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Staff Report for Approval of the 2012 Alameda County Transportation Expenditure Plan and Request for the Alameda County Board of Supervisors to Place an Extension and Augmentation Measure of the Existing Transportation Sales Tax on the November 6, 2012 Ballot

**RECOMMENDATIONS**

Staff recommends that the City Council approve the 2012 Alameda County Transportation Expenditure Plan (TEP) and request that the Board of Supervisors place it on the November 6, 2012 General Election ballot.

The ballot measure prepared for the TEP provides for the augmentation and extension of the existing half-cent sales tax for transportation in Alameda County, authorizing an additional half-cent sales tax through 2022 and extending the full cent in perpetuity to fund the transportation programs and projects described in the 2012 TEP. Approval of the TEP is in the best interest of the City of San Leandro to maintain and improve the roadways that make up the transportation system of San Leandro and the surrounding jurisdictions of Alameda County.

**BACKGROUND**

In 1986, voters approved Measure B, a 1/2 cent sales tax, to fund transportation improvements and programs throughout Alameda County. In November 2000, Alameda County voters approved an extension of the first sales tax through 2022 to fund a new set of project and program investments throughout the county. All of the major projects promised to and approved by the voters in the 2000 Measure are either underway or complete. Funds that go to cities and transit agencies to maintain and improve local streets, provide critical transit service and services for seniors and persons with disabilities, as well as bicycle and pedestrian safety projects, will continue until the current Measure B expenditure plan ends in 2022.

While the existing measure will remain intact through 2022, the 2012 Alameda County Transportation Expenditure Plan (TEP) was developed for three reasons:

- The capital projects in the existing measure have been largely completed, with many projects implemented almost 10 years ahead of schedule. Virtually all of the project funds in the existing measure are committed to these projects. Without a new plan, the County will be unable to fund any new major projects to address pressing mobility needs, due to significant decreases in transportation funding from state and federal sources.
- Due to the economic recession, all sources of transportation funding have declined. The decline in revenues has had a particularly significant impact on transportation services that depend on annual sales tax revenue distributions for their ongoing operations. The greatest impacts have been to the programs that are highly important to Alameda County residents and businesses, including:
  - Reductions in local funding to transit operators, combined with state and federal reductions, have resulted in higher fares and reductions in service hours.
  - Reductions in local funding to programs for seniors and persons with disabilities have resulted in cuts in these programs, while the populations depending on them continue to increase.
  - Local road maintenance programs have been cut, and road conditions have deteriorated for all types of users.
  - Bicycle and pedestrian system improvements and maintenance of pathways continue to deteriorate, making it more difficult to walk and bike as an alternative to driving.
- Since the recession began, bus services in Alameda County have been cut significantly, and the gap between road maintenance needs and available funding is at an all-time high.

## **Analysis**

The new transportation expenditure plan will provide significant investments in projects and programs. The 2012 TEP will double investments in transit services, allowing operators in Alameda County to close local funding gaps created by declining state and federal revenue, keep needed services in place, and restore service cuts for many providers. A key feature of the local transportation sales tax is that it cannot be used for any purpose other than local transportation needs. It cannot be taken by the State or by any other governmental agency under any circumstance, and over the life of this plan can only be used for the purposes described in the plan or the plan as amended.

The ballot measure supported by this plan will augment and extend the existing half-cent sales tax for transportation in Alameda County, authorizing an additional half-cent sales tax through 2022, and extending the full cent in perpetuity. Recognizing that transportation needs, technology, and circumstances change over time, the expenditure plan covers the period from approval in 2012 and subsequent sales tax collections for an unlimited period, unless otherwise terminated by the voters. The result will be the programming of a total of \$7.7 billion in new transportation funding during the first thirty years. Voters will have the opportunity to review and approve comprehensive updates to this plan at least once prior to the end of 2042 and every 20 years thereafter.

The expenditure plan was developed in conjunction with the Alameda Countywide Transportation Plan (CWTP), the long range policy document that guides transportation investments, programs, policies and advocacy for Alameda County through 2040. A Steering Committee and two working

groups (Community and Technical) were established to guide development of both the CWTP and the TEP over the past two years. City staff participated in the Technical Advisory Group.

Public engagement and transparency were the foundations of the development of these plans. A wide variety of stakeholders, including businesses, technical experts, environmental and social justice organizations, seniors, and people with disabilities, helped shape the plans to ensure that they serve the county's diverse transportation needs. Thousands of Alameda County residents participated through public workshops, including two held in San Leandro during 2011, which facilitated small group dialogue. A website allowed for online questionnaires, access to project information, and submittal of comments. Advisory committees representing diverse constituencies were integrally involved in the plan development process from the beginning. In addition, opinion polls were conducted through telephone surveys of likely voters in Alameda County. Results demonstrated that over 79% of those polled were supportive of augmenting and extending the existing transportation sales tax measure.

The TEP includes a set of strong taxpayer safeguards to ensure that the promises in the plan are met. These include: 1) ongoing monitoring and review by an Independent Watchdog Committee; 2) an annual independent audit and report to the taxpayers; 3) requirement for full public review and periodic voter approval for comprehensive updates to the expenditure plan at least once before the completion of 2042 and every 20 years thereafter; and 4) strict limits on administrative expenses charged to these funds.

### ***A New Mobility Plan for the 21<sup>st</sup> Century in Alameda County***

The TEP will serve as the New Mobility Plan for Alameda County for the 21<sup>st</sup> Century by providing essential transportation investments to address both current and projected transportation needs in Alameda County. Further, the TEP will provide funding for maintenance, operations, and new infrastructure to expand mobility choices, support reducing greenhouse gas emissions, and enhance overall transportation efficiencies throughout the county. The vision for the TEP is to fund a premier transportation system that supports a vibrant and livable Alameda County through a connected and integrated multimodal transportation system, promoting sustainability, access, transit operations, public health and economic opportunities. The TEP was developed with the following: 1) guidance from a steering committee of elected officials; 2) input from two advisory committees; and 3) by incorporating key findings from polling and outreach. The TEP was approved by the Alameda County Transportation Commission (CTC) on January 26, 2012.

Table 1 includes a summary of TEP investments by mode.

**Table 1 Summary of Investments by Mode**

<u>Mode</u>	<u>Funds Allocated (in millions (M))*</u>
Transit & Specialized Transit (48%)	\$3,732 M
Local Streets & Roads (30%)	\$2,348 M
Highway Efficiency & Freight (9%)	\$677 M
Bicycle & Pedestrian Infrastructure & Safety (8%)	\$651 M
Sustainable Land Use & Transportation (4%)	\$300 M
Technology, Innovation & Development (1%)	\$77 M
<b>TOTAL NEW NET FUNDING (2013-42)</b>	<b>\$7,786 M</b>

\*Estimated in escalated dollars to 2042

The key features of the TEP are:

- **Fix-it-First.** Realizing the dire need to maintain Alameda County's existing infrastructure, approximately 70% of the TEP funding supports a "Fix-it-First" strategy to support maintaining and operating the existing transportation investments. It includes funding for transit and paratransit operations, bus enhancement, BART system maintenance and modernization, local streets and roads maintenance funds for every jurisdiction, non-capacity expanding projects on primary commute corridors, non-capacity expanding interchange improvements to improve safety and access, bicycle and pedestrian safety funds, and sustainable land use programs to support transportation efficiencies in relation to local land use decisions.
- **Sustainable Communities.** Transportation and land use linkages are strengthened when development focuses on bringing together mobility choices, housing and jobs. Understanding how transportation efficiencies can be made by connecting transportation and land use development, the TEP supports infrastructure investments that will fund existing or proposed transportation services and facilities in and around transit hubs.
- **Climate Change.** California is a leader in addressing climate change issues through legislative mandates (AB 32 and SB 375) to reduce greenhouse gas (GHG) emissions. The TEP supports reductions in greenhouse gas emissions by investing in a multi-modal transportation system that expands travel choices beyond the single occupant vehicle trip. The CWTP, out of which the TEP was derived, showed a 24% to 25% GHG emissions reduction per capita. The CWTP and TEP investments will be aligned at final adoption of both final plans in May 2012.
- **Geographic Equity.** The TEP has been developed as a geographically equitable plan, providing critical transportation investments in every city and all areas of the county.

### ***Transportation Expenditure Plan Investment Details***

The following is the brief description of each of the investment categories by mode, including a breakdown of the proposed distribution within each category.

#### **Transit and Specialized Transit (48%)**

A total of 48% of net revenue from this tax will be dedicated to public transit systems for operations, maintenance, and capital projects. The investments identified for public transit in this plan were guided by the principles of enhancing safety, convenience, and reliability to maximize the number of people who can use the transit system. By doubling the amount of local sales tax funds available to transit operations and maintenance, this plan represents a major investment in Alameda County's transit system to increase transit services and expand access to transit throughout the county, and to help avoid further service cuts while preserving the affordability of transit.

Funds for operations and maintenance will be provided to bus transit operators in the county (AC Transit, Union City Transit and Livermore Amador Valley Transit Authority) as well as to ferries and the ACE commuter rail system. In addition, these funds will substantially increase Alameda County's commitment to the growing transportation needs of older adults and persons with disabilities, essentially doubling the funds available for targeted services for this important group. Funds are also committed to support transportation access to schools. The City of San Leandro will continue to receive funds to maintain its FLEX Shuttle service for seniors.

Major capital investments include upgrades to the existing BART system and a BART extension in the eastern part of the county, adding bus rapid transit routes to improve the efficiency of transit, and providing funding for rail transit investments such as the Capital Corridor rail and improvements across the Dumbarton Bridge.

The following table shows the proposed funding details for this program.

<u>Transit &amp; Specialized Transit (48%)</u>	<u>\$3,732 M (in millions)</u>
Mass Transit: Operations, Access to Schools, Maintenance & Safety Program	\$1,857 M
Specialized Transit For Seniors and Persons with Disabilities	\$774 M
Bus Transit Efficiency & Priority	\$35 M
BART System Modernization & Expansion	\$710 M
Regional Rail Enhancements & High Speed Rail Connections	\$355 M

### **Local Streets and Roads (30%)**

Alameda County has more than 3,400 road miles of aging streets and roads, many of which are in need of repair. Intersections need to be reconfigured, traffic lights need to be synchronized, and pot holes need to be filled. Most importantly, these roads are essential to every mode of transportation. A total of 30% of the net revenue anticipated from this tax is dedicated to the improvement of local streets and roads (LSR).

Streets and roads investments include two major components: a program that provides funding for local jurisdictions to maintain streets and roads, and a capital program that is focused on improving the performance of major commute routes and bridges throughout the county, including enhancing seismic safety of local bridges.

The Streets and Roads program in the Expenditure Plan involves shared responsibility: local cities and the County will set their road priorities within a framework that supports complete streets to serve all users and types of transportation, honors best practices and encourages agencies to work together. More specifically, streets and roads expenditures will be designed to benefit all modes of travel by improving safety, accessibility, and convenience for all users of the street right-of-way, and 15% of these funds will support bicycle and pedestrian elements of streets and roads projects. The plan also focuses on important commute corridors that carry the majority of the driving public and cross city boundaries, ensuring enhanced cooperation and coordination between agencies. The City of San Leandro will continue to receive funds for local street maintenance and for a large scale street rehabilitation program. These funds will be allocated through the Alameda CTC Capital Improvement Program, which will be updated every two years and will allocate funding based upon geographic equity.

The following table shows the proposed funding details for this program.

<u>Local Streets and Roads (30%)</u>	<u>\$2,348 M (in millions)</u>
Major Commute Corridors, Local Bridge Seismic Safety	\$639 M
Freight Corridors of Countywide Significance	\$161 M
Local Streets & Roads Program	\$1,548 M

### **Highway Efficiency and Freight (9%)**

The County's aging highway system requires safety, access and gap closure improvements to enhance efficiencies on a largely built-out system. Funding has been allocated to each highway corridor in Alameda County for needed improvements.

Specific projects have been identified based on project readiness, local priority, and the availability to

leverage current investments and funds. A number of eligible projects have been identified as candidates for corridor improvements, which will be selected for funding based on their contribution to the overall goals of improving system reliability, maximizing connectivity, improving the environment, and reducing congestion. Priority implementation of specific investments and amounts will be determined as part of the Capital Improvement Program developed by Alameda CTC every two years and allocated with geographic equity throughout the county. Most of the projects that have been identified for funding are designed to improve the efficiency of and access to existing investments and to close gaps and remove bottlenecks. A total of 9% of the net revenue is allocated to the highway system, including 1%, or approximately \$77 M, allocated specifically to goods movement and related projects.

The following table shows the proposed funding details for this program.

<u>Highway Efficiency and Freight (9%)</u>	<u>\$677 M (in millions)</u>
Highway/Efficiency and Gap Closure Projects	\$600 M
Freight & Economic Development Program	\$77 M

### **Bicycle and Pedestrian Investments (8%), or \$651 million**

Alameda County's bicycle and pedestrian infrastructure is a key element in expanding travel choices that extend the reach of the transit services, provide a non-polluting and sustainable travel mode, and contribute to public health and quality of life.

Key investments in bicycle and pedestrian infrastructure include completion of major trails in the county. Funding will allow for the completion of three key trails: the County's East Bay Greenway that provides a viable commute and community access route for many cyclists and pedestrians from Oakland to Fremont, and the Bay Trail and Iron Horse trails in Alameda County that provide important off street routes for both commute and recreational trips.

Funding for priority projects in local and countywide bicycle and pedestrian plans will also allow for investments that support the use of these modes. A total of 8% of the funds available in this plan are devoted to improving bicycle and pedestrian infrastructure and providing programs to encourage people to bike and walk when possible. A particular focus is on the County's youth to encourage adoption of safe and healthy habits through the Safe Routes to Schools program. It is important to note that in addition to these dedicated funds, local bicycle and pedestrian investments will also be funded through the Local Streets and Roads program and all funding in the TEP will support a complete streets policy. The City of San Leandro receives a yearly allocation for bicycle and pedestrian improvements.

### **Sustainable Transportation and Land Use Linkages (4%) and Technology (1%)**

Investments in sustainable transportation and land use linkages recognize the need to plan the County's transportation system along with the land uses that are going to serve the growing demand for housing and jobs in Alameda County.

The TEP includes investments in every part of the county, enhancing areas around BART stations and bus transfer hubs that are slated for new development, and supporting communities where biking, walking and transit riding are all desirable options. A total of 4% of net revenue, or about \$300 M, is dedicated to improvements that link our transportation infrastructure with areas identified for new development.

The TEP provides funding for technology, innovation and development at one percent (1%) of net revenue, or about \$77 M, dedicated to investments that can support technological advances in transportation management and information.

The following table shows the proposed funding details for this program

<u>Sustainable Land Use &amp; Transportation (4%) and Technology (1%)</u>	<u>\$377 M (in millions)</u>
Priority Development Area (PDA) / Transit-Oriented Development (TOD) Infrastructure Investments (4%)	\$300 M
Technology, Innovation & Development (1%)	\$77 M

TEP projects that directly or indirectly benefit San Leandro include the following:

- Transit
  - FLEX Shuttle Funding
  - East 14<sup>th</sup> Street AC Transit BRT
  - BART Station Modernization
- Local Streets & Roads
  - San Leandro Local Streets and Roads (LSR)
  - Lewelling Boulevard/Hesperian Boulevard
  - Yearly LSR Allocation
- Highway Efficiency & Freight
  - I-880 NB HOV/HOT Extension from A Street to Hegenberger Road
- Bicycle and Pedestrian
  - East Bay Greenway/UPRR Corridor
  - Yearly Bicycle and Pedestrian Allocation
- Sustainable Land Use and Transportation Linkages
  - Downtown San Leandro TOD
  - Bay Fair BART Transit Village
  - San Leandro City Streetscape Project

For the Board of Supervisors to place a tax measure on the November 6, 2012 County election ballots, a majority of the fourteen jurisdictions in Alameda County need to forward resolutions of support. The Board of Supervisors will vote on this matter in June/July 2012. There would be net increase of ½% on sales tax in Alameda County if over 2/3 of the voters in Alameda County approve the ballot measure. An estimated \$7.7 billion would be generated in Alameda County for transportation investments over an initial 30 year period.

### **Previous Actions**

On April 4, 2011, by Resolution No. 2011-071, the City Council authorized submitting the 2013 Regional Transportation Plan and 2012 Countywide Transportation Plan Project List.

### **Committee Review and Actions**

On January 10, 2012 the Facilities and Transportation Committee reviewed this item and

recommended that this item be brought to the City Council.

### **Applicable General Plan Policies**

- 14.02 Funding
- 15.07 Allocation of Regional Funds
- 20.01 Coordination with Regional Agencies
- 20.02 Representation on Commissions

### **Summary of Public Outreach Efforts**

Supervisory District 3 - Workshop

March 16, 2011 - San Leandro Main Library - A community workshop to support the development of the Alameda Countywide Transportation Plan Update and the TEP.

Transportation Planning in Alameda County - Interactive Workshop

October 19, 2011 - San Leandro Community Center - A well-received workshop that provided input into the development of the Transportation Expenditure Plan.

### **Fiscal Impacts**

Sales tax would increase by ½% in the City of San Leandro. San Leandro's annual receipt of Measure B pass through funds would increase by approximately 88% for LSR funds and 80% for Bicycle and Pedestrian funds if the new Measure B passes. The augmented funding could start as early as April 2013.

### **ATTACHMENTS**

- Attachment A - [Alameda County 2012 Transportation Expenditure Plan](http://www.alamedactc.org/files/managed/Document/6898/Final_Alameda_County_TEP.pdf)  
<[http://www.alamedactc.org/files/managed/Document/6898/Final Alameda County TEP.pdf](http://www.alamedactc.org/files/managed/Document/6898/Final_Alameda_County_TEP.pdf)>

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