

# MEASURE K RENEWAL



## 2024 Ordinance and Expenditure Plan

San Joaquin Council of Governments

Amended: June 2024



# **MEASURE K RENEWAL**

## **ORDINANCE**

**MEASURE K RENEWAL - SAN JOAQUIN COUNTY  
LOCAL TRANSPORTATION IMPROVEMENT PLAN:**

**Traffic Relief, Safety, Transit, and Road Maintenance Program  
Ordinance #06-01**

The San Joaquin County Transportation Authority does ordain as follows:

**SECTION 1. TITLE.**

1.01. This Ordinance shall be known and may be cited as the MEASURE K RENEWAL – SAN JOAQUIN COUNTY LOCAL TRANSPORTATION IMPROVEMENT PLAN: Traffic Relief, Safety, Transit, and Road Maintenance Program Ordinance 06-01 (“Ordinance”) which shall establish and implement a retail transactions and use tax.

**SECTION 2. TRANSPORTATION EXPENDITURE PLAN PURPOSES.**

2.1. This Ordinance provides for the implementation of the San Joaquin County Transportation Expenditure Plan (“Transportation Expenditure Plan”), as approved and adopted by the San Joaquin County Transportation Authority (“Authority”), which will result in countywide transportation facility and service improvements including highway and arterial street widening, railroad crossing safety projects, public transit improvements, rail passenger improvements, and pedestrian, bicyclist, and driver safety improvements. These needed improvements shall be funded by the retail transactions and use tax provided for in Section 22 of this Ordinance. The revenues shall be deposited in a special fund and used solely for transportation projects and programs described in the Transportation Expenditure Plan which is considered a part of this Ordinance and hereby incorporated by reference as if fully set forth herein.

2.2. The revenues received by the Authority from this Ordinance, after deduction of required Board of Equalization costs for performing the functions specified in section 180204 of the Public Utilities Code, and after deduction for the administration of the Transportation Expenditure Plan pursuant to the provisions of the Public Utilities Code commencing with section 180200, in an amount not to exceed one percent (1%), and after deduction of a one-time equity adjustment to the City of Ripon for Route 99/Jack Tone Road/UPRR Interchange Project, shall be used for transportation projects and programs countywide as set forth in the Transportation Expenditure Plan and in a manner consistent with the Transportation Expenditure Plan developed by the Authority.

**SECTION 3. REQUEST FOR ELECTION.**

3.1. The Authority hereby requests the San Joaquin County Board of Supervisors place this Ordinance before the voters for approval on the November 7, 2006 ballot.

3.2. The proposition to be placed on the ballot shall contain a summary of the projects and programs and shall read substantially as follows:

Shall the San Joaquin County Transportation Authority be authorized to relieve traffic congestion, match state/federal funds by:

- widening/improving Routes I-5, I-205, 99, 12, and 120;
- expanding ACE commuter rail and seniors/disabled transit services;
- fixing potholes/resurfacing local roads;
- reducing high accident locations countywide;
- requiring citizens' oversight committee and annual audits to ensure all voter mandates are met;

by authorizing continuation of the existing half-cent sales tax for no longer than 30 years?

**SECTION 4. CONTINUATION OF TRANSACTIONS AND USE TAX.**

4.01. If subsequently approved by two-thirds of the electors voting on this Ordinance, the Authority hereby adopts the continuation of a one half of one percent retail transactions and use tax for a thirty year period commencing on April 1, 2011 pursuant to Division 19 of the Public Utilities Code (commencing with section 180000) and the provisions of this Ordinance.

**SECTION 5. TRANSPORTATION IMPROVEMENT PROGRAM PROCEDURES.**

5.1. It is the intent of the Legislature and the Authority that revenues provided from this Ordinance be used to supplement existing revenues being used for transportation improvements and programs. To be eligible to receive Local Street Repairs and Roadway Safety Funds, as identified in the Transportation Expenditure Plan, each local jurisdiction must meet the requirements for such funding specified in the Transportation Expenditure Plan and as specified in this Section of this Ordinance.

5.2. Pursuant to the intent of Public Utilities Code section 180001, a jurisdiction cannot redirect monies currently being used for transportation purposes to other uses, and then replace the redirected funds with local street maintenance and improvement dollars from the retail transaction and use tax. To meet the requirements of state law, in order to receive Local Street Repairs and Roadway Safety Funds a jurisdiction must demonstrate maintenance of a minimum level of local street and road expenditures ("Maintenance of Effort") in conformance with one of the requirements below.

5.2.1. Annual expenditures of a local jurisdiction's general funds for transportation purposes shall be an amount not less than the jurisdiction's three-year average of its annual expenditures from its general fund during the prior three fiscal years, as reported to the State Controller. In calculating the three-year average annual general fund expenditures, any unrestricted funds which the local jurisdiction may expend at its discretion, including vehicle in-lieu tax revenues and revenues from fines and forfeitures, expended for transportation purposes are expenditures from the general fund.

5.2.2. For any city incorporated after July 1, 2007, the city may receive Local Street Repairs and Roadway Safety Funds during its first three years of incorporation;

thereafter, the city's annual expenditures of general funds for transportation purposes shall be an amount not less than the jurisdiction's prior three year average of its annual expenditures from its general fund as reported to the State Controller and as specified in subparagraph 5.02.01 of this Ordinance.

5.2.3. Subject to Authority approval, if any local jurisdiction had extraordinary local discretionary fund expenditures during any fiscal year it may determine that year's minimum expenditure base level of local discretionary funds by:

- (a) subtracting those extraordinary expenses (including but not limited to Proposition 42 (2002) funding, assessment district contributions, development impact funds, redevelopment agency contributions, or other non-recurring contributions) from its total expenditures; or
- (b) petitioning the Authority for special consideration. It is possible that a local jurisdiction may need to revise its minimum expenditure base beyond the subtraction of extraordinary expenses. In this instance, the Authority may allow the establishment of a new base for that jurisdiction's Maintenance of Effort requirement. A local jurisdiction petitioning the Authority under this provision must supply evidence of the need for special consideration and the petition must be approved by a majority vote of the Authority.

5.3. The Authority shall annually update the base year and preceding three year base period for the establishment of an annual minimum based on the information available from the State Controller's Annual Report of Financial Transactions for Streets and Roads.

5.4. An annual independent audit will be conducted to verify that the Maintenance of Effort requirements were met by the local jurisdictions. Any local jurisdiction which does not meet its Maintenance of Effort requirement in any given year may have its Local Street Repairs and Roadway Safety Funds received pursuant to the Transportation Expenditure Plan reduced in the following year by the amount by which the jurisdiction did not meet its required Maintenance of Effort. Such funds shall be redistributed to the remaining eligible jurisdictions.

## **SECTION 6. TRANSPORTATION MITIGATION FEES.**

6.1. In order to receive funds from the Local Street Repairs and Roadway Safety Funds, the local jurisdiction must have adopted a local and regional transportation fee program to assist in mitigating the impact of new development on the local transportation system.

6.2. The Authority shall coordinate expenditures from the proceeds of the one half of one percent sales tax with the adopted Regional Transportation Plan for San Joaquin County, and the adopted Regional Congestion Management Plan for San Joaquin County.

## **SECTION 7. REGIONAL CONGESTION MANAGEMENT PLAN.**

7.1. The Authority must have in place and be fully implementing a Regional Congestion

Management Plan by January 1, 2008.

- 7.2. The primary goals of this Plan shall include:
  - Improve Operational Efficiency
  - Facilitate Goods Movement
  - Increase use and mode shift to the Transit System
  - Increase use and mode shift to the Bike System
  - Support investment in and development of Complete Streets
  - Improve Safety
  - Support proactive System Management
  - Support proactive Travel Demand Management
- 7.3. The Regional Congestion Management Plan shall be in compliance with the federal Congestion Management Process.
- 7.4. SJCOG will produce annually a RCMP Monitoring Report, which will serve to track and report on SJCOG's RCMP and Federal Performance Measures.

## **SECTION 8. AMENDMENTS TO THE TRANSPORTATION EXPENDITURE PLAN.**

8.1. Except as specifically provided within the Transportation Expenditure Plan regarding amending the Local Street Repair and Roadway Safety Funds distribution formula, the Authority may annually review and propose amendments to the Transportation Expenditure Plan to provide for the use of additional federal, state and local funds to account for unexpected revenues, or to take into consideration unforeseen circumstances. The Authority shall act on only one package of amendments each fiscal year. The Authority shall establish a process for proposed Transportation Expenditure Plan amendment(s) which ensures that the affected Authority committee(s), established pursuant to this Ordinance, participate in the development of the proposed amendment(s).

8.2. Upon completion of this process, amendments(s) to the Transportation Expenditure Plan must be passed by a two-thirds majority of the Authority by a roll call vote entered in the minutes of the Authority following a noticed, public hearing of the Authority. Notice of the public hearing shall be published pursuant to Government Code section 6062. Subsequently, the Authority shall notify the Board of Supervisors, the City Council of each city in the county and provide each entity with a copy of the proposed amendment(s). Pursuant to Public Utilities Code 180207, proposed amendment(s) shall become effective 45 days after notice is given, unless appealed under the process outlined in the following paragraph. Should an appeal be filed, the Authority shall hold a public hearing on the proposed amendment(s) within 45 days of the filing of the appeal.

8.3. In the event that a local jurisdiction does not agree with the Authority's amendments(s), the jurisdiction's policy decision-making body must, by a majority vote, determine to formally notify the Authority of its intent, in writing by registered mail, to obtain an override of the Authority's amendment(s). The appealing jurisdiction will have 45 days from the date the Authority adopts the proposed amendment(s) to obtain resolutions supporting an override of the amendment(s) from a majority of the cities representing a majority of the population residing within the incorporated areas of the county and from the Board of Supervisors. If a jurisdiction does not obtain the necessary resolutions supporting the override, the Authority's amendment(s) to the Ordinance will stand. If the necessary resolutions supporting the override are obtained within 45 days from the date the Authority adopts the proposed amendment(s), then the amendment(s) shall not become effective.

8.4. The Transportation Expenditure Plan shall be updated by the Authority every ten years that the sales tax is in effect to reflect current and changing priorities and needs in the County, as defined by the duly elected local government representatives on the Authority Board. Any changes to the Transportation Expenditure Plan must be adopted in accordance with current law in effect at the time of the update and must be based on findings of necessity for change by the Authority.

## **SECTION 9. AMENDMENTS TO THIS ORDINANCE.**

9.1. This Ordinance may be amended to further its purposes. The Authority shall establish a process for proposed Ordinance amendment(s) which ensures that the Authority committees

established by this Ordinance participate in the development of the proposed Ordinance amendment(s).

9.2. Upon completion of that process, amendment(s) to this Ordinance must be passed by a two-thirds majority of the Authority by a roll call vote entered in the minutes of the Authority. The Authority must hold a noticed, public hearing on the matter before formal adoption of any amendment to the Ordinance. Notice of the public hearing shall be published pursuant to Government Code section 6062.

9.3. In the event that a local jurisdiction does not agree with the Authority's amendments(s), the jurisdiction's policy decision-making body must, by a majority vote, determine to formally notify the Authority of its intent, in writing by registered mail, to obtain an override of the Authority's amendment(s). The appealing jurisdiction will have 45 days from the date the Authority adopts the proposed amendment(s) to obtain resolutions supporting an override of the amendment(s) from a majority of the cities representing a majority of the population residing within the incorporated areas of the county and from the Board of Supervisors. If a jurisdiction does not obtain the necessary resolutions supporting the override, the Authority's amendment(s) to the Ordinance will stand. If the necessary resolutions supporting the override are obtained within 45 days from the date the Authority adopts the proposed amendment(s), then the amendment(s) shall not become effective.

## **SECTION 10. AUTHORITY COMMITTEES.**

10.1. The following committee structure is established to advise the Authority in the administration of the Transportation Expenditure Plan and this Ordinance.

10.1.1. The Management and Financial Advisory Committee is established to guide administrative and financial decisions of the Local Transportation Authority and is to be composed of City Managers, the County Administrator, the General Manager of the San Joaquin Regional Transit District, and the Executive Director of the San Joaquin Regional Rail Commission.

10.1.2. The Technical Advisory Committee will serve as the Authority's technical advisory committee and be composed of Directors from the area Public Works Departments, Planning Departments, Caltrans' District 10, the San Joaquin Regional Transit District, the San Joaquin Regional Rail Commission, the San Joaquin Valley Air Pollution Control District, and any other agency the Authority so names.

10.1.3. The Citizens Review Committee will provide community input on project priorities, scheduling, amendments, and any other activity the Authority so designates. The Authority must create a Citizens Review Committee that fairly represents the geographical, social, cultural, and economic mix of the region.

## **SECTION 11. PRIVATE SECTOR FUNDING.**

11.01. Revenues provided from this Ordinance shall not be used to replace private developer funding which has been or will be committed for any project.

## **SECTION 12.BONDING AUTHORITY.**

12.01. The Authority shall have the power to sell or issue, at anytime, and from time to time, including on or before the collection of the taxes authorized by this Ordinance, bonds, notes or other evidences of indebtedness, including capital appreciation bonds, payable from and secured by the proceeds from the sales taxes authorized by this Ordinance and from the proceeds of the existing Measure K sales taxes, in order to finance and refinance the transportation projects identified in the Transportation Expenditure Plan. Bonding indebtedness shall be limited to 35% of net sales measured at the end of the 30-year program. An additional bonds test (ABT) no lower than 1.5x Maximum Annual Debt Service will be measured against revenues for any consecutive 12-month period in the prior 18 months.

## **SECTION 13.ADMINISTRATIVE EXPENSES.**

13.1. Revenues may be expended by the Authority for salaries, wages, benefits, overhead, auditing and those services including contractual services necessary to administer this Ordinance; however, in no event shall an amount exceeding one percent of the annual revenue provided by this Ordinance go towards paying the administrative salaries and benefits of the staff of the Authority. Costs of performing or contracting for project related work shall be paid from the revenues allocated to the appropriate purpose as set forth herein.

13.2. An annual independent audit shall be conducted to assure that the revenues expended by the Authority under this section are necessary and reasonable in carrying out its responsibilities under this Ordinance.

## **SECTION 14.ESTABLISHMENT OF SEPARATE ACCOUNTS.**

14.01. The Authority shall allocate funds to projects and programs identified in the Transportation Expenditure Plan as necessary to meet contractual and program obligations. The Authority may allocate funds as described but may reserve the right not to disburse monies until needed to meet contractual project or program obligations, exclusive of the Local Street Repairs and Roadway Safety Fund. Each agency receiving funds from this Ordinance shall deposit said funds in a separate interest bearing account identified as the Transportation Improvement Account. Any interest earned on funds allocated pursuant to this Ordinance shall be expended only for those purposes for which the funds were allocated or shall be returned to the Authority. The Authority reserves the right to audit such accounts.

## **SECTION 15.IMPLEMENTING ORDINANCES.**

15.01. Upon approval of this Ordinance by the voters the Authority shall, in addition to the local rules required to be provided pursuant to this Ordinance, adopt implementing ordinances, rules and administrative procedures, and take such other actions as may be necessary and appropriate to carry out its responsibilities to implement the Transportation Expenditure Plan.

## **SECTION 16.EFFECTIVE AND OPERATIVE DATES.**

16.01. This Ordinance shall become effective on November 7, 2006 only if a two-thirds

majority of the electors voting on this Ordinance at the election held on November 7, 2006 vote to approve the Ordinance. If so approved, the provisions of this Ordinance shall become operative on November 7, 2006, except as specified in Sections 3, 4 and 22 regarding the continuation of the one half of one percent sales tax which shall become operative on April 1, 2011.

**SECTION 17.DESIGNATION OF FACILITIES.**

17.01. Each project or program in excess of \$250,000 funded in whole or in part by revenues from this Ordinance shall be clearly designated in writing by signs and/or documents, during its construction or implementation as being funded by revenues from this Ordinance.

**SECTION 18.CONTRACTS, LOCAL PREFERENCE.**

18.01. It is the preference of the Authority, where feasible, and allowed under applicable law, to contract with Northern California organizations and businesses and to maximize contract opportunities for minority and women owned businesses. The Authority shall develop administrative procedures for contracts.

**SECTION 19.CONTRACTING FOR PROJECT DELIVERY.**

19.01. The Authority shall have the power to contract for project delivery of any project or program of the Transportation Expenditure Plan if all of the jurisdictions affected by the project agree and if the Authority finds that:

19.1.1.           The project could be delivered faster under a contract issued by the Authority; or

19.1.2. A contract by the Authority would provide economies of scale and reduce project costs.

**SECTION 20. SEVERABILITY.** If any section, part, provision, clause or phrase of this Ordinance or the application thereof to any person or circumstances is for any reason held invalid or unconstitutional, the remaining portions of this Ordinance and the application of such provisions to other persons or circumstances shall not be affected but shall remain in full force and effect.

**SECTION 21. ANNUAL APPROPRIATIONS LIMIT.** Article XIII B of the California Constitution requires the establishment of an annual appropriations limit for certain governmental entities. The maximum annual appropriations limit for the Authority has been established as \$500 million. The appropriations limit shall be subject to adjustment as provided by law. All expenditures of the retail transactions and use tax revenues continued in Section 22 are subject to the appropriations limit of the Authority.

**SECTION 22. CONTINUATION OF RETAIL TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION.**

22.1. This Ordinance shall be applicable in the incorporated and unincorporated territory of the County of San Joaquin, which territory shall be referred to herein as "District".

22.2. Operative Date. For the purposes of this Section 22 the "operative date" means April 1, 2011, provided the Ordinance has been approved by two-thirds of the electors voting on the Ordinance.

22.3. Extension of Sales Tax. This Ordinance is an extension of the existing sales tax adopted pursuant to Ordinance 91-01 and commonly referred to as Measure K. The sales tax imposed pursuant to this Ordinance is not in addition to the sales tax imposed by Measure K, but a continuation of this existing Measure K sales tax for a thirty year period.

22.4. Purpose. This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

22.4.1. To continue a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code which authorizes the Authority to adopt this tax Ordinance which shall be operative if a two-thirds majority of the electors voting on the measure vote to approve the continuation of the tax at an election called for that purpose.

22.4.2. To adopt the continuation of a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

22.4.3. To adopt the continuation of a retail transactions and use tax ordinance

which imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

22.4.4. To adopt the continuation of a retail transactions and use tax ordinance which can be administered in a manner which will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes and at the same time minimize the burden of record keeping upon persons subject to taxation under the provisions of this Ordinance.

22.5. Contract With State. Prior to the operative date, the Authority shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the Authority shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

22.6. Transactions Tax Rate. For the privilege of selling tangible personal property at retail, a tax is hereby continued upon all retailers in the incorporated and unincorporated territory of the District at the rate of one-half of one percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Ordinance.

22.7. Place Of Sale. For the purpose of this Ordinance all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

22.8. Use Tax Rate. An excise tax is hereby continued on the storage, use or other consumption in the Authority of tangible personal property purchased from any retailer on and after the operative date of this Ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

22.9. Adoption Of Provisions Of State Law. Except as otherwise provided in this Ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Ordinance as though fully set forth herein.

22.10. Limitations On Adoption Of State Law And Collection Of Use Taxes. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

22.10.1. Wherever the State of California is named or referred to as the taxing agency, the name of this Authority shall be substituted therefore. However, the substitution shall not be made when:

- (a) The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;
- (b) The result of that substitution would require action to be taken by or against this Authority or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.
- (c) In those sections, including, but not necessarily limited to, sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
  - i. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
  - ii. Continue this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the State under the said provisions of that code;
- (d) In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

22.10.2. The word "District" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

22.11. Permit Not Required. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Ordinance.

22.12. Exemptions And Exclusions.

22.12.1. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

22.12.2. There are exempted from the computation of the amount of transactions tax the gross receipts from:

- (a) Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
- (b) Sales of property to be used outside the District which is shipped to a point outside the District, pursuant to the contract of sales, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the District shall be satisfied:
  - i. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Chapter 2 of Division 3.5 (commencing with Section 9850) of the Vehicle Code by registration to an out-of-District address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his principal place of residence; and
  - ii. With respect to commercial vehicles, by registration to a place of business out-of-District and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
- (c) The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.
- (d) A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this Ordinance.
- (e) For the purpose of subparagraph (c) and (d) of this subsection, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

22.12.3. There is exempted from the use tax continued by this Ordinance, the storage, use or other consumption in this District of tangible personal property:

- (a) The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

- (b) Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Section 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
- (c) If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.
- (d) If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this Ordinance.
- (e) For the purposes of subparagraphs (c) and (d) of this section, storage, use, or other consumption, or possession of, or exercise of any right of power over, tangible personal property shall be deemed not to be obligated pursuant to a contract of lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- (f) Except as provided in subparagraph (g) of this subsection, a retailer engaged in business in the District shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the District or participates within the District in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the district or through any representative, agent, canvasser, solicitor, subsidiary, or person in the District under the authority of the retailer.
- (g) "A retailer engaged in business in the District" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the District.

22.12.4. Any person subject to use tax under this Ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

22.13. Amendments. All amendments subsequent to the effective date of this Ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance; provided, however, that no such amendment shall operate so as to affect the rate of tax continued by this Ordinance.

22.14. Enjoining Collection Forbidden. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the Authority, or against any officer of the State or the Authority, to prevent or enjoin the collection under this Ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

22.15. Effective Date. This Ordinance relates to the levying and collecting of the District transactions and use taxes and shall take effect immediately.

22.16. Termination Date. The authority to levy the tax continued by this Ordinance shall expire on March 31, 2041.

#### **SECTION 23.COORDINATION.**

23.01. The Authority shall consult and coordinate its actions to secure funding for the completion and improvement of the priority regional projects with the California Transportation Commission, transit operators and other interested and affected parties. In addition, the Authority shall seek all ways to expedite the completion of Transportation Expenditure Plan projects, the implementation of which is the responsibility of other agencies.

#### **SECTION 24.ALLOCATION OF RELEASED FUNDS.**

24.01. If additional funds become available for a specific project or projects on the Transportation Expenditure Plan, the Authority may reallocate the retail transactions and use tax funds released by the receipt of those additional funds. In the allocation of the released funds, the Authority shall give first priority to projects and programs identified in the Transportation Expenditure Plan adopted by the voters. Second priority shall be given to other projects and programs which may be placed on the Transportation Expenditure Plan through the amendment process described in Section 8.

#### **SECTION 25.ALLOCATION OF EXCESS FUNDS.**

25.1. In the event, that the retail transactions and use tax revenues generated by this Ordinance are greater than projected or contingency fund requirements are less than projected, the Authority may allocate those excess funds consistent with the Transportation Expenditure Plan adopted by the voters.

25.2. In the allocation of excess funds, the Authority shall give first priority to projects and programs identified in the Transportation Expenditure Plan adopted by the voters. Second priority shall be given to other projects and programs of regional significance which are consistent with the

Regional Transportation Plan and which are placed on the Transportation Expenditure Plan through the amendment process described in Section 8.

#### **SECTION 26.ANNUAL REPORT.**

26.01. An annual report will be prepared by the Authority within 180 days of the end of the fiscal year identifying the actions and accomplishments of the Authority in meeting the adopted Transportation Expenditure Plan.

#### **SECTION 27.SMART GROWTH INCENTIVE PROGRAM.**

27.1. A minimum of \$65 million in state and federal transportation funding or Measure K funding will be made available during the life of the Measure K Renewal program for smart growth incentives to local jurisdictions in San Joaquin County. These funds will be made available for infrastructure improvements and planning grants that will assist local agencies in better integrating transportation and land use, such as street calming, walkable community projects, transit amenities and alternative modes of transportation. These funds will be available to enhance infill development, neighborhood revitalization and downtown improvements.

27.2. The overall goals of the program are to promote infill development (defined as sites with development on at least three sides) in walkable areas thereby increasing living and transportation choices while reducing reliance on automobiles, and to reward jurisdictions that approve new housing and mixed-use development in urban locations near transit hubs. Projects to serve cities currently not served by high-frequency transit service that are creating conditions that would allow for increased transit service, encourage livable communities, support mixed use development, and/or support infill and redevelopment of downtown areas are eligible. In high frequency transit areas eligible projects must be within walking distance of transit hubs (station, transit center, bus stops serving two or more routes). Investments in transit hubs themselves are eligible.

27.3. This program aims to capitalize on public investments in transportation infrastructure, help rebuild and revitalize town centers and main streets, promote infill development, create more walkable communities, encourage transit use, and address regional housing needs. When allocating dollars for housing projects a minimum overall density of 10 units per acre with bonus points for higher densities and affordable housing will be used. Mixed use developments must have an average of 12 units per acre and be at least 50% housing.

27.4. The Smart Growth Incentive Program will be available for allocation in fiscal year 2011-12, and will be available for funding projects on a multiple year basis as prescribed by the Local Transportation Authority.

# **MEASURE K RENEWAL**

## **EXPENDITURE PLAN**

# Measure K Renewal Expenditure Plan

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**San Joaquin Council of Governments**  
555 East Weber Avenue  
Stockton, California 95202  
[www.sjcog.org](http://www.sjcog.org)



**SAN JOAQUIN COUNTY  
LOCAL TRANSPORTATION IMPROVEMENT PLAN**

**EXPENDITURE PLAN**

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This document contains the Expenditure Plan of the San Joaquin County Local Transportation Improvement Plan. This Expenditure Plan, which is required to be adopted by the San Joaquin County Transportation Authority pursuant to Public Utilities Code commencing with Section 180000, is the legal document implementing the local retail transactions and use tax and specifying the method of allocation of the local retail transactions and use tax revenues and other requirements of the Measure. The Ordinance becomes effective at the close of the polls on the day of the election at which the local transportation measure is approved by the voters. The full text of the Expenditure Plan is provided on the following pages.

**Member Jurisdictions**

City of Escalon  
City of Lathrop  
City of Lodi  
City of Manteca  
City of Ripon  
City of Stockton  
City of Tracy  
County of San Joaquin

## EXECUTIVE SUMMARY

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The Transportation Improvement Plan is aimed at remedying the existing over \$7.0 billion deficiency in transportation funding in San Joaquin County while promoting improved air quality. It also mandates local development fees and regional growth coordination. The Plan calls for street repairs, safety and operational improvements on local streets and roads, projects to reduce congestion on streets and highways, passenger rail and bus service to provide alternatives to the car and improve the air quality of the San Joaquin Valley, and separation of streets from railroads at designated crossings to improve safety.

Revenue to fund the Plan comes from the continuation of the existing one half percent (1/2 %) sales tax and will be limited to a 30-year period. The measure is estimated to generate \$2.552 billion for programs.

Categorical Allocations are as follows:

- 35% or \$883 million to Local Street Repairs and Roadway Safety
  - 86% or \$759 million for local street repairs
  - 14% or \$124 million for roadway safety
- 32.5% or \$820 million to Congestion Relief Projects
- 2.5% or \$63 million for Railroad Crossing Safety projects
- 30% or \$756 million to Passenger Rail, Bus and Bicycles:
  - 39% or \$295 million to passenger rail transit
  - 49% or \$370 million for bus transit
  - 5% or \$38 million for bus rapid transit capital
  - 7% or \$53 million for bicycles, pedestrians, and safe routes to school

By law, the Local Transportation Authority (LTA) can take no more than one percent (1%) of gross revenues for administrative salaries and benefits.

### **CATEGORY DESCRIPTIONS**

**LOCAL STREET REPAIR AND ROADWAY SAFETY** - These funds are apportioned according to a baseline allocation and the annual increase of sales tax revenue over the baseline allocation. The baseline allocation is the highest annual total of Local Street Repair funding collected in either 2008, 2009, or 2010 divided 50% to San Joaquin County, 50% to the incorporated cities. Individual city allocations are by their proportionate share of the total incorporated population. The baseline allocation will be increased annually for inflation by 3% or the actual annual growth in sales tax revenue if the actual annual sales tax growth rate is below 3%. The increase over baseline allocation will be divided between all jurisdictions by population percentage of the total incorporated and unincorporated population. The County of San Joaquin is guaranteed an annual minimum of 40% of the combined Local Street Repair and Roadway Safety funding. An annual minimum of \$300,000 is guaranteed to all jurisdictions. This formula will be reviewed and, if necessary, revised after fifteen years. These funds must be used to augment current transportation spending and cannot be used to replace general fund expenditures.

- **Local Street Repair** includes expenditures to rehabilitate local streets, curbs, gutters, sidewalks, and roadway shoulders.

- **Roadway Safety** promotes motorist safety including fog reflectors, median barriers, roadway shoulders, emergency vehicle traffic signal pre-emption systems, and safe routes to schools.

**CONGESTION RELIEF PROJECTS** – These are projects of regional importance, which add lanes to roadways or provide operational improvements that increase roadway capacity. Projects include state highway facilities and regional arterial facilities. Funding will be used in combination with other revenue sources such as state funds or local fees to deliver projects and can be loaned to the state to deliver a project sooner than would normally be expected through the State Transportation Improvement Program (STIP) process. Sixty percent (60%) of the funds are dedicated to state highway projects. Forty percent (40%) of the funds are dedicated to regional arterial projects according to the population of local jurisdictions.

**PASSENGER RAIL, BUS AND BICYCLES** - It is the intent to use sales tax revenue to match and supplement state and federal funds for passenger rail transit, bus transit, and pedestrian/bicycle facilities.

- **Passenger Rail Transit** includes expenditures to promote and upgrade passenger rail service in the Stockton - Bay Area corridor over the Altamont and the Modesto - Stockton - Sacramento corridor. Eligible costs include but are not limited to operations, locomotives and passenger cars, track improvements, train and grade crossing controls.
- **Bus Transit** promotes bus service between the cities within San Joaquin County for all trip purposes. Expenses for capital such as vehicles and operations are eligible. Funding is used for bus programs to promote peak hour, commute service as well as bus services for the elderly and persons with disabilities. These funds can be used for park and ride lots, express bus service, greater frequencies on existing peak hour routes, trip reduction programs to new employment centers and service to other counties. The San Joaquin Regional Transit District (SJRTD) is to receive a minimum allocation of 50% for programs in this category.
- **Bus Rapid Transit Capital** provides funding specifically for infrastructure to support Bus Rapid Transit service. Bus Rapid Transit provides express bus service with fewer stops and higher frequencies that are similar to light rail. Bus Rapid Transit requires priority to be given to buses through traffic signal priority and could allow buses to run on designated high occupancy roadway lanes or separate lanes, including off roadway corridors. Bus Rapid Transit can include interregional/intra-city commute, inter-city, and elderly/persons with disabilities bus service.
- **Bicycles, Pedestrians, and Safe Routes to School** promotes pedestrian/bicycle facility projects including commute facilities, recreational facilities, cross walks, traffic calming projects, and safe routes to schools.

**RAILROAD CROSSING SAFETY PROJECTS** – These are projects to provide motorist safety at railroad crossings. Projects include grade separation facilities, meant to separate roadways from railroads, as well as at-grade improvements. A list of potential underpasses or overpasses of railroad tracks on local streets and roads throughout San Joaquin County has been presented. The Authority will adopt criteria to prioritize the listing.

## **SAN JOAQUIN COUNTY TRANSPORTATION AUTHORITY**

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The San Joaquin Council of Governments is designated the San Joaquin County Local Transportation Authority, pursuant to the provisions of Public Utilities Code Section I, Division 19 commencing with Section 180000. The Local Transportation Authority was created by the San Joaquin County Board of Supervisors to carry out the activity delineated in the San Joaquin County Local Transportation Improvement Plan.

### **S.JCOG Board Members**

Fiscal Year 2023-24

Mayor David Bellinger, Chair – City of Escalon  
Mayor Sonny Dhaliwal, Vice Chair– City of Lathrop  
Mayor Lisa Craig – City of Lodi  
Mayor Gary Singh – City of Manteca  
Mayor Leo Zuber – City of Ripon  
Mayor Kevin Lincoln II – City of Stockton  
Vice Mayor Kimberly Warmsley – City of Stockton  
Councilmember Michael Blower– City of Stockton  
Mayor Nancy Young - City of Tracy  
Supervisor Robert Rickman - San Joaquin County  
Supervisor Miguel Villapudua – San Joaquin County  
Supervisor Steven Ding– San Joaquin County

### **Ex-Officio Members**

Grace Magsayo – Caltrans District 10  
William Trezza – Port of Stockton  
Gary Giovanetti – San Joaquin Regional Transit District

## STATEMENT OF PRINCIPLES

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The San Joaquin Council of Governments (SJCOG) is designated as the Local Transportation Authority (LTA) for the county under the provisions contained in SB 142 (Chapter 786, Statutes of 1987) in order to carry out the activities described in this Expenditure Plan. The Plan was prepared by the San Joaquin Council of Governments in concert with community leaders, elected officials, management and technical staff from member cities and the County and interested members of the general public. The Local Transportation Authority's principles are as follows:

1. A balanced transportation network of highways, local streets, rail and bus transit and regional planning is necessary to preserve the quality of life and a healthy viable economy for San Joaquin County residents.
2. Improved air quality is an important goal for San Joaquin County as well as the entire San Joaquin Valley. Alternatives to the single occupant automobile are important contributors to improved air quality. The implementation of this Plan must be consistent with the adopted Air Quality Plan for San Joaquin County and the San Joaquin Valley Air Basin.
3. It is estimated that there is currently a need for over \$7.0 billion to fund:
  - Street repair, safety and improvements on local streets and roads;
  - Congestion relief projects to accommodate existing crowding of streets and highways;
  - Capital and operating assistance for passenger rail and bus service;
  - Local match requirements for state and federal funding.
4. State and Federal monies are insufficient to meet San Joaquin County's transportation needs. A local retail transactions and use tax for transportation improvements has been demonstrated to be the funding method best suited to match other revenue sources to meet San Joaquin County's needs.
5. All investments in capital facilities and improvements will look at alternatives to widening freeways that provide more cost effective solutions for intra-county transportation and must be within San Joaquin County or directly service the interests of San Joaquin County residents.
6. In order to accommodate San Joaquin County population growth so that it does not occur at the expense of current residents, the cities and the county in San Joaquin will maintain and collect both local traffic mitigation fees and a regional transportation impact fee to pay for growth-induced transportation facilities.
7. To receive Local Street Repair and Roadway Safety funding the cities and the county in San Joaquin must have adopted both local traffic mitigation fees and a regional transportation impact fee.
8. To implement the Plan, management, technical and most importantly citizen oversight is essential.

## SMART GROWTH INCENTIVE PROGRAM

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A minimum of \$65 million in federal transportation funding or Measure K funding will be made available during the life of the Measure K Renewal program for smart growth incentives to local jurisdictions in San Joaquin County. These funds will be available for infrastructure improvements that will assist local agencies in better integrating transportation and land use, such as street calming, walkable community projects, transit amenities and alternative modes of transportation. These funds will be available to enhance infill development, neighborhood revitalization and downtown improvements.

## **STOCKTON METROPOLITAN AIRPORT IMPROVEMENTS**

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Airport Terminal Expansion and Modernization Project

## CATEGORICAL ALLOCATIONS

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The proceeds collected from the sales tax authorized by the San Joaquin County Local Transportation Improvement Plan shall be allocated to eligible projects based on the formula provided in Table 1.

**TABLE 1**

ANTICIPATED SAN JOAQUIN COUNTY  
THIRTY YEAR REVENUE FROM A ½ % SALES TAX  
FOR CATEGORICAL ALLOCATIONS

Thirty Year Revenue Total in 2005 Dollars: \$2,522,000,000

CATEGORICAL ALLOCATIONS  
(30-Year Estimate in 2005 Dollars)

NET FOR ALLOCATION			\$2,522,000,000
LOCAL STREET REPAIR AND ROADWAY SAFETY	<b>35%</b>		\$883,000,000
Local Street Repair	86%	\$759,000,000	
Roadway Safety	14%	\$124,000,000	
CONGESTION RELIEF PROJECTS	<b>32.5%</b>		\$820,000,000
PASSENGER RAIL, BUS AND BICYCLES	<b>30%</b>		\$756,000,000
Passenger Rail Transit	39%	\$295,000,000	
Bus Transit	49%	\$370,000,000	
Bus Rapid Transit Capital	5%	\$38,000,000	
Bicycles, Pedestrians, and Safe Routes to Schools	7%	\$53,000,000	
RAILROAD CROSSING SAFETY IMPROVEMENTS	<b>2.5%</b>		\$63,000,000

These revenue allocations are for illustrative purposes and are estimates only. Actual allocations to each category will be based on the percentages listed above.

## CATEGORY DESCRIPTIONS

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### **CONGESTION RELIEF IMPROVEMENTS**

Thirty-two and one-half percent (32.5%) of the net revenue generated under this measure will be allocated to regional capacity improvement projects. For the purposes of this Plan, "capacity improvement projects" are those capital projects which add lanes to roadways, improve traffic operations, or expand transit capabilities. The cost of these congestion relief projects can include such items as traffic signals, channelization, curbs and gutters, shoulders, bus rapid transit infrastructure, capital improvements at the Stockton Metropolitan Airport, project development, etc. as long as these costs are directly related to the project.

### **STATE HIGHWAY PROJECTS**

Many more state highway improvement projects are needed to address the congestion and safety problems than existing state and federal revenues can fund. Of the total funds available in the Congestion Relief Category, sixty percent (60%) of the funds will be used to match federal and state revenues to complete projects of benefit to the state highway system including, but not limited to:

#### **Interstate 205**

Widen from 6 to 8 lanes between I-580 and I-5

#### **Interstate 5**

Widen from 6 to 8 through lanes between I-205 and Eight Mile Road

#### **Route 4 (Crosstown Freeway)**

Improve interchanges with I-5 and Route 99

#### **Route 12**

Widen from 4 to 6 lanes between Lower Sacramento Road and Route 99, widen from 2 to 4 lanes between Lower Sacramento Road and I-5, provide safety and operational improvements between I-5 and Bouldin Island, and reconstruct the Route 99/Route 12 West Interchange

#### **Route 12 / Route 88**

Widen from 2 to 4 lanes within the joint Route 88/Route 12 corridor

#### **Route 99**

Widen from 4 to 6 lanes between Route 120 and Route 4 (Crosstown Freeway); including reconstruction of Route 99/120 interchange.

#### **Route 120**

Widen from 4 to 6 lanes between I-5 and Route 99; including reconstruction of Route 99/120 interchange.

#### **Highway Access to the Port of Stockton**

Improve access to the Port of Stockton from I-5 while enhancing the Boggs Tract community by extending the Stockton Crosstown Freeway to the west from its terminus at Fresno Avenue to the Port of Stockton

**Interstate 205 Parallel Rail Freight Shuttle**

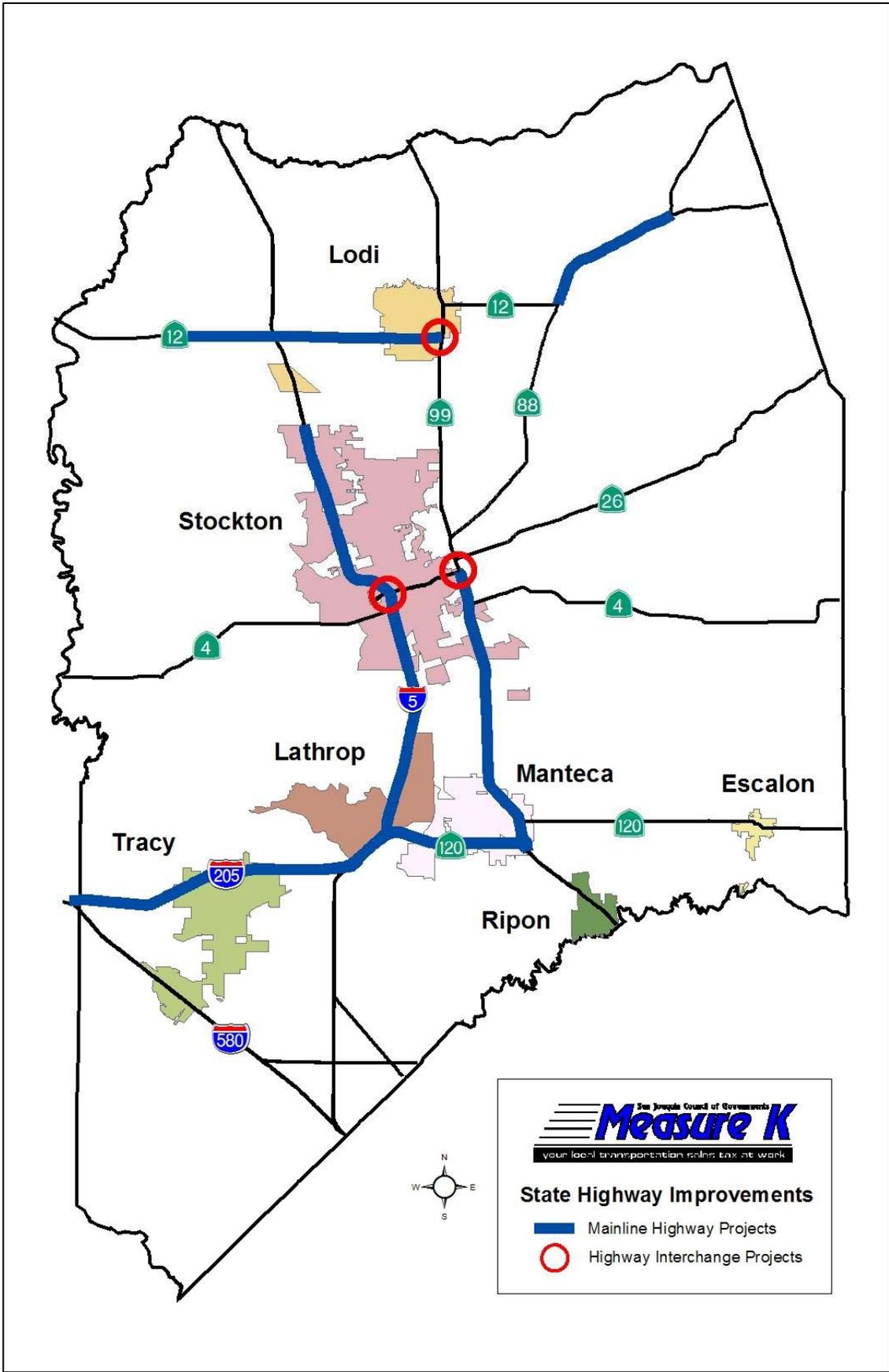
Implement rail freight shuttle between the Port of Stockton and Port of Oakland to divert truck freight traffic from the I-205 corridor

**Stanislaus River Crossing**

Construct a new bridge across the Stanislaus River parallel to Route 99 in the Ripon Area

**Freeway Service Patrol**

Provide motorist assistance on priority state highways to reduce congestion caused by disabled vehicles



## **REGIONAL ARTERIAL PROJECTS**

Forty percent (40%) of the Congestion Relief Category funding may be used to match state and local revenues as well as regional transportation impact fee funding to provide capacity improvements to regional arterials in each of the cities and County of San Joaquin. These funds are apportioned to the local jurisdictions according to their proportionate share of the total incorporated and unincorporated population. The local jurisdictions will identify and prioritize projects for funding requests to the Authority. The Authority will allocate funds consistent with the Regional Transportation Plan. Projects that have an approved Project Study Report, or equivalent, and are included in the Regional Transportation Plan will receive an allocation approval automatically from the Authority in the first ten years of the program (2011 to 2021) so long as the allocation does not exceed the total Congestion Relief funds available to that jurisdiction over the life of the Measure K program. Should revenue projections show an increase in funding in the program, jurisdictions can seek an additional allocation for a project even if it has already received a previous allocation. Eligible projects include, but are not limited to:

### **Escalon Planning Area:**

#### **Campbell Road Extension**

Construct 2-lane extension of Campbell Road between Sante Fe Avenue and Rt. 120.

#### **Ullrey Avenue / McHenry Avenue Intersection**

Reconstruct intersection of Ullrey Avenue and McHenry Avenue including addition of turn pockets, improvement of traffic signal and installation of train pre-emption system for UPRR railroad crossing.

#### **California Street / McHenry Avenue Intersection**

Relocate intersection of California Street and McHenry Avenue to include realignment of California Street to a new 4-way intersection of California Street, Weiss Way and McHenry Avenue.

#### **McHenry Avenue Widening**

Widen from 2 to 4 lanes between Roosevelt Avenue and First Street including relocation of traffic signal at intersection of First Street and McHenry Avenue.

#### **Escalon-Bellota Road**

Widen from 2 to 4 lanes between Mariposa Road and Escalon City limit.

### **Lathrop Planning Area:**

#### **Interstate 5 / Louise Avenue Interchange**

Reconstruct interchange of I-5 and Louise Avenue.

#### **Interstate 5 / Lathrop Road Interchange**

Reconstruct interchange of I-5 and Lathrop Road.

#### **Roth Road**

Widen from 2 to 6 lanes from I-5 to Airport Way including curb, gutter, and sidewalk, and storm drainage. Reconstruct interchange at I-5 and Roth Road, including signalization of ramps and realignment of Harlan Road and Manthey Road intersections. Construct railroad grade separations at Union Pacific Railroad Oakland and Tracy Subdivisions.

### **Lodi Planning Area:**

#### **Pine Street**

Widen from 2 to 3 lanes between Cherokee Lane and Beckman Road.

**Victor Road**

Widen from 2 to 4 lanes between Cluff Avenue and the eastern General Plan boundary including construction of median as well as capacity, signalization, and safety improvements at Route 99.

**Hutchins Street**

Widen from 3 to 4 lanes between Kettleman Lane and Lodi Avenue.

**Harney Lane**

Widen from 2 to 4 lanes between Lower Sacramento Road and Rt. 99 including construction of raised landscaped median.

**Ham Lane**

Widen from 2 to 4 lanes between Lodi Avenue and Elm Street.

**Route 99 / Harney Lane Interchange**

Reconstruct interchange of Rt. 99 and Harney Lane.

**Route 99 / Turner Road Interchange**

Provide capacity, signalization, and safety improvements at the interchange of Rt. 99 and Turner Road.

**Turner Road**

Widen from 2 to 4 lanes between I-5 and the Lodi City limits

**Manteca Planning Area:**

**Route 120 / McKinley Avenue Interchange**

Construct new interchange at Rt. 120 and McKinley Avenue.

**Route 99 / Austin Road Interchange**

Reconstruct interchange of Rt. 99 and Austin Road.

**Louise Avenue**

Improvements (Main to Rt. 99)

**Route 120 / Main Street Interchange**

Reconstruct interchange of Rt. 120 and Main Street.

**Route 120 / Airport Way Interchange**

Reconstruct interchange of Rt. 120 and Airport Way.

**Route 120 / Union Road Interchange**

Reconstruct interchange of Rt. 120 and Union Road.

**Airport Way**

Widen from 2 to 4 lanes between Lathrop Road and French Camp Road and from 4 to 6 lanes between French Camp Road and Arch Road

## **Ripon Planning Area:**

### **Stockton Avenue**

Widen from 2 to 4 lanes between 2nd Street and 5th Street.

### **Route 99 / Main Street / UPRR Interchange**

Reconstruct interchange of Rt. 99 and Main Street including reconstruction of Main Street overcrossing of UPRR and intersection improvements at Stockton Avenue and East Main Street.

### **Route 99 / Wilma Avenue / UPRR Interchange**

Reconstruct interchange of Rt. 99 and Wilma Avenue including reconstruction of Wilma Avenue overcrossing of UPRR.

### **Route 99 / Jack Tone Road / UPRR Interchange**

Equity adjustment for reconstructing the interchange of Rt. 99 and Jack Tone Road including reconstruction of Jack Tone Road overcrossing of UPRR.

### **Route 99 / Olive Avenue / UPRR Interchange**

Construct new interchange of Rt. 99 and Olive Avenue including construction of an overcrossing of UPRR.

### **Jack Tone Road**

Widen from 2 to 4 lanes between Ripon City Limits and State Route 120 (Yosemite Avenue).

## **Stockton Planning Area:**

### **Pacific Avenue**

Widen or use existing right of way between Harding Way and Hammer Lane to accommodate a north-south bicycle facility, including reconstruction of intersections, addition of turn and acceleration/deceleration lanes, and reconstruction/extension of a raised landscaped median.

### **Thornton Road**

Widen to 6 lanes between Bear Creek and Hammer Lane including reconstruction of intersections, addition of turn and acceleration/deceleration lanes, and construction of a raised landscaped median.

### **Eight Mile Road Expressway**

Widen to 8 through lanes between I-5 and Rt.99 including reconstruction of intersections, addition of turn and acceleration/deceleration lanes, and construction of a raised median.

### **Airport Way**

Reconstruct intersections, add turn lanes, and install traffic signal improvements between Harding Way and Industrial Drive

### **Mariposa Road**

Widen from 2 to 4 lanes between 8th Street and Jack Tone Road.

## **Interstate 5 Widening and Improvements**

### **Route 99 Widening and Improvements**

#### **Lower Sacramento Road**

Widen from 2 to 4 lanes from Pixley Slough to Marlette Road and from 2 to 6 lanes from Grider Way to Royal Oaks Drive including medians, curb, gutter, sidewalk, and bicycle facilities. Widen Bear Creek Bridge from 2 to 6 lanes and Pixley Slough Bridge from 2 to 4 lanes.

#### **Pershing Avenue**

Widen from 2 to 3 lanes from Meadow Avenue to Thornton Road including curb, gutter, sidewalk, and storm drainage.

## **Tracy Planning Area:**

### **Corral Hollow**

Widen from 2 to 4 lanes between Linne Road and Parkside Road including construction of median and sidewalk.

### **Mac Arthur Drive**

Widen from 2 to 4 lanes between Valpico Road and Schulte Road including construction of median and sidewalk. Construct 4 lane extension of Mac Arthur Drive between Monte Diablo Road and Eleventh Street including construction of median and sidewalk.

### **Grant Line Road**

Widen from 2 to 4 lanes between Parker and Mac Arthur Drive including construction of median and sidewalk. Realign and widen from 2 to 4 lanes between Tracy City Limits and Eleventh Street intersection, including reconstruction of intersections and related operational and safety improvements.

### **Schulte Road**

Construct 4 lane extension of Schulte Road between west of Corral Hollow Road and Lammers Road including construction of median and sidewalk.

### **Interstate 205 / Lammers Road Interchange**

Construct new interchange of I-205 and Lammers Road.

### **Interstate 205 / Mac Arthur Drive Interchange**

Improve ramps at interchange of I-205 and Mac Arthur Drive.

### **Eleventh Street**

Improve roadway between Mac Arthur Drive and I-5 including installation of traffic signal and/or roundabout improvements at intersections, center median, and an eastbound auxiliary lane at selected areas of Eleventh Street corridor.

### **Linne Road**

Widen from 2 to 4 lanes between Tracy Boulevard and Chrisman Road.

### **Interstate 205 / Mountain House Parkway Interchange**

Improve ramps at interchange of I-205 and Mountain House Parkway.

### **Interstate 580 / Mountain House Parkway Interchange**

Improve ramps at interchange of I-580 and Mountain House Parkway.

### **International Parkway**

Widen from 2 to 4 lanes between I-205 and I-580, including bridges at Delta-Mendota Canal and California Aqueduct.

## **LOCAL STREET REPAIRS AND ROADWAY SAFETY**

Cities and the County will share thirty-five percent (35%) of the net sales tax revenue for local street repairs, roadway safety and operations improvements as determined by the local jurisdiction. Local jurisdictions will receive an annual funding allocation on a formula basis according to a baseline allocation and the sales tax revenue increase over the baseline allocation. The baseline allocation is the highest annual total of Local Street Repair funding collected in either 2008, 2009, or 2010 divided 50% to San Joaquin County, 50% to the incorporated cities. Individual city allocations are by their proportionate share of the total incorporated population. The baseline allocation will be increased annually for inflation by 3% or the actual annual growth in sales tax revenue if the actual annual sales tax growth rate is below 3%. The increase over baseline allocation will be divided between all jurisdictions by population percentage of the total incorporated and unincorporated population. The County of San Joaquin is guaranteed an annual minimum of 40% of the combined Local Street Repair and Roadway Safety funding. An annual minimum of \$300,000 is guaranteed to all jurisdictions. This formula will be reviewed and, if necessary, revised after fifteen years. These funds must be used to augment current transportation spending and cannot be used to replace general fund expenditures.

### **Local Street Repair**

Local Street Repair includes expenditures to rehabilitate local roadways as determined by the local jurisdiction. It is the intent of the California State Legislature and the Authority that revenues provided under this measure be used to supplement existing revenues being used for local street maintenance projects and programs.

#### **Maintenance of Effort Policy:**

- A JURISDICTION CANNOT REDIRECT MONIES CURRENTLY BEING USED FOR LOCAL STREET MAINTENANCE PURPOSES TO OTHER USES, AND THEN REPLACE THE REDIRECTED FUNDS WITH LOCAL STREET MAINTENANCE DOLLARS FROM THE RETAIL TRANSACTION AND USE TAX. To meet the requirements of state law, a jurisdiction must demonstrate maintenance or a minimum level of local street and road expenditures in conformance with procedures adopted in ordinance by the Authority. Monies from this program may not go to a city's or the County's "General Fund".
- The Authority shall annually update the base year and preceding three year base period for the establishment of an annual minimum based on the information available from the State Controller's Annual Report of Financial Transactions for Streets and Roads.
- An annual independent audit will be conducted to verify that the Maintenance of Effort requirements were met by the local jurisdictions. Any local jurisdiction which does not meet its Maintenance of Effort requirement in any given year may have its Local Street Repair funding reduced in the following year by the amount by which the jurisdiction did not meet its required Maintenance of Effort. Such funds shall be redistributed to the remaining eligible jurisdictions.
- A jurisdiction may use monies from this source to offset the loss of traffic fee revenue from exempted "affordable housing units" as defined in the Regional Fair Share Housing Plan.
- Local jurisdictions may "lend" any of their allocation to another agency so that projects could be expedited as long as a formal agreement is executed by all agencies involved and is approved by the Authority.

## **Roadway Safety**

Roadway Safety includes expenditures to promote safety improvements on local roadways as determined by the local jurisdiction. Local jurisdictions will provide an annual report of roadway safety projects completed with Roadway Safety funding as part of the annual independent audit of maintenance of effort for Local Street Repair funding.

Eligible projects that may be funded under this program include, but are not limited to:

- Median barriers and guard rails
- Roadway shoulders
- Traffic signal synchronization
- Acceleration/deceleration lanes
- Emergency vehicle traffic signal pre-emption systems
- Raised fog reflectors
- Turn lanes and pockets
- Safe routes to schools
- Roadway realignments

## **PASSENGER RAIL, BUS AND BICYCLES**

Thirty percent (30%) of the net sales tax revenue generated in the Measure K program will be allocated for passenger rail transit, bus transit, and pedestrian/bicycle projects. The objective of this category is to provide alternatives to the use of automobiles as a means of intercity and commute transportation. This is an important step in improving air quality in addition to enhancing the mobility of persons without access to private automobiles, the elderly, and persons with disabilities of San Joaquin County. It is the intent to use sales tax revenue to match and supplement state and federal funds. All investments in capital items or facilities will be within San Joaquin County or directly service the interests of San Joaquin County residents.

### **Passenger Rail Transit**

Passenger Rail Transit includes expenditures to promote and upgrade commuter rail service provided by the Altamont Commuter Express (ACE) service. This category is intended primarily for capital purchases. Eligible costs include operations. The two primary corridors identified for rail service are:

1. Stockton – Bay Area
2. Modesto – Stockton – Sacramento

Eligible projects that may be funded under this program include, but are not limited to:

- ACE stations
- Track improvements
- Locomotives and rail passenger cars
- Grade crossing controls
- Connections to BART and other transit systems
- Service planning and studies
- Ripon Multimodal Station

### **Bus Transit**

Bus Transit includes interregional/intra-city commute, inter-city, and elderly/persons with disabilities bus service. Inter-city and Elderly/Persons with Disabilities Service promotes both bus service between the cities within San Joaquin County for all trip purposes and specialized elderly/persons with disabilities bus service throughout San Joaquin County. Interregional/Intra-city Commute Service includes bus programs to promote peak hour, commute service. To address needs in the next two funding categories, the Authority shall prepare and update every five years a 20-year Regional Transit Systems Plan to allocate monies from this program to promote the ridership on and the efficiency of peak hour, commute time and intercity bus service. The San Joaquin Regional Transit District is to receive a minimum of 50% of the funds allocated from this program for implementing the projects identified above in conformance with the Regional Transit Systems Plan. Local jurisdiction transit programs are eligible to apply for funding provided that, with the exception of local jurisdictions less than 75,000 in population, the San Joaquin Regional Transit District and the San Joaquin Regional Rail Commission, none of their Transportation Development Act (TDA) local transportation funding (LTF) is claimed or reclaimed under Public Utilities Code, Chapter 4, Article 8, Section 99400a for local streets and roads purposes, excluding pedestrian and bicycle facilities.

An amount equal to 50% of the City of Ripon's and the City of Escalon's share of the transit category based upon population will be made available for transit service to the Modesto area from those communities. Any funds not used by the Cities of Ripon and Escalon will be made available for regional transit purposes.

### **Interregional/Intra-City Commute Service**

These funds are to provide additional peak hour service to foster more commute trip making on transit. Funding would be available for both capital and operations. Funding could go towards any project that promotes the use of alternative transportation during the commute hours and is available to local jurisdictions providing bus transit service. This funding category is to supplement and not to replace funding for existing service, excluding those services funded under the 1990 Measure K program. This program is also available for facilities and the promotion of rideshare alternatives such as carpools, vanpools, and buspools.

Eligible projects that may be funded under this program include, but are not limited to:

- Bus service to employment centers in other counties such as Alameda, Sacramento and Stanislaus.
- Bus service to regional education centers.
- Greater frequencies on existing peak hour intra-city bus routes.
- Express Bus Service on I-5 and Route 99
- Region-wide ride share program
- Park and ride lot locations in San Joaquin County
- Bus Rapid Transit operations

### **Inter-City and Elderly/Persons with Disabilities Transit**

Eligible projects that may be funded under this program in the following priority order include, but are not limited to:

- Inter-city bus service between Stockton and the Cities of Lodi, Manteca, Lathrop, Tracy, Escalon and Ripon for all trip purposes.
- Capital purchases such as vehicles for providing transit service in all communities to the elderly, persons with disabilities, and the transportation disadvantaged.
- Operating expenses for transit service to the elderly, persons with disabilities, and the transportation disadvantaged.
- Bus Rapid Transit operations

### **Bus Rapid Transit Capital**

Bus Rapid Transit provides express bus service with fewer stops and higher frequencies that are similar to light rail. Bus Rapid Transit requires priority to be given to buses through traffic signal priority and could allow buses to run on designated high occupancy roadway lanes or separate lanes, including off roadway corridors. Bus Rapid Transit can include interregional/intra-city commute, inter-city, and elderly/persons with disabilities bus service. Bus Rapid Transit Capital provides funding specifically for infrastructure to support Bus Rapid Transit service. Local jurisdiction transit programs are eligible to apply for funding provided that, with the exception of local jurisdictions less than 75,000 in population, the San Joaquin Regional Transit District and the San Joaquin Regional Rail Commission, none of their Transportation Development Act (TDA) local transportation funding (LTF) is claimed or reclaimed under Public Utilities Code, Chapter 4, Article 8, Section 99400a for local streets and roads purposes, excluding pedestrian and bicycle facilities.

Eligible projects that may be funded under this program include, but are not limited to:

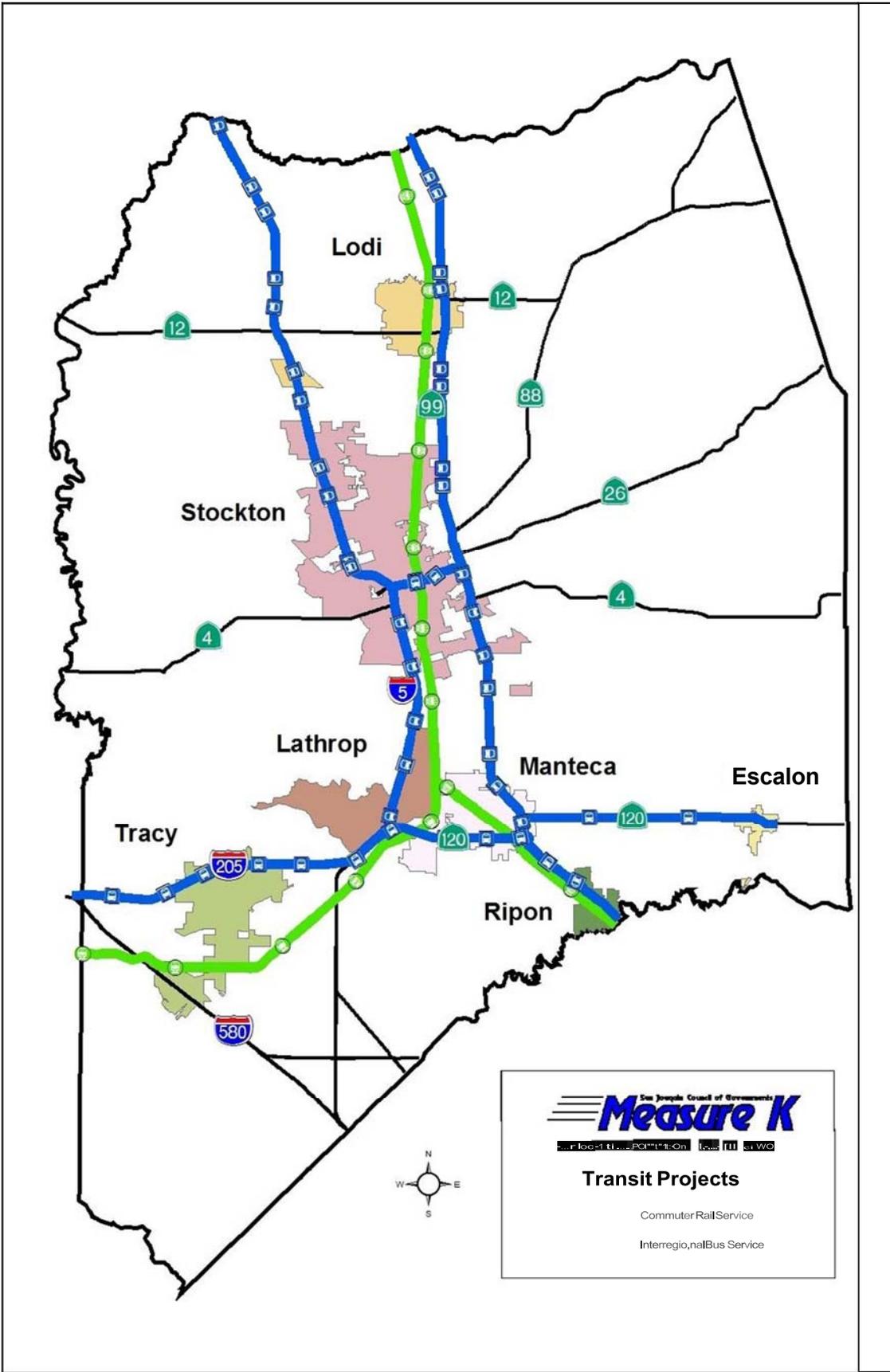
- Dedicated bus lanes
- Stations
- Turnouts
- Fare collection systems
- Traffic signal pre-emption systems for buses

### **Bicycles, Pedestrians, and Safe Routes to School**

These funds are to expand and enhance pedestrian and bicycle safety and facilities within San Joaquin County. These projects may include improving existing pedestrian and bicycle facilities and/or planning, developing, and constructing new facilities. Sixty percent (60%) of the funds will be allocated according to a competitive grant process. Forty percent (40%) of the funds will be allocated to the local jurisdictions according to their proportionate share of the total incorporated and unincorporated population. All local jurisdictions, the San Joaquin Regional Transit District, and the San Joaquin Regional Rail Commission are eligible to apply for the competitive funding. It is intended that these funds be used to match federal, state, local, and private funding to maximize the number of improvements to be implemented.

Eligible projects that may be funded under this program include, but are not limited to:

- Bicycle commute facilities on separate rights-of-way
- Recreational pedestrian and bicycle facilities
- Traffic calming devices
- Cross walks
- Pedestrian/bicycle overcrossings
- Safe routes to schools



## **RAILROAD CROSSING SAFETY**

Two and one-half percent (2.5%) of the net revenue generated under this measure will be allocated to railroad crossing safety projects. Railroad crossing safety projects include grade separation facility projects, meant to separate local roads and streets from railroads, as well as at-grade improvements. Grade separations can be done through the construction of overpasses or underpasses. Funds will be used to match state and local revenues to fund the following list of eligible railroad crossing safety projects. The Authority will adopt criteria to prioritize the listing.

### **Escalon Planning Area:**

#### **Escalon BNSF Crossing**

Construct grade separation or at-grade improvements of BNSF railway crossings at location in City of Escalon to be determined through local arterial circulation analysis.

### **Lathrop Planning Area:**

#### **Lathrop Road / UPRR (Westerly)**

Construct grade separation of roadway and railway.

### **Lodi Planning Area:**

#### **Harney Lane / UPRR**

Construct grade separation of roadway and railway.

#### **Lodi Avenue / UPRR**

Construct safety improvements of railway crossing.

#### **Lower Sacramento Road / UPRR (near Woodson Road)**

Construct grade separation of roadway and railway.

#### **Davis Road / UPRR**

Construct grade separation of roadway and railway.

#### **Turner Road / UPRR**

Construct grade separation of roadway and railway.

### **Manteca Planning Area:**

#### **Airport Way / UPRR**

Construct at-grade improvements of railway crossing.

### **Ripon Planning Area:**

#### **Route 99 / Main Street / UPRR**

Reconstruct overcrossing of railway as part of interchange reconstruction project.

#### **Route 99 / Wilma Road / UPRR**

Reconstruct overcrossing of railway as part of interchange reconstruction project.

### **Stockton Planning Area:**

#### **Eight Mile / UPRR (Westerly)**

Construct grade separation of roadway and railway.

#### **Eight Mile / UPRR (Easterly)**

Construct grade separation of roadway and railway.

#### **Airport Way / BNSF**

Construct at-grade improvements of railway crossing.

#### **8th Street / UPRR**

Construct grade separation of roadway and railway.

#### **Lower Sacramento Road / UPRR**

Construct grade separation of roadway and railway.

#### **Morada Lane / UPRR (Westerly)**

Construct grade separation of roadway and railway.

#### **West Lane / UPRR**

Construct grade separation of roadway and railway.

#### **Alpine Road / UPRR (Westerly)**

Construct grade separation of roadway and railway.

#### **Alpine Road / UPRR (Easterly)**

Construct grade separation of roadway and railway.

### **Tracy Planning Area:**

#### **Chrisman Road / UPRR**

Construct grade separation of roadway and railway.

## ADMINISTRATION

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### LOCAL TRANSPORTATION AUTHORITY ADMINISTRATION

The Authority will hire the staff and professional assistance required to administer the proceeds of the tax and carry out the mission outlined in this Expenditure Plan.

- The total administrative cost of salaries and benefits of the staff of the Authority shall not exceed one percent (1%) of the gross revenues generated by the measure. These costs include salaries, wages, benefits, overhead, auditing and those services including contractual services necessary to administer this Plan.
- An annual independent audit shall be conducted to assure that the revenues expended by the Authority under this section are necessary and reasonable in carrying out its responsibilities under the Ordinance.
- The Authority will prepare an annual report, identifying the total expenditures for administration, as well as other costs associated with delivering the program.
- An annual budget will be adopted by the Authority each year. The budget will project the expected sales tax receipts, other anticipated funds, and planned expenditures for administration, programs, and projects. The Strategic Plan can serve as the budget.

### AUTHORITY COMMITTEES

The following committee structure will advise the Authority in the administration of the Expenditure Plan.

- ***The Management and Finance Committee*** will guide administrative and financial decisions of the Local Transportation Authority and is to be composed of City Managers, the County Administrator, the General Manager of the San Joaquin Regional Transit District, and the Executive Director of the San Joaquin Regional Rail Commission.
- ***The Technical Advisory Committee*** will serve as the Authority's technical advisory committee and be composed of Directors from the area Public Works Departments, Planning Departments, Caltrans District 10, the San Joaquin Regional Transit District, the San Joaquin Regional Rail Commission, the Air Pollution Control District, and any other agency the Authority so names.
- ***The Citizens Review Committee*** will serve to provide community input on project priorities, scheduling, amendments, and any other activity the Authority so designates. The Authority must create a Citizens Review Committee that fairly represents the geographical, social, cultural, and economic mix of the region.

## **STRATEGIC PLAN**

The Authority will prepare a Strategic Plan every two years. The Strategic Plan will be the master document for delivery of the Expenditure Plan projects and can be amended at any time. The purposes of the Strategic Plan are as follows:

- Defines the scope, cost, and schedule of each project
- Identifies accomplishments and critical issues
- Lists a set of amendments to these projects
- Details the revenue projections and possible financing tools needed to deliver the Expenditure Plan
- Gathers into one document the policies and procedures of the Expenditure Plan
- Serve as annual budget

## **AMENDMENTS TO THE EXPENDITURE PLAN**

The Authority may annually review and propose amendments to the Expenditure Plan to provide for the use of additional federal, state and local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances. The Authority shall act on only one package of amendments per fiscal year. Amendments to the Expenditure Plan must be passed by a two thirds majority of the Authority. The Authority shall notify the Board of Supervisors, the City Council of each city in the county and provide each entity with a copy of the proposed amendment(s). Pursuant to Public Utilities Code 180207, proposed amendment(s) shall become effective 45 days after notice is given, unless appealed under the process outlined in the Ordinance. The Authority shall hold a public hearing on the proposed amendment(s) within this 45 day period.

## **MANDATORY DEVELOPMENT FEES**

All communities in San Joaquin County must have adopted both a local development fee program for traffic mitigation and the Regional Transportation Impact Fee. Should a jurisdiction not have a local traffic impact mitigation fee and the Regional Transportation Impact Fee in place by the last day of the fiscal year, then all revenue apportioned to that community under the Local Street Repair Program will be reapportioned for the following fiscal year among all the eligible jurisdictions based on the adopted formula.

## **TAXPAYER ACCOUNTABILITY SAFEGUARDS**

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### **LEGAL DEDICATION OF FUNDS**

Measure K funds may only be used for transportation purposes as described in the local ordinance governing this program, including the construction, environmental mitigation of transportation projects, capital activities, acquisition, maintenance, and operation of streets, roads, highways, including state highways and public transit systems and for related purposes. These purposes include but are not limited to expenditures for the planning, environmental reviews, engineering and design costs, related right-of-way acquisition, and construction, engineering and administration.

### **MANDATORY ANNUAL FISCAL AUDIT**

No less than annually, the Authority shall conduct an independent fiscal audit of the expenditure of all sales tax funds raised by this measure. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with the San Joaquin County Transportation Improvement Plan as adopted by the voters in approving the sales tax measure on November 2, 2006. In addition, the audit shall determine that Maintenance of Effort requirements and local government participation in both the Regional Transportation Impact Fee Program as well as a local developer fee program for traffic mitigation. The audit shall also insure that no more than one percent (1%) of total sales tax expenditures is used for administrative staff salaries and benefits in implementing this Plan.

### **MANDATORY PLAN UPDATE AND TERMINATION OF SALES TAX**

This Plan shall be updated by the Authority every ten years that the sales tax is in effect to reflect current and changing priorities and needs in the County, as defined by the duly elected local government representatives on the Authority Board. Any changes to this Plan must be adopted in accordance with current law in effect at the time of the update and must be based on findings of necessity for change by the Authority. The sales tax authorized to be collected by the voters shall be terminated on March 31, 2041, unless reauthorized by the voters to extend the sales tax prior to the termination date as required under state law in effect at the time of the vote for extension. For the purpose of this and future sales tax extensions, sales tax collected under this plan may be used to reimburse the Authority for costs associated with drafting a successor plan, conducting a Programmatic Environmental Impact Report, and the election.