrastructure needed to manage traffic flow in South Orange County. The plan, called the Master Plan of Arterial Highways (MPAH), included a combination of roads, highways, and street improvements to ensure mobility throughout the region. In 1981, the County of Orange certified an Environmental Impact Report (EIR) for the conceptual alignment of the MPAH, which

The TCA non-compete provisions do not prohibit construction of ANY transportation improvement. However, in order to build the 67 miles of new highways with private bond financing, non-compete agreements with Caltrans were required. These agreements simply require Caltrans to make up lost toll revenue if the TCA is not able to meet debt service as a result of other highway improvements.

The agreements, which expire in 2020, brought millions of dollars of private investment into Orange County's transportation network. Transportation projects that were planned at the time the agreements were signed are not subject to these covenants. The non-compete provisions do not affect safety improvement projects regardless of when they were planned.

History of Orange County's Toll Road System

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included a highway alternative to the I-5 to run east of Lake Forest and Mission Viejo and south of the foothills, connecting to the I-5 near the Orange/San Diego County border. The highway was named the Foothill Transportation Corridor, or State Route 241.

Because there were no federal funds and only nominal state funds available, no new highway construction occurred in Southern California in the 1980s. Recognizing that the county's economic future and quality of life was at risk if traffic issues were not addressed, Orange County leaders sought and received state legislation to create two joint powers authorities, called the Foothill/Eastern and the San Joaquin Hills Transportation Corridor Agencies (TCA).

The Agencies are responsible for permitting, designing, financing, building and operating Orange County's 67-mile toll road system through the issuance of tax-free toll-revenue bonds to finance

construction. These bonds are non-recourse, which means that taxpayers are not at risk for repayment if the TCA is unable to meet its financial obligations. Other funding includes development impact fees, interest earnings and federal grants. This innovative funding solution allows the Agencies to build the 241 corridor as identified in the MPAH to serve traffic needs in southern and eastern Orange County.

Once the bonds issued to fund the construction are paid for through toll collection, the roads will become freeways. The Toll Roads are part of the state highway system. The day they are open to traffic ownership of the roadway is transferred to the state, and road maintenance from the outset is the responsibility of the California Department of Transportation (Caltrans).

Today, there is still little or no funding available from the local, state or federal government to provide all the infrastructure improvements South Orange County will need to ensure mobility. The completion of the 241 Toll Road has been subject to planning efforts for more than two decades as a way to address growing traffic demand.

The extension of the 241 Toll Road, Foothill-South, is a project of the Foothill/Eastern Transportation Corridor Agency. The Board of Directors is comprised of elected officials from the cities of Anaheim, Dana Point, Irvine, Lake Forest, Mission Viejo, Orange, Rancho Santa Margarita, San Clemente, San Juan Capistrano, Santa Ana, Tustin, Yorba Linda and Orange County Supervisors representing the Third, Fourth and Fifth Districts.

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The section numbers noted throughout this document direct you to where you can find more information in the Draft EIS/SEIR.