



**SAN JOAQUIN COUNCIL OF GOVERNMENTS  
MANAGEMENT AND FINANCE COMMITTEE**

**ERNIE'S FOOD & SPIRITS**

**1351 N. Main Street, Manteca, CA 95336**

**HOSTED BY: CITY OF RIPON**

**Wednesday, November 16, 2016**

**Noon**

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**A G E N D A**

1. Call to Order and Self Introductions
2. Public Comments
3. Approve Minutes of October 19, 2016 Action
4. Regional Transit Systems Plan Action
5. 2017 San Joaquin One Voice® Call for Projects Information
6. Results of Transportation Sales Tax Measures on the November 2016 Ballot Discussion
7. Tentative Schedule for Project Ribbon Cuttings (verbal report) Information
8. Executive Director's Report
9. Other Matters of Business
10. Adjourn to next regular scheduled meeting on Wednesday, December 14, 2016

Chair: Elena Reyes  
City of Manteca

Vice Chair: Monica Nino  
San Joaquin County

SAN JOAQUIN COUNCIL OF GOVERNMENTS  
MANAGEMENT AND FINANCE COMMITTEE

Meeting held at  
Ernie's Food & Spirits  
1351 N. Main Street, Manteca, CA 95336

October 19, 2016

**MINUTES**

1. The meeting was called to order at 12:06 p.m. by Vice Chair Monica Nino.

Attendance and Self Introductions:

Tammy Alcantor, Escalon City Manager; Brian Schmidt, SJRRC; Monica Nino, County Administrator; Greg Showerman, City of Manteca; Steve Schwabauer, Lodi City Manager; Kevin Werner, Ripon City Administrator; Kurt Wilson, Stockton City Manager; Stephanie Garrabrant-Sierra, Tracy Assistant City Manager; Andrew Chesley, SJCOG Executive Director; Steve Dial Executive Deputy Director/CFO; Diane Nguyen, SJCOG Deputy Director; Yvette Davis, Senior Regional Planner; Katy Castro, SJCOG Administrative Clerk II.

Other Attendees:

None.

Committee Members Not Present:

Donna DeMartino, SJRTD General Manager/CEO; Stacey Mortensen, SJRRC Executive Director; Elena Reyes, Manteca City Manager; Steve Salvatore, Lathrop City Manager; Troy Brown, Tracy City Manager.

2. Public Comment:

None.

3. Approve Minutes of September 21, 2016:

It was moved/seconded (Wilson/Werner) to approve the minutes of September 21, 2016 Motion passed unanimously (8/0) by voice vote.

4. Developing Recommendations for the Regional Transit Systems Plan:

Ms. Nguyen stated that SJCOG staff is looking for more input on this "second round" of developing recommendations before bringing back a final draft of the Systems Plan in November. SJCOG staff is continuing one-one-one discussion with agencies on the potential recommendations. Ms. Nguyen commented on the Ad Hoc Committee to examine transit coordination and then transit funding policy.

Mr. Werner asked if ACE has a transit coordination with Santa Clara County and San Joaquin County for funding. Mr. Schmidt stated that ACE does have an agreement with Alameda County and Santa Clara County. Mr. Werner said operating agreements with individual cities, for ACE service, would also be advisable.

Ms. Nino asked for a copy of the 1993 agreement. She commented that executive staff are in current discussion with SJRTD about the joint agreement on LTF with SJRTD and a resolution

was coming very soon. (*Subsequent to the meeting, SJCOG sent this resolution out to all committee members.*)

Ms. Nguyen commented that she talked with Ms. DeMartino on the phone on SJCOG's new set of recommendations. She said that Ms. DeMartino expressed strong disappointment that funding policies were being removed from the recommendations.

Ms. Nguyen also commented Ms. Reyes asked SJCOG staff to relay concerns regarding funding that adversely impacts local streets and roads. Ms. Reyes said she could not support changes which would reduce the City of Manteca's ability to address its local road repairs needs, one of its highest priorities.

Mr. Schwabauer commented that if everyone works together, a resolution can be found. He felt the Ad Hoc Committee was the right direction to address the transit funding issue. Other committee members made similar statements in support of the Ad Hoc Committee formation.

This item was for information only; no action was taken.

5. 2016 Measure K Strategic Plan Revenue Estimate and Status Update:

Ms. Nguyen stated that through the summer, SJCOG staff worked with project sponsors to finalize the scope, cost, and schedule of all Measure K projects. Public Financial Management is currently preparing a cash flow analysis of the projects, which may result in further decrease in the amount of funding anticipated to be available and further push out projects. This cash flow analysis will be used to prepare the Draft Strategic Plan for review to the Committee, possibly November. (*Subsequent to the Committee meeting, SJCOG determined the data was not available to present to the November Management and Finance Committee.*) Ms. Nguyen stated the recommendation was to approve, in Table 1, the Measure K revenue forecast. It is used as the basis to conduct cash flow analysis.

Ms. Garrabrant-Sierra asked a question regarding Table 1 and why the last year—2041 had such a significant reduction in percentage. Mr. Dial stated the year was a partial-year only and therefore included 3 quarters. This directly impacted how the percentage was calculated and this is why it appears as a large reduction. Mr. Dial stated that the original Measure K estimate was also based on 3 quarters for the last year.

Ms. Nino asked, in the original table does it show a reduction and if it ended with a negative amount. Mr. Dial stated that it did not end with a negative amount.

It was moved/seconded (Schwabauer/Garrabrant-Sierra) to recommend that the SJCOG Board Adopt the 2016 Measure K Strategic Plan Revenue Estimate. Motion passed unanimously (8/0) by voice vote.

6. 2016 Congestion Mitigation and Air Quality (CMAQ) Call for projects:

Ms. Nguyen stated that SJCOG staff is seeking to initiate a Call for Projects in October 2016. The call for Projects will result in the programming of new CMAQ projects in FY 2018-19, 2019/20, and half of FY 20/21, for which apportioned funds have yet to be assigned. In advance of the Call for Projects, SJCOG convened two meetings of a CMAQ committee review group to

re-examine CMAQ criteria and scoring form. The CMAQ committee made some suggested changes to help some projects score more accurately (examples were roundabouts and all projects, overall, on air quality effectiveness.) Ms. Nguyen asked for approval to issue a call for projects and the revised changes (attached to the staff report.)

Mr. Schwabauer stated that it would be helpful, for the next time, to see those changes in redline form. He was okay with moving forward, however, with the call for projects.

Ms. Nguyen stated the second recommendation is to approve \$950,000 a year for the 3-year period for the Commute Connection. Ms. Nguyen passed out information about the Commute Connection program and indicated that the TAC asked the item to be tabled until next month.

Ms. Nino asked how the \$950,000 annual is spent on the program. Ms. Nguyen referred to the handout and called out data about budget set-asides for the vanpool program and guaranteed rideshare program. She also described activities performed by Commute Connection, including employer outreach to over 400 employees comprised of 10,000 employees, compliance with Air quality rule 9410, Bike to Work Program, and carmatching/ridesharing services to a database of 6,000 users. Ms. Yvette Davis, Program Manager for Commute Connection, also talked about the cash voucher budgets in the vanpool program, explaining this was only one component of Commute Connection. Mr. Chesley stated that there is cost for consultants to support marketing services but most of the costs are non-consultant operating costs.

Ms. Garrabrant-Sierra commented that this type of program is a need in her community but the resources are not there. She stated she was highly in favor of the things that Commute Connection does for the City of Tracy. She stated she thinks more staff are needed to continue to provide the valuable services to the Tracy community. She continues to state that she is familiar with the program and operating costs are cost-effective for the work they do for the communities. She said she would not hesitate one bit to fund this program, as proposed by SJCOG staff.

Mr. Schwabauer added similar comments, stating the program is not because for the marketing and promotions of ridesharing alternatives and vanpool. Lodi staff have worked with Commute Connection and seen the value to their community. He supported continued funding for the program.

Ms. Nino asked what were the specific concerns of the TAC Committee. Ms. Nguyen stated the SJRTD asked that the CMAQ item (for Commute Connection) be tabled because they said they had questions. SJCOG staff believes SJRTD request was because they are starting a vanpool program and wanted to know how their vanpool program would fit within SJCOG's vanpool program. Ms. Nguyen stated that SJRTD's program is mutually exclusive program and SJCOG can work with RTD on their questions; however, SJCOG staff did not see any compelling reason to delay action on funding Commute Connection.

It was moved/seconded (Garrabrant-Sierra/ Showerman) to recommend to the SJCOG Board of Directors: 1) Authorize CMAQ call for projects for FY 2018/19, 2019/20, and partial year FY 1920/21 with revised CMAQ application form and scoring system.

2) Continue CMAQ Programming Policy Allocating funds to SJCOG Ridesharing Program to ensure ongoing annual operations in San Joaquin County.

7. Ribbon cuttings for Measure K Highway Projects on I-5, SR-99:

Mr. Chesley announced there will be three ribbon cuttings in the month of November. The South Stockton Ribbon Cutting Ceremony will be held on November 2 at 11:00 a.m. at the Mariposa Interchange at the Park and Ride lot.

Mr. Chesley announced the SR 4 Crosstown Freeway ribbon cutting ceremony is November 16, 2016 at 10:00 a.m. on the deck of the bridge structure.

Mr. Chesley announced the I-5 Project is schedule tentatively for November 30, 2016 at 11:00 a.m. location TBD.

8. Executive Director's Report

None.

9. Other Matters of Business:

None.

10. Adjournment

There being no further business to discuss, the meeting was adjourned at 1:10 p.m. to Wednesday, November 16, 2016.

# STAFF REPORT

**SUBJECT:** Regional Transit Systems Plan

**RECOMMENDED ACTION:** Approve the RTSP, including recommendation for an Ad Hoc Committee outlined in Chapter E.

## DISCUSSION:

### SUMMARY:

The Regional Transit Systems Plan is the ten-year planning document outlining transit needs, transit revenue, and funding policy considerations. The draft plan was released for formal public review on July 1, 2016. A public outreach program was launched following the document release which included five public workshops and discussions at SJCOG Board and Committees through October 2016. The result of the feedback was the following new additions to the draft document:

- (1) Appendix D which summarizes the process, responses to comments during the review period, and technical supporting documents.
- (2) Drafting of Chapter E: Next Steps Following Public Feedback on the Plan which documents the policy discussions on the plan and includes a recommendation by SJCOG staff of immediate next steps to formulate an Ad Hoc Committee.

Please find Chapter E attached to this staff report. A full copy of the final draft of the Plan which includes “Chapter E” and “Appendix D” can be found at [www.sjcog.org/rtsp](http://www.sjcog.org/rtsp).

**RECOMMENDATION:** SJCOG staff recommends approval of RTSP, including the recommendation for the Ad Hoc Committee identified in Chapter E.

**FISCAL IMPACT:** There are no immediate fiscal impacts with plan approval. The Systems Plan and the efforts of the Ad Hoc Committee, collectively, will begin the legwork toward funding policies for public transit (for future consideration by SJCOG Board of Directors).

Attachment:

1 – Excerpt from RTSP, Chapter E.

*Prepared by: Diane Nguyen, Deputy Director*

# **NEXT STEPS FOLLOWING PUBLIC COMMENT ON THE PLAN**





## 1 Public Input and Policy Development

The preceding chapters in the Systems Plan were part of the draft document. *Chapter E: Next Steps Following Public Comment on the Plan* provides an overview of the public outreach process for the Systems Plan, *post release* of the draft document. The inclusion of “Chapter E” came out of the need to document the extensive policy discussion during the review of the draft Systems Plan. The feedback includes comments and discussion on the public draft document (of the Systems Plan) from July 1, 2016 through October 31, 2016 as well as related workshops and committees. With supporting documents in Appendix D, this chapter provides a comprehensive overview of the key discussion topics leading to a proposal of immediate next steps following Board adoption of the Systems Plan.

### Overview of the Public Outreach Process

The San Joaquin Council of Governments began a formal public outreach and comment process for the draft document of the Systems Plan when the draft document was released to the public on July 1, 2016. The components of the public outreach strategy are as follows:

1. 30-Day Formal Public Review of the Draft Document from July 1, 2016 to August 1, 2016.
2. Two public workshops.
3. Three workshops for the SJCOG Board of Directors (which were open to the public).
4. Technical and policy discussions of the Systems Plan at SJCOG Committees from July to October 2016.
5. Updates and requests for input/direction from the SJCOG Board of Directors from July to October 2016.

Please refer to Appendix D for supporting documents on the outreach process including:

- Comprehensive overview of the public outreach process and summary of public workshops.
- Responses to comments received on the draft Systems Plan during the 30-day formal review and comment period.
- Flyers advertising 2 public workshops and 3 SJCOG Board workshops.
- Copies of SJCOG Board staff reports discussing the Systems Plan from July to October 2016 (which includes Committee input on the respective discussion that month.)

### Highlights of Comments Received on the Systems Plan

There were some technical changes in plan (which did not make any substantive changes in its findings and content.) The majority of the comments on the Systems Plan focused on whether there was complete information to formulate sound transit funding policy. This was a comment that resonated from city/county agency staff, executive management of cities/county municipal governments and transit operators, and policy makers (i.e. elected officials, SJCOG Board members).

Many reviewers of the Systems Plan acknowledged that there was a lot of technical information within the draft document. However, SJCOG received many comments that ultimately demonstrated that the Plan did not bring stakeholders any closer in identifying immediate



solutions to address the public transit funding shortfall described in the Systems Plan.

Some of the comments raised are described as follows (the list is not in any priority order):

- Concerns about the need for more technical information on transit costs/needs and what potential cuts may happen if the shortfall is not eliminated.
- Question regarding how can future transit innovations reduce transit costs (example, Uber/Lyft service, driverless cars)?
- Questions about why don't transit agencies live within their means?
- Identify the value of coordinating transit among operators.
- Difficult in fully understanding the complexity of federal and state funding pots for public transportation (how were the funds derived, what existing policies are in place, who determines those policies, what projects have been funded with that source of funding). In response to this, SJCOC prepared a Primer on the primary transit funding "pots" within October SJCOC Board staff report (Appendix D).
- Concern by cities and county on the impacts to other transportation needs--specifically local streets and road repairs—that will be directly impacted by funding policies related to Local Transportation Fund (LTF) Program.

- Systems Plan fell short of emphasizing that the Local Transportation Fund was a revenue source for public transit, first and foremost, and only intended for local street repairs needs if there are no unmet transit needs.
- Transit agencies must have a reliable and defined revenues sources (for transit) to build, plan and expand transit systems.
- Continual questions about the value (or "community benefit") of regional transit (both rail and bus transit) to cities and the related costs of existing and future service.
- Plan did not go far enough in articulating that transit financing of regional transit service was the pro-active strategy to prevent/eliminate any unmet transit needs that are reasonable to meet.
- Recognition that public transit is a valued transportation alternative in the San Joaquin region and there must be funding policy to balance intercity and intra-city transit needs.

*The question of "how can public transit agencies live within its means" proved to be complex. Just scratching on the surface, it raised the question of how much transit is essential in the region in the next ten years? And, how can transit agencies plan for long-term system enhancements when funding policies are established annually for many funding programs and when one transit fund source was financing local streets and roads?*



Even more complicated became the discussion of possible “funding policy” scenarios intended to flush out limitations, constraints, and opportunities in policy development. None of the draft funding scenarios achieved any level of consensus among the stakeholders (cities, county, public transit agencies).

A myriad of questions on funding policy included:

- Should the region phase Local Transportation Fund to eliminate the use for local streets and roads in the next five years?
- Should federal “urbanized area” funding for Lodi, Tracy, and Manteca UZAs provide funding for intercity bus transit and rail transit service? If so, what is the appropriate/fair apportionment of funds?
- What is the best timing for consideration of a “Measure K 3.0”? And if put forward, should the measure be structured to offer a multimodal funding source (to include public transit) while primarily focusing on local streets and roads?
- What are the opportunities for transit coordination to reduce/eliminate cost inefficiencies and streamline services between local and regional transit operators?
- How can funding policy be structured with minimal impacts to local streets and roads?
- How can a “community benefit” assessment be calculated?

With four months of discussion on the draft Plan between July and October 2016, SJCOC staff concluded that a dramatic shift in the approach to funding policy development may need to be considered.

This dramatic shift, called by SJCOC staff as a “back to the basics” proposal, was presented to SJCOC Committees and SJCOC Board in October 2016 for discussion (refer to Board staff report, dated October 2016 in Appendix D). The proposal focused not on exact funding policy scenarios, but rather, on a collaborative process that would ultimately lead to funding policy. There was positive feedback for some fundamental “rules of engagement”, and therefore, SJCOC is presenting the recommendations below as part of the final Systems Plan.

### Recommendation for Immediate Next Steps Following SJCOC Board Adoption of the Systems Plan

#### *Underlying Framework for Consideration*

The difficulty in moving forward on funding policy was predicated on two hurdles that needed to be overcome. It was hard to effectively posit changes in Local Transportation Fund apportionment from member jurisdictions when all of the LTF in the Regional Transit District boundaries were not used for public transit. The RTD boundaries are the City of Stockton and the unincorporated area. City of Stockton uses 100 percent for public transit; however, the unincorporated area divides 76 percent of their apportionment to public transit and retains 24 percent for local streets and roads. Until RTD and the County reviewed their joint agreement on LTF, there is



an impasse on dialogue about reductions in the LTF apportionment (to local streets and roads) from the cities in the region.

The other challenge was that city (and county) municipal agencies raised the need for both better collaborations on intercity transit planning and enhanced understanding of the community benefit of intercity bus transit service and rail to their respective communities. A 1993 adopted resolution by the Transit District (then known as Stockton Metropolitan Transit District), outlined the parameters of operations with cities (Refer to October 2016 Board Staff Report in Appendix D). There can be great value in re-visiting the key business points within the resolution about roles/responsibilities/expectations between RTD and its partners in the provision of transit service.

#### Formulation of Ad Hoc Committee with a multi-faceted mission

Once those areas are addressed, the climate can be favorable for the formation of an Ad Hoc Committee comprised of city managers, the county administrator, and the CEOs of RTD and ACE. SJCOG staff, in coordination with technical staffs of the stakeholder agencies, would assist the Committee in the provision of technical information or follow through on information requests.

*The Systems Plan's immediate recommendation is for the Ad Hoc Committee to hold its first meeting in January 2017 and establish a mission and work plan addressing (1) Transit Coordination and then (2) Public Transit Funding Policy Development.*

The deliverables from the committee include the following:

1. Commitment and execution of MOUs/Master Agreements with RTD and ACE about the parameters of operations in transit planning and funding.
2. Analysis and recommendation on transit coordination efficiencies and cost savings. This may vary community to community and not be a one-size fits all for the region. As an example, one community may benefit from RTD overseeing vehicle maintenance or dispatch while it may not be the best fit (for coordination) in another community.
3. Make recommendations for the Board's consideration in addressing the public transportation funding needs in the San Joaquin region; recommendations would cover the ten-year span of the Systems Plan (through 2024) and may be presented as short, mid, and long-term policies.

## Conclusion

This "back to the basics" recommendation brings the executive leadership of the SJCOG member agencies and regional bus/rail transit operators to the same table. It underscores the commitment of all stakeholders to find cost-effective solutions to transit service delivery that keeps pace with growing communities. The benefit of this approach is an equal role of the key stakeholders in developing funding policies for the SJCOG Board, enabling comprehensive and informed decision-making about transit financing in the next ten years.

## STAFF REPORT

**SUBJECT:** 2017 San Joaquin One Voice® Call  
for Projects

**RECOMMENDED ACTION:** Information

### DISCUSSION:

#### SUMMARY:

San Joaquin One Voice® is SJCOG's regional advocacy effort that assembles a public-private delegation to visit our Congressional and federal departmental representatives in Washington, D.C. The goal of this effort is to educate Congressional and federal departmental representatives on federal funding and regulatory relief needs, issues, and projects of regional significance to the San Joaquin region. The San Joaquin One Voice® delegation members also receive first-hand information on available grant and other funding available to meet our regional priority needs.

The dates of the 2017 San Joaquin One Voice® are April 30-May 4, 2017.

Now, more than ever, it is important to advocate for policy and regulatory reform and the preservation of funding programs crucial to projects in the San Joaquin County region. The One Voice® effort is positively recognized and viewed as a means of assisting our federal representatives identify, prioritize, and shepherd much needed projects through the federal and state budget process. With that in mind, we are issuing a "call for projects" for our 2017 San Joaquin One Voice® effort.

#### RECOMMENDATION:

This in an information item only.

#### FISCAL IMPACT:

Funding for San Joaquin One Voice® is included in the adopted FY 2016-17 SJCOG OWP. Earmarks are not expected in the Federal FY 2017 budget; however discretionary funding allocations are available from departments and through grants. The status of requests for federal funding for some projects will not be known until next fiscal year. Direct costs pertaining to the trip will be offset by sponsor donations.

#### BACKGROUND:

This is the 17<sup>th</sup> annual trip for SJCOG. Our efforts are positively recognized at the federal level and we have been encouraged to continue our collaborative approach and build upon the relationships and communications established with our federal representatives.

Historically, the SJCOG Board endorses 2-3 projects as overall priorities for the region. The Board will review the list of projects submitted in March 2017 and will make the regional priority recommendations at that time.

**SCHEDULE & LOGISTICS:**

<i>San Joaquin One Voice® Schedule</i>	
<b>November 2016</b>	Call for Projects issued
<b>December 2016 to February 2017</b>	Local jurisdictions, transit agencies, partners, and outside organizations develop project requests and obtain approvals by their local boards and councils
<b>January 2017</b>	Registration materials distributed
<b>March 3, 2017</b>	<b>Deadline to submit project requests</b>
<b>March 23, 2017</b>	Project requests approved and Regional Priorities determined by SJCOG Board
<b>March 29, 2017</b>	Hotel Reservation deadline
<b>April 30 – May 4, 2017</b>	<b>Travel to Washington, DC</b>

Accommodations will be at the Washington Court Hotel, 525 New Jersey Ave., N.W., Washington, DC. Reservations can be made by calling 800-321-3010 or by visiting <http://www.washingtoncourthotel.com>.

As in years past, the registration fee for SJCOG Board members (or their elected designee) is waived. Also, SJCOG will pay one-half of SJCOG Board members' travel expenses for the trip.

**ATTACHMENTS:**

1. Instructions for Submitting Regional Priority Project Requests
2. FY 2017 SJCOG Project Request Form

## 2017 San Joaquin One Voice®

### Instructions for Submitting Your Regional Priority Project Requests

San Joaquin Council of Governments seeks projects that are regionally significant and defined and that provide a community-wide benefit. Please keep this in mind when choosing projects for the One Voice® effort.

#### Member Agencies:

- 1) Complete a **project request form** for each project submittal.

*The City of Stockton and the County of San Joaquin may submit:*

- *two regional transportation projects; and*
- *one local project, transportation or otherwise*

*The cities of Escalon, Lathrop, Lodi, Manteca, Ripon, and Tracy, the San Joaquin Regional Transit District, the San Joaquin Regional Rail Commission, the Port of Stockton, and the Stockton Metropolitan Airport may submit:*

- *one regional transportation project; and*
- *one local project, transportation or otherwise*

- 2) Include a **digital photo or graphic** of your project request to be included on the project brochure page that will be used during the San Joaquin One Voice® trip.
- 3) Include **project talking points** (these will be included in the participant binder and used during meetings in Washington, DC).
- 4) Projects must be approved by your respective city councils or boards prior to submission to SJCOG. Please provide a **copy of the minutes or resolution** detailing approval.
- 5) Submit project request form, photo, minutes or resolution, and talking points to SJCOG via email.

#### Other Agencies:

- 1) Follow **steps 1 – 3** as outlined above.
- 2) Submit your project request to your respective city council or governing board for endorsement. All projects **must be endorsed by one of the jurisdictions** listed above prior to submission to SJCOG.
- 3) Upon approval, have the authorizing board or council sign the **endorsement form**.
- 4) Submit project request form, photo, talking points, and signed endorsement form to SJCOG via email.

The deadline for submittal of project application packets is *March 3, 2017*. Projects will be reviewed by SJCOG staff and the SJCOG Executive Committee and will be subject to the recommendation by the full SJCOG Board.

**Project request forms should be submitted via email (in Word format) to: [gorham@sjcog.org](mailto:gorham@sjcog.org). Supporting material can be in formats other than Word. Please note: no hard copies are needed.**

**San Joaquin One Voice<sup>®</sup> Project Request**  
**Add Project Name**

**Requesting Entity:** (please include address)

**Requesting Individual:**

**Contact Information for Staff Level:**

**Lobbyist/Governmental Affairs Representative:**

**Congressional District(s) and Member(s):**

**Title of Project:**

**Type of Project:**

**Statement of Purpose:**

*(Please describe the purpose of the project and how it serves the public interest. Example:  
“Funding will be used for highway improvements that reduce traffic congestion and enhance safety.”)*

**Project Summary:**

*(Please provide a narrative describing the project including background, specific segment or activity to be funded, the need for funding, desired impact of the project, the current status of the project, and the expected schedule for completion. Also include safety, economic, mobility, and environmental benefits this project would provide to the local community and/or government agency that would provide the funding.)*

**Total Project Cost:**

*(Please include budget breakdown)*

**Amount Being Requested:**

**Sources and Amounts of Matching Funds:**

*(Please list all anticipated sources of state, county, and local contribution and the dollar amount you expect to receive from each source.)*

**Funding History:**

*(Please include federal funding OR state, local, or private source funding this project has received.)*

**Current Project Status:**

**Attachments:**

*(Please list any additional files, such as budget projections, reports, letters of support)*

**Additional Information:**

*(Please use the space below if there is any other information you would like to share related to your request.)*

# STAFF REPORT

**SUBJECT:** Results of Transportation Sales Tax  
Measures on the November 2016 Ballot

**RECOMMENDED ACTION:** Discussion Only

## SUMMARY:

Fourteen counties placed a transportation sales tax measure on the November 2016 General Election ballot. Of these, Contra Costa County, Los Angeles County, San Diego County, San Francisco County, Santa Clara County, and Sacramento County would be passing additional sales taxes to supplement those that are in place already. Each transportation sales tax in the state is unique to the needs of the various counties, with differing priorities amongst local street repair, congestion relief, transit, active transportation, and other areas. The preliminary results of the election are shown below as of the time of the writing of this staff report.

### New Sales Tax Measures

- |  |  |
|--|--|
| ✘ Humboldt County Measure U<br>20 years, ½ cent<br>(42.89% Yes, 57.11% No) | ✘ San Luis Obispo County Measure J<br>9 years, ½ cent<br>(65.00% Yes, 35.00% No) |
| ✓ Merced County Measure V<br>30 years, ½ cent<br>(69.15% Yes, 30.85% No)   | ✓ Santa Cruz County Measure D<br>30 years, ½ cent<br>(67.12% Yes, 32.88% No)     |
| ✓ Monterey County Measure X<br>30 years, ¾ cent<br>(67.36% Yes, 32.65% No) | ✓ Stanislaus County Measure L<br>25 years, ½ cent<br>(70.12% Yes, 29.42% No)     |
| ✘ Placer County Measure M<br>30 years, ½ cent<br>(63.71% Yes, 36.29% No)   | ✘ Ventura County Measure AA<br>30 years, ½ cent<br>(53.91% Yes, 43.09% No)       |

### Supplemental Sales Tax Measures

- |   |   |
|---|---|
| ✘ Contra Costa County Measure X<br>30 years, additional ½ cent<br>(62.54% Yes, 37.46% No) | ✓ Los Angeles County<br>Permanent increase, ½ cent<br>(69.82% Yes, 30.18% No) |
|---|---|

- ✗ San Diego County Measure A  
30 years, additional ½ cent  
(57.04% Yes, 42.96% No)
- ✗ Sacramento County Measure B  
30 years, additional ½ cent  
(64.81% Yes, 35.19% No)
- ✓ Santa Clara County Measure B  
30 years, additional ½ cent  
(70.89% Yes, 29.11% No)
- ✗ San Francisco County Measure K  
25 years, ¾ cent General Tax  
(34.95% Yes, 65.05% No)
- ✓ San Francisco County Measure J  
Budgets \$50 million to homeless programs and \$101.6 million to transportation for 24 years  
(66.40% Yes, 33.6% No)

At the June 2016 Primary Election, San Benito County and Solano County also unsuccessfully attempted to pass new transportation sales taxes.

### Alameda County Measure BB

In 2014, Alameda County passed Measure BB. Measure BB is a 30-year additional ½ cent sales tax that helps provide funding for some of their existing projects that were unaffordable due to decreased revenue from the recession, while adding new projects as well. Previously, in 2012 Alameda County tried to pass Measure B1 which would have been a permanent ½ cent transportation sales tax, however this failed by a margin of less than 3,000 votes.

### Other Notable Local Tax Measures

- ✓ BART Regional Measure RR  
\$3.5 billion general obligation bond for system maintenance paid by property taxes  
(71% Yes, 29% No)
- ✗ Lodi Measure R  
Parks and recreation funding  
25 years, 1/8 cent special tax  
(61.15% Yes, 38.85% No)
- ✗ Lodi Measure S  
Public safety funding  
25 years, ¼ cent special tax  
(66.03% Yes, 33.97% No)
- ✓ Stockton Measure M  
Libraries and recreation funding  
16 years, ¼ cent special tax  
(73.70% Yes, 26.30% No)
- ✓ Tracy Measure V  
General city services funding  
20 years, renewal of expired ½ cent general tax  
(62.78% Yes, 37.22% No)

**RECOMMENDATION:**

Discussion only.

**FISCAL IMPACT:**

None at this time.

**BACKGROUND**

As state and federal funding have continued to fail to meet growing transportation needs, counties throughout California have passed “self-help” local transportation sales tax measures. Currently 20 of California’s 52 counties, representing 81 percent of the state’s population, have transportation sales taxes, providing approximately \$4 billion of transportation funding in California annually. Since 1990 this has included San Joaquin County’s Measure K, which was renewed by the voters through 2041 by the voters in 2006.

In San Joaquin County, the need for additional revenue for local street repairs, transit, congestion relief, and active transportation improvements has not decreased with the passage of the federal FAST Act. This has been apparent through the ongoing discussions surrounding the Local Transportation Fund (LTF), the funding crisis affecting the State Transportation Improvement Program (STIP) and local gas tax funding, and the shortfalls in the Measure K sales tax program due to the slow recovery from the recession.

The adopted 2014 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) contained a financial assumption that an additional Measure K sales tax would be required in the future. This sales tax measure would be necessary not only to compensate for the existing shortfalls in the Measure K program, but to also fulfill the vision of the 2014 RTP/SCS that provides funding for a wide range of multimodal transportation improvements.

Over the coming months, the SJCOG Board will need to consider some tough policy decisions on whether to explore a variety of funding options including another Measure K sales tax, and what form that might take. In 2016, an unprecedented number of counties placed measures on the ballot for transportation sales taxes. In addition, the Cities of Lodi, Stockton, and Tracy placed measures on the ballot for local sales taxes for non-transportation purposes.

**NEXT STEPS:**

The results of the General Election and these measures will be used to inform further discussions concerning a potential additional Measure K sales tax in the future.