



BOARD OF SUPERVISORS

SCOTT HAGGERTY
SUPERVISOR, FIRST DISTRICT

June 2, 2010

Alameda County Board of Supervisors
1221 Oak Street
Oakland, CA 94612

Subject: Update on the Development of the Countywide Transportation Plan, Funding Strategies and Opportunities

Recommendation

1. Review development of the Countywide Transportation Plan, Funding Strategies and Opportunities update.

Discussion/Summary

This item provides an opportunity to review the update of the Countywide Transportation Plan, Funding Strategies and Opportunities. The update to the *Countywide Transportation Plan* is currently underway to meet the requirements of AB 32 and SB 375 and to review transportation needs in Alameda County. This update, in part, will launch a two-step approach to bring more local transportation funding to Alameda County. First is a proposal to place a \$10 Vehicle Registration Fee (VRF) on the November 2, 2010 ballot to be used for local transportation and transit improvements. The second and longer term objective is to extend the existing half-cent sales tax measure to add infrastructure projects and increase funding for essential transit services, streets and roads maintenance, bicycle and pedestrian safety, and services for seniors and disabled. This effort will be done through a coordinated process during the update of the Countywide Transportation Plan.

Background

One of the primary responsibilities of the Alameda County Congestion Management Agency (CMA) is to develop and periodically update the *Countywide Transportation Plan*, a 25-year planning and policy document that guides transportation decisions and articulates the vision for Alameda County's transportation system. The CMA Board adopted the revised *Countywide Transportation Plan* in June 2009. Through goals, objectives and strategies, the Plan lays the groundwork for an investment program tailored to the diverse needs of the county's residents, visitors and workers. Through the funding allocation program, the Plan seeks to ensure that transportation investments, aimed at reducing congestion on our transportation systems, are efficient and productive and that maintenance and management of the system remains a high priority.

The CMA and Alameda County Transportation Improvement Authority (ACTIA) are currently updating the *Countywide Transportation Plan* to review transportation needs in Alameda County and incorporate the requirements of AB 32 and SB 375, which require the Metropolitan Transportation Commission (MTC), the CMA and local jurisdictions to find ways to provide more programs and projects that integrate transportation and land use and reduce green house gas emissions. This update will be used by ACTIA to develop a proposal for an extension of the existing half-cent sales tax measure and is anticipated to be completed June 2012 to be used to inform the 2013 Regional Transportation Plan. It will, in part, launch a two-step approach to bring more local transportation funding to Alameda County. First is a proposal to place a \$10 Vehicle Registration Fee (VRF) on the November 2, 2010 ballot to be used for local transportation and transit improvements. The second and longer term objective is to extend the existing half-cent sales tax measure to add infrastructure projects and increase funding for essential transit services, streets and roads maintenance, bicycle and pedestrian safety, and services for seniors and disabled. Both proposals are described below and are provided as information.

Short Term Funding Opportunity – Vehicle Registration Fee for Transportation

The Board of Supervisors is requested to review the CMA's effort to place a Vehicle Registration Fee (VRF) of \$10 that could be used for local transportation improvements throughout Alameda County on the November 2, 2010 ballot. The opportunity for a Countywide transportation agency to place this fee before the voters was authorized in 2009 by the passage of Senate Bill 83, authored by Senator Loni Hancock (Oakland). The Vehicle Registration Fee could help counties provide additional local funding for their transportation needs. Alameda County has very significant unfunded transportation needs, and this fee would provide funding to meet some of those needs.

The Vehicle Registration Fee would be a key part of an overall strategy to develop a balanced, well thought-out program that improves transportation and transit for our residents and has the potential to generate up to \$11 million per year.

The Vehicle Registration Fee could fund programs that:

- Repair and maintain local streets and roads in the county.
- Make public transportation easier to use and more efficient.
- Make it easier to get to work or school, whether driving, using public transportation, bicycling or walking.
- Reduce pollution from cars and trucks.

Expenditure Plan: During the spring of 2010, the CMA developed a Vehicle Registration Fee Expenditure Plan, based on broad public input that articulates how the funds generated will be used. The draft Expenditure Plan Report was released on May 20, 2010 and is anticipated to be adopted by the CMA Board on June 24, 2010. The Vehicle Registration Fee Expenditure Plan could have the following elements.

- All of the money raised by the Vehicle Registration Fee would be used exclusively for transportation in Alameda County.
- None of the funds raised, outside the costs incurred by the Department of Motor Vehicles to collect the Fee, can be taken by the State.
- There must be a relationship or benefit between the programs in the Expenditure Plan to the owners of motor vehicles paying the Fee.
- Help fund roadway repairs and maintenance that make roads in Alameda County safer for motorists, bicyclists and pedestrians.
- Provide investments that will help create a smarter, more efficient transportation system.
- Establish a reliable source of funding to help fund critical local transportation programs.

The Plan identifies four types of programs that will receive funds generated by the Fee. The programs and the percentage of the annual revenue that is proposed to be allocated to each program after deducting the Agency's administrative costs are listed below:

- Local Road Improvement and Repair Program, including complete streets: 60 percent
- Transit For Congestion Relief Program: 25 percent
- Local Transportation Technology Program: 10 percent
- Pedestrian and Bicyclist Access and Safety Program: 5 percent

Outreach and Schedule: As part of the outreach process, the CMA is making presentations to every City Council in Alameda County, the Board of Supervisors and transit agencies, and also met with other key agencies and stakeholder groups during the March, April and May. In addition, the CMA held four workshops in March and April. All meetings, meeting materials and project documents are available on the Alameda County Vehicle Registration Fee website (www.alamedacountyvrf.org).

MAJOR VEHICLE REGISTRATION FEE MILESTONES

Event	Target Date
Approval by the Board to proceed Steering Committee Meetings	December 3, 2009 Monthly 2 nd Monday/1 p.m.
Develop Draft Expenditure Plan and Nexus Analysis	May 2010
Final Expenditure Plan approved by Steering Committee and CMA Board	June 2010
Submit Ballot Measure	August 2010

A Long-Term Planning and Funding Opportunity:

ACTIA and the CMA are working on the development of an update to the countywide transportation plan and an extension of the existing half-cent sales tax measure to offer a fresh set of infrastructure projects and to increase funding for essential transit services, streets and roads maintenance, bicyclist and pedestrian safety, and services for seniors and disabled. Most of the projects included in the 2000 voter approved plan will have gone to construction by 2012. Extending the existing measure would allow for new capital projects to be developed that are identified in the countywide transportation plan update, while an increase would fund additional critical transit operations, street repairs and bicycle and pedestrian safety. A new ballot measure is currently planned for the November 2012 ballot, and would require a 2/3 voter approval. ACTIA and CMA will be seeking participation in the countywide plan and expenditure plan development process with all county jurisdictions, special interest and advocacy groups, business, health, education and enforcement.

The decision to move forward with an integrated planning and funding approach was made through a series of meetings in late 2009. At an October 2009 ACTIA Board meeting and a December 2009 joint ACTIA/CMA board retreat, the Boards directed staff to begin developmental processes for a new Expenditure Plan that could be placed on the ballot in November 2012. Specifically, direction for the development of the Plan included the establishment of a new countywide transportation vision and closely coordinated development of the update to the Countywide Transportation Plan from which an Expenditure Plan would be derived. Development of both plans is scheduled to be completed by June 2012 through a technically based effort that includes significant public involvement.

Why a sales tax reauthorization now?

In November 2000, Alameda County voters overwhelmingly approved reauthorization of the County's half-cent transportation sales tax for a 20-year period. The sales tax collection began on April 2, 2002, and will expire on March 31, 2022, unless reauthorized prior to that time.

Due to the significant economic downturn, ACTIA has seen one-third of the projected revenues disappear. This reduction primarily impacts programs; capital projects are anticipated to not be impacted due to accelerated delivery schedules and receipt of federal and state funds through one-time infusions. The current contract bidding climate has resulted in bids significantly less than the engineer's estimates.

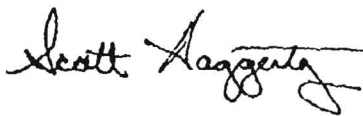
Original estimates for overall sales tax receipts were for \$3 billion and are now down to \$2 billion. This has occurred at a time when climate change legislation will require efforts to reduce vehicle miles traveled, thereby increasing the role and importance of transit funding. Unfortunately, transit has been dramatically affected by reductions in funding from the State, as well as declines from the sales and property taxes. This triple hit has resulted in increased fares and service reductions. In addition, the senior population of Alameda County is expected to rise dramatically, particularly due to the Baby Boomers turning sixty-five – the first of which will do so in 2011. Increases in transportation services will be needed to accommodate the large growth in this sector of the population. Finally, the ramifications of a sedentary American lifestyle have rendered the rise of obesity to be considered an epidemic. How transportation infrastructure and services are implemented can have a dramatic effect on the amount of physical activity people will engage in for their everyday transportation needs. As needs have risen, the funding to address them has declined.

ACTIA project implementation, on the other hand, has seen great successes in early delivery, due to the readiness of the projects when adopted into the ACTIA Expenditure Plan, the diligent efforts of both ACTIA and project sponsor staff at moving the projects forward, and because of significant funding from state bonds and the federal government that helped to close funding gaps in many of the projects. As a result of these efforts, most of the projects will be delivered within the first ten years of the measure, and the remaining funds from the second half of the measure designated for projects will be used to pay off the debt incurred for early project delivery.

Joint development of the countywide transportation plan update and the expenditure plan will offer the county a strategic method to simultaneously develop a planning and funding strategy to meet the County's transportation needs while addressing the regulatory changes established through AB32 and SB375. ACTIA and CMA will work with all jurisdictions on the development of these plans and will seek approval of an expenditure plan from all cities and the county prior to placement on the 2012 ballot.

There are no costs to the County associated with this action. This is an information item.

Sincerely,



Scott Haggerty
First District Supervisor

C: County Administrator
Community Development Agency
County Counsel
Public Works Agency



| Efficiency



| Effectiveness

Alameda
County
Transportation

A New
Direction

| Cost Savings

Short-Term Funding Opportunity: \$11 million/year

1 Vehicle Registration Fee

1. State legislation signed by the Governor in October 2009 (SB 83)
2. Allows up to \$10 annual fee for each registered vehicle: local funds that cannot be taken by the State.
3. May be used for transportation congestion and pollution mitigation.
4. In Alameda County, the fee could produce up to \$11 million per year.

2 Expenditure Plan

- ACCMA is in process of developing an expenditure Plan :
1. Seeking public feedback on what should be in the plan.
 2. Public Workshops in March and April 2010.
 3. Final Plan approval in June 2010.
 4. Placement on ballot by August 2010.

3 Vote

A majority vote is required for the fee:

1. On November 2010 ballot.
2. Requires 50% voter approval.
3. Expenditures will be on projects/programs identified in the VRF Expenditure Plan.

A New Direction

VRF Fee Use and Possible Projects and Programs



- Transportation-related programs that benefit the persons paying the fee
- **Fees can be used for programs that:**
 - Match funds for State general obligation bonds
 - Create or sustain congestion mitigation
 - Create or sustain pollution mitigation
- **Programs in Draft Plan and percent of fee allocated:**
 - Local Road Improvement and Repair Program (60%)
 - Transit for Congestion Relief Program (25%)
 - Local Transportation Technology (10%)
 - Pedestrian and Bicyclist Access and Safety Program (5%)

A New Direction

VRF Process

- **March/April 2010:** Four VRF Public Workshops held in March and April

- **March – June 2010:** Presentation made to City Councils/Board of Supervisors and stakeholders March through June

- **May 2010:** Published Draft Expenditure Plan Report and Findings – available for comment at www.alamedacountyvrf.org

- **June 2010:** Steering Committee and ACCMA Board approve Expenditure Plan Report and Findings

- **August 2010:** Submit ballot measure



Long-Term Funding Opportunity: \$100 million/year

1 Half-Cent Sales Tax

1. Alameda County has an existing half-cent sales tax that collects almost \$100 million/year.
2. A 20-year plan was approved by 81.5% of voters in 2000.
3. Expenditures from 2002-2022 for projects and programs.
4. Almost all projects to construction by mid-point of measure.
5. Any new funding would be from an extension of the sales tax.

2 Planning

1. Every four years, Alameda County updates its 20-year Countywide Transportation Plan (CWTP) for federal and state funds
2. ACTIA and ACCMA are working together to:
 - a. Update the CWTP, and
 - b. Develop a new sales tax Expenditure Plan

3 Vote

1. A new sales tax measure could be placed on the November 2012 ballot.
2. Requires 67% voter approval.
3. ACTIA/ACCMA seeking significant involvement to develop the new Expenditure plan.
4. Will come back for additional involvement.

A New
Direction

Recommended Action

- **Funding Opportunities Feedback**
 - Provide comments on short and long-term funding opportunities
 - More opportunities for comments in the future



A New
Direction

Contact Information



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VRF website:

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