

SAN LUIS OBISPO COUNCIL OF GOVERNMENTS

DRAFT STAFF REPORT

MEETING DATE: August 3, 2011

SUBJECT: Update on Public Opinion Polling / Supplemental Funding

SUMMARY

At its April meeting, the SLOCOG Board approved the consultant contract for the purposes of a focused public opinion poll effort, and established a Steering Committee. The purpose of this report is to provide an update to the SLOCOG Board on this effort. During the months of June and July, the consultant and staff completed meetings with a number of other city council members, staffs from all cities, county, Caltrans, APCD, and LAFCO, and met with a few private organizations.

RECOMMENDATION

Staff: Information

DISCUSSION

With low expectations for State and Federal funding for transportation and significant shortfalls projected, the SLOCOG Board approved a contract in April to conduct a public opinion poll designed to assess investment priorities and supplemental funding options.

To date, over two dozen meetings have been held. In July and August, additional meetings will be scheduled with the remaining Elected Officials, staff members from the County, and additional private organizations. The focus of these meetings is to identify major transportation project or service needs, as well as other non-transportation issues that may be of concern for consideration for the survey instrument. Additionally, the consultant provides answers to questions and concerns about the survey and process, and seeks to identify key individuals or organizations that may provide additional input into the survey instrument.

The objectives of this Phase 1 effort include the following:

- Test public concern about quality of life, transportation and awareness of needs
- Test support for transportation-related environmental issues and quality of life investments as well as “background issues” such as the overall economy.
- Determine support for specific transportation projects and programs
- Assess support for supplemental funding, potential levels, duration, and other related issues such as safeguards,
- Gather relevant demographic data

Staff report developed by: James Worthley

Recent Actions/Activities

1- 5 -11: Board Approved RFP release
2- 1 -11: San Luis Obispo City Council Meeting
3- 7 -11: Grover Beach City Council Meeting
3-23-11: Economic Vitality Corp Meeting
3-30-11: Consultant Interviews
4- 5 -11: Pismo Beach City Council Meeting
4- 6 -11: Board to Award Contract
4- 8 -11: Consultant kickoff
4-26-11: Port of San Luis Obispo Meeting
5- 4 -11: Steering Committee meeting
5- 5 -11: Meetings with Elected Officials
5-12-11: Meetings with Elected Officials (N. Co.)
5-13-11: Meetings with Elected Officials (Coast)
Meetings with Public Agency Staffs
6- 1 -11: Amer. Council of Engr'g Companies
6- 8 -11: Update to SLOCOG Board
6-23-11: Meetings with Public Agency Staffs
6-24-11: Meetings with Public Agency Staffs
6-30-11: Meetings with Public Agency Staffs
Presentation to SLO Kiwanis
Meetings with Elected Officials (S.Co)
Meeting with ECOSLO
7- 6 -11: Meeting with Cay. Citizens Adv. Comm
7-13-11: Meeting with Mass Transp. Comm.
7-19-11: Paso Robles City Council Meeting
7-21-11: Meeting with County Staff
Meetings with Elected Officials

Upcoming Actions/Activities

Aug: Other Stakeholder meetings
Sept: Conduct telephone poll

Key Questions/points identified:

1. A 25-minute survey is long, but transportation is one item that nearly everyone has direct experience with every day. People want to talk about transportation and its shortcomings. Often, respondents have more to say after the survey is completed.
2. In developing the best Survey Instrument, outreach to many key stakeholders (elected officials, city/county/Caltrans/Transit staffs, Business leaders, Environmental groups, etc.) is needed and expected.
3. You can't educate/inform/convince voters of your need. You can only provide a plan to meet their need.
4. Timing of the survey will be after August and before December, timed to best avoid summer vacations and State election/budget turbulence .
5. The pollster's predictions for other counties have regularly come to within 1-2% of an actual vote.
6. Cell phones will not be called, but the pollster is tasked with collecting a representative sample (age/sex/political party/etc.) of our voters.
7. A high degree of confidence will be achieved countywide. Results will be provided at varying geographic levels, but with only 600 surveys countywide, a degrading of the confidence level occurs for areas/communities/districts with fewer than 100 respondents. Supervisorial districts and major geographic/population areas can be broken out for analysis.
8. The consultant presentation will provide the unvarnished result. The consultant may recommend: to move forward into Phase 2, do not proceed further, or wait AND prepare for a future Phase 2 with suggested tasks.
9. Three „yes“ answers are critical prior to considering a Phase 2 (pursuing supplemental funding) effort: Is a well-defined need present? Can a plan be prepared that clearly addresses those needs? Is there confidence in the local government to deliver the plan (Credibility)?
10. Phase 2 would include: 2-focus groups, development of ballot language, expenditure plan, safeguards, and ordinance. A sunset clause is necessary. Typical measures run 20-30 years.
11. Placing an initiative on a ballot would require: SLOCOG direction to bring the plan to the Cities for approval (majority of the cities with a majority of the incorporated population) and the County Board of Supervisors, and finally a 2/3 majority of the SLOCOG Board.
12. An Expenditure Plan is required as part of such an initiative to detail projects/programs and timing.

Key Comments cited:

1. Five cities have passed local general tax – this shows a trust in local government. Polling can test a new/renewal general tax with/against a special tax (transportation).
2. Nineteen counties, with 85% of the State's population, have passed similar measures. They are able to economically rebound faster and keep projects/programs/services moving forward.
3. Local money for local projects. Spend only on voter approved projects.
4. Safeguards exist to: protect it from State control/take over; a maximum of 1% can be spent on administration; an independent Taxpayers Oversight Committee is recommended to oversee the program; assure that sales tax is not used to replace private/developer obligations; and annual reports to taxpayers on spending and progress.
5. Priorities/Needs identified (by one or more respondents) in no particular order:
 - a. Streets and Road Maintenance
 - b. Transit (expansions, capital replacements, senior, disabled)
 - c. Park and Ride lots
 - d. Bike (trails, lanes, bridges, gap closures)
 - e. 101 (improvements, interchanges, auxiliary lanes, widening)
 - f. Extending 46E widening
 - g. Arterials (congestion relief, intersection improvements)
 - h. Environmental (clean beaches, open space preservation)
 - i. Quality of Life (downtown enhancements, boardwalks)
 - j. Pedestrian improvements (Safe routes to school)
6. Program needs to be fair and equitable to all; something for everyone, everywhere.

BACKGROUND

The following Background information was presented to the SLOCOG Board in January 2011.

BACKGROUND SUMMARY

The adopted 2010 Regional Transportation Plan (RTP) identified overall revenue limitations, including State and Federal funding instabilities, declines to key funding programs, and significant funding issues and challenges facing the region. This staff report provides a post-election update on the status of State and Federal funding expectations and a suggested plan of action to address the expected shortfall.

Over the past 12 years, SLOCOG has made significant progress programming State and Federal funding for many major highway and local road improvements. During the first five years of this period, projects were primarily funded with revenues generated by fuel taxes. After peaking in 2002, a decline ensued as State-redirected of this revenue initially began in 2004 and 2005. This forced delays resulting in cost-increases to projects, but kept projects in the queue. During the past four years, extraordinary (one-time) funding came from the State (Prop 1B) and the Federal (American Recovery and Reinvestment Act - ARRA) governments to expedite delayed and high-cost projects.

The RTP identified that over the next 25 years, projected revenues (\$1.8B) fall far short of total need (\$4.8B). Currently, significant funding and increasing uncertainties exist at both the Federal and State levels and no recent or forthcoming proposals provide for a stable, long-term solution that will address this shortfall. Recent discussions at the Federal and State level now lead staff to believe the revenue projection of \$1.8B is overly optimistic and major reductions in several revenue streams are probable.

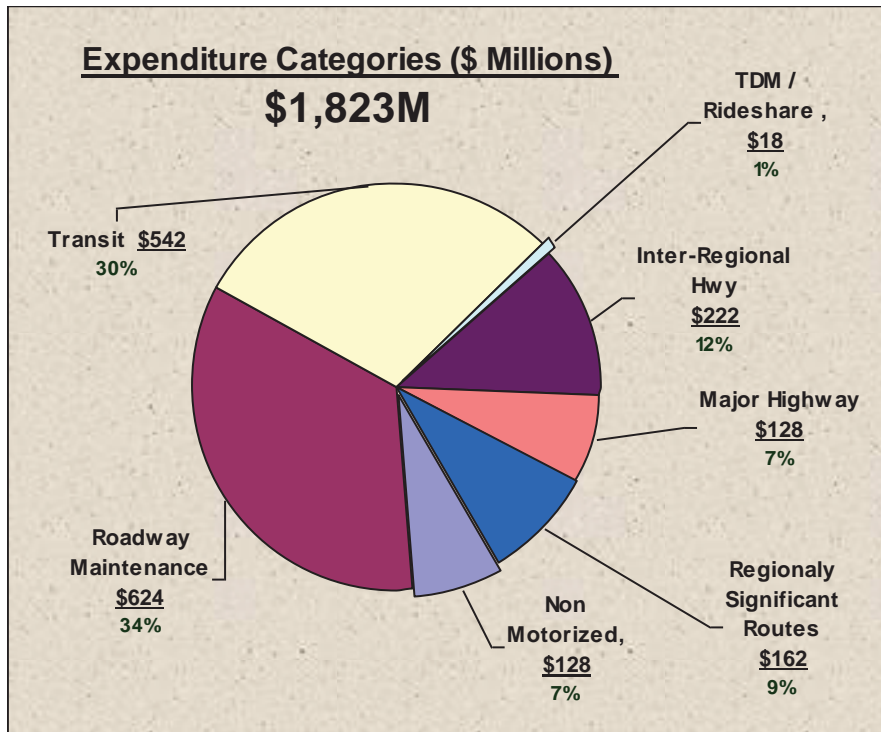
Revenue reductions will affect all improvement categories and project priorities: High Priority projects (46E widening), Highway-related improvements, non-motorized improvements, Transit services, and road maintenance.

Given the unlikelihood of a repeat of ARRA or Prop 1B, the 2010 RTP includes a Financial Policy (FS 5) to: "Investigate and pursue opportunities for supplemental funding." A first step in the process is conducting a targeted public opinion poll. This work effort is included in the current overall work program and is expected to continue in the 2011/12 fiscal year. This report provides a detailed examination of expected revenue shortfalls, the options to address it, and includes the scope of work for a consultant-led effort to clarify public attitudes through a public opinion poll designed to assess investment priorities and revenue options.

BACKGROUND DISCUSSION

The 2010 Regional Transportation Plan (RTP) identifies several issues related to significant funding shortfalls facing the region, including: State and Federal funding instabilities, declines to key funding programs, and a poor likelihood of any significant increases in local, State, or Federal funding levels. The RTP identified an overall shortfall of \$3B. Recent or pending legislative actions, staff discussions, and modified Federal and State positions prompted staff to reexamine revenue projections as they pertain to six project categories: High Priority, Highways, Regional Routes, Non-Motorized, Transit, and Road Maintenance. Each section also examines the inadequacies of SLOCOG's existing revenue sources.

The pie chart, below, shows the projected adopted 2010 RTP Expenditure Levels and Categories for:



- Transit,
- Road Maintenance,
- Non-Motorized,
- Regional Routes,
- Major Highways,
- Inter-Regional Highways
- Transportation Demand Management/Rideshare

Revenue reductions are now anticipated to negatively affect each of the aforementioned categories.

Expectations for State and Federal Funding

Based on the results of the recent election which saw a change in emphasis in Congress and the seriousness of the economic recession in California, the consensus of opinion is that we (San Luis Obispo County)

should not expect either the State or the Federal Governments to provide additional funding at a level anywhere near the amount necessary to address our needs. If Congress decides to take up the issue of the Reauthorization of the Surface Transportation Act, it is likely that it will contain provisions largely intended to give States more authority to use innovative financing methods (these are applicable to Self-Help counties only), such as a National Infrastructure Bank or by encouraging public-private partnerships (toll roads). "No" revenue increase is being discussed.

At the State level, California is facing such a serious funding crisis that the Department of Finance is recommending previously approved transportation bonds not be sold due to bond debt burden. No one is proposing an increase to the fuel tax, and its chances of passing is minimal with a 2/3rd vote requirement. Instead, there will be a call for more local effort to address our transportation problems. Cost efficiency will be a major objective along with self reliance.

The following is an examination of six improvement categories. Each category includes: major accomplishments, 2010 RTP expectations, and an update of revenue projections. The final section of this report identifies the suggested plan of action to address the funding shortfalls.

Major Inter-regional Highway improvements (Route 46E and Santa Maria River Bridge)

In the past, SLOCOG and Caltrans have been successful in securing extraordinary funding for the 46E corridor improvements and more recently the Santa Maria River Bridge widening.

- 46E widening -101 to Airport previously completed
- 46E widening Airport to Geneseo completed 2010 (\$48.9M-RTIP/ITIP/Federal Earmarks)
- 46E widening Geneseo to Almond funded (\$65M-Prop1B/CMIA/RTIP/ITIP)
- Santa Maria River Bridge widening: Funded with Prop 1B/CMIA (\$50M subject to Bond sales)

In the 2010 RTP, Reauthorization Earmarks were projected at \$114M for Route 46E improvements. This amounts to more than half of all projected funding for improvements to this corridor. This funding also provides leverage to secure matching Caltrans" Interregional Transportation Improvement Program (ITIP) funds, which the plan assumes at \$107M. Nearly \$700M is needed to fully fund the High Priority Projects (Rt 46 East widening), but only \$221M was expected from extraordinary funds.

Funding Concerns: Projected revenues were expected to improve the corridor only to the Shandon Rest stop, five phases were left unconstrained (unfunded). The Obama Administration continues to oppose any

gas-tax increases and has supported an elimination of earmarks (supporting Speaker-elect John Boehner). Staff believes that the RTP revenue projections are now optimistic and given the changes to the political environment, the likelihood of securing this funding level is not favorable.

Conclusion: Funding for future phases of the Route 46E widening project is in question.

Highways and Regional Routes

In the past, SLOCOG programmed many major transportation improvements using formula and competitive funds. The most significant source of funding was the Regional Transportation Improvement Program (RTIP), competitive ITIP, and extraordinary funding (Bonds, ARRA).

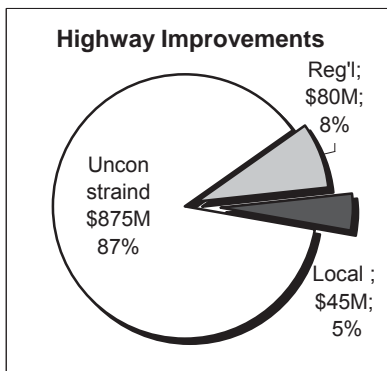
Accomplishments:

Widenings, Realignment, and Auxiliary lanes

- Cuesta Grade Widening (Hwy 101)
- 41 realignment and bridge (Atascadero)
- 101 Aux lanes (4) (Pismo Beach/Arroyo Grande)
- 101 Aux lanes San Luis Obispo city

Interchanges

- 101 / 41 (Atascadero)
- 101 / Willow (funded with ARRA) Nipomo
- 101 / Tefft (Nipomo)
- 101 / Oak Park (PB/AG/GB)
- 101 / 4th St. (Pismo Beach)
- 101 / LOVR (funded) SLO city
- 101 / 46E (Paso Robles)
- 101 / 46W Phase 1 (Paso Robles)



Recently, while project costs have escalated, the RTIP has declined from \$15M/yr to \$6M/yr and competitive and extraordinary funds appear unlikely.

Over \$1B were requested in the 2010 RTP for Highway improvements by local agencies (does not include widening Route 101). Only \$125M is within financial constraints over 25 years with \$45M (1/3rd) required from local (city/county) funds.

Over the 25 year life of the plan, the 2010 RTP contains:

Improvement Type	Total	w/in 25 years	26+ years
Interchange Improvements	15	3	12
Highway Corridor Improvements	12	6	6
Auxiliary Lane Improvements	9	2	7

Funding Concerns: No increases to existing or new revenues are expected. Expenditures for Highway improvements from local sources are likely overly optimistic – especially in the short-term – given the economic downturn (affecting local sales taxes) and higher priority categories for the General Fund. November 2010 election results have increased transportation funding uncertainties as noted below.

Proposition 22 (2010): Approved by 61% of voters, this measure prohibits the State from borrowing or taking funds used for transportation, redevelopment, or local government projects and services. It provides protection for existing (Proposition 42-Sales Tax on Fuel and Highway Users Tax Account-HUTA) funds, but does not increase or create new revenues.

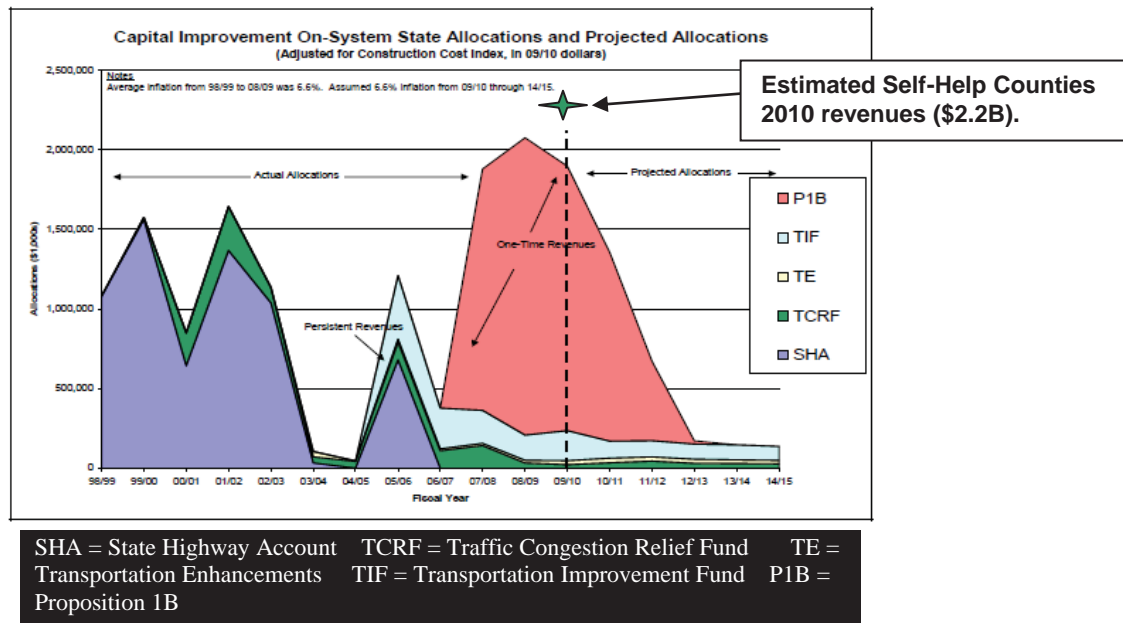
Vehicle Registration Fee: Five out of the nine Bay Area counties approved a \$10 increase of Vehicle Registration fees to aid transportation (Solano and Napa did not have ballot measures, two counties failed to achieve 50%). The expenditure plans vary from county to county, but improvements were included to sustain and improve: transit, bicycle, pedestrian, road maintenance, safe routes to school, and senior and disabled mobility. (Post Prop 26 requires 2/3rd vote)

Proposition 26: This measure requires that certain State and Local fees be approved by two-thirds vote (i.e., future Vehicle Registration Fee increases). It has been suggested that the approval of this measure will overturn the gas tax swap approved in March 2010. This includes any future Vehicle Registration Fee increases.

SAFETEA-LU Reauthorization: The current SAFETEA LU extension expires on Dec 31, 2010. There have been reports that the next extension may be for nine months through the current fiscal year. Perhaps the biggest change comes as Chairman Oberstar (MN) (the 18-term chairman of the U.S. House Transportation and Infrastructure Committee) lost his re-election. In 2009 Oberstar proposed a \$450 billion, six-year federal surface transportation bill in conjunction with the Obama administration's push for an 18-month extension of the existing law. The bill - a 57% increase over the \$286.5 billion bill approved in 2005 - would have set aside \$87 billion in highway trust fund money for transit, and would have established a national infrastructure bank.

The new chair of the House Transportation and Infrastructure Committee indicates that “we must live within our means.” There appears to be no support for any fuel tax increases and a likely consolidation of programs.

With no new revenues on the horizon, State (and Federal) revenues for transportation will continue on a diminishing path (see chart). The recent influx of one-time revenues (Prop 1B), provided short-term relief, but no further action is expected. Statewide, nineteen counties (deemed „Self-Help Counties”) have secured a local option sales tax. In 2007, these counties collected \$3B for transportation purposes from their county-wide local option sales tax programs. (Assuming a 25% decline due to the recent economic downturn, 2010 would amount to \$2.2B or more than all state monies with Prop 1B included).

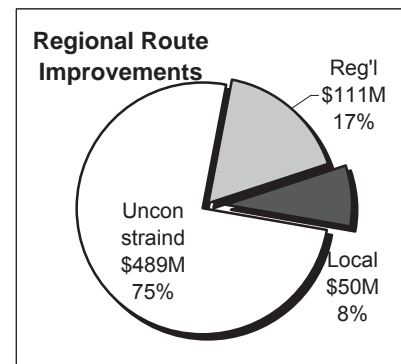


Conclusion: Current funding levels are insufficient to program high-cost (\$10M+), highway improvements (Interchanges, bridges, and Auxiliary lanes) without a sizeable local contribution (which appears improbable). High-cost projects would raise equity issues and could consume multiple STIP cycles. High-cost projects would require the overwhelming approval of the SLOCOG Board with the recognition that programming of other potential projects would be significantly delayed, at best. Without a stable funding stream, new State requirements for a probable funding plan (through construction) could preclude advance development work further impacting the ability to program projects.

Regional Routes Improvements (Arterials and Collectors)

In the past, SLOCOG has funded many transportation improvements to the major routes throughout the region, including:

- Streetscapes and landscaped medians
- Class II bike lanes
- Shoulders
- Left and right turn pockets
- Capacity projects
- Roundabouts and Intersection improvements
- Road or Frontage extensions



Over \$650M were requested for improvements to Regional Routes by local agencies. Only \$161M of projected revenues was financially constrained over 25 years with \$50M (nearly 1/3rd) coming from local (city/county) funds. Given the revenue limitations, a long list of projects was left unconstrained. Many of these projects were subsequent phases of currently funded or already constructed projects. For example, numerous Streetscape projects (or phases) were requested and left unconstrained, including in: SLO, Atascadero, Paso Robles, Templeton, Santa Margarita, San Miguel, Los Osos, Nipomo, Grover Beach

Funding Concerns: Similar to the concerns about Highway project funding noted above, no increases to existing or new revenue sources are expected. Continued instability of State and Federal funding will impede project delivery and require an increase (over previous projections of \$50M) of local funding contributions (which is improbable). Additional restrictions could further impact funding for these improvements. New Federal and State emphasis may restrict funding to “Highway Projects” only.

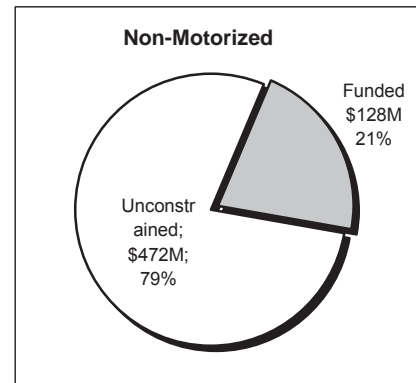
Conclusion: Current funding levels are insufficient to program all previously expected Regional Route improvements (short/mid/long). Further, funding for Regional Route improvements may be redirected to other priorities. The expected reduction in overall funding will impact expected project deliverability and will require reconsideration of project priorities.

Non-Motorized Improvements

In the past, SLOCOG has successfully invested in pedestrian improvements in the forms of Boardwalks, Promenades, multi-use trails, and recreational class I trails. These improvements have been constructed in nearly all communities. More recent funding priorities have focused on completing corridors and closing gaps. Additionally, SLOCOG funding has been instrumental in securing key land acquisitions in each of the four subregions.

In the 2010 RTP, nearly \$600M was requested for non-motorized projects by local agencies. Only \$128M was within financial constraints of the 25-year plan. Over 75 beneficial projects (found in every city and community) are not expected to be funded within 25 years, including unconstrained (unfunded) phases of:

- Railroad Safety Trail (SLO),
- Bob Jones pathway (County),
- Toro Creek Bridge (N. Coast),
- Anza Trail (N. and S. County)
- Chorro Valley Trail (N. Coast),
- Creekside Bikepath (Paso Robles),
- Railroad & Zoo paths (Atascadero),
- Creekside Walk (Arroyo Grande),
- Pismo Promenade,
- Nipomo Creek Trail,
- Oceano Beach Trail,
- Park and Ride lots (at 166/101, Shandon, and Santa Margarita-expansion) and
- Open Space Acquisitions



Funding Concerns: As consideration of SAFETEA-LU Reauthorization moves forward, 2010 RTP projections for two fund categories are now considered overly optimistic. National Scenic Byway funds were projected to total nearly \$10M. Annual appropriations were projected to total \$21M. Additionally, nearly \$60M (45%) of funding in this category comes from competitive categories. Further, projects without significant local matching funds will have little chance of securing State and Federal competitive funds.

Conclusion: The expected reduction in overall funding will impact expected project deliverability and will require reconsideration of project priorities.

Transit Services

During the past 20 years, transit services doubled in the region. A doubling of service in the next 25 years is not possible with existing revenues. The 2010 RTP forecasts a 45% increase over current regional transit services and a mere 8% expansion of local fixed routes. The 2010 RTP constrained \$540M for Transit purposes which would increase the 55 weekday round trips in 2010 to 83 weekday round trips in 2035. An estimated \$757M is needed to increase total weekday round trips from 55 (in 2010) to 215 (in 2035).

Over the past eight years, North County Transit benefitted from the Federal transit funds for Urban Areas. Financial revenues for Section 5307 (urbanized areas) assumed a continuation of the North County as well as a redesignation of the South County area (from non-urbanized to urbanized). Transit revenues, based upon this assumption, were projected to increase by \$400,000 beginning in 2012.

Funding Concerns: Financial uncertainties continue to exist. State Transit Assistance (STA) benefitted from recent legislation to stabilize and protect it from State raids. The 2010 RTP included STA projections now viewed as somewhat optimistic. SLOCOG expects revenues to be \$800k/yr instead of the assumed \$1.2M/yr seen recently as a result of the recent passage of Proposition 22 (a 33% reduction). With the change in Congress, Staff expects the projected growth in Federal transit funding will be flat with a redirection of funds to highways.

A U.S. Census Bureau redefinition of Urban Areas may exclude the North County. If this transpires, transit expenditures for capital and operations would decline by \$27M over 25 years (\$700k/yr) from previously expected levels.

Conclusion: With a 1/3rd reduction of STA, all transit operators would have to implement a mix of cost-cutting measures: reduction of services (shorter hours, fewer days, less coverage, etc.), increase fares, AND postpone needed capital fleet replacements. The 2012 loss of „Urban“ designation would result in a reduction in operating assistance to all operators serving the North County. The anticipated results would be a 40% reduction in local services in Atascadero and Paso Robles AND a 25% reduction in regional services (RTA route 9).

Road Maintenance

The condition of local roads in the various jurisdictions throughout San Luis Obispo County vary widely from very good to very bad or even failed. Some jurisdictions (Atascadero and Grover Beach) are faced with the need to reconstruct a large part of their road system. An estimated \$1.1B is needed to bring all local roads to a maintenance level of „good“ over the next 25 years.

With projected funding of \$624M in the 2010 RTP, the overall condition (maintenance) of our local road network was assumed to improve, minimally, on average, but pavement conditions would not achieve „good“ status on whole. However, any redirection of „General Funds“ to other programs or Local Transportation Funds to Public Transit would result in degrading conditions.

Funding Concerns: The 2010 RTP projections were based on the assumption of continued financial support from local General Funds for Road Maintenance. With the ongoing economic downturn, redirections of General Fund monies to higher priorities have occurred. In the County, the General Fund once provided (2006/7) over \$8M for road maintenance. With reductions of 20-25% in each of the subsequent years, \$8M has declined to \$4M with further reductions likely. It is probable that other jurisdictions also must redirect General Fund monies (assumed for road maintenance) to higher priorities.

Conclusion: Rather than achieving minimal improved road conditions, an overall degradation of pavement should be expected. This decline will ultimately result in significantly higher costs for reconstruction of the overall system.

Overall Conclusion: The 2010 RTP identified \$1.8B in projected revenues and \$3B in unfundable projects. Previously projected revenues now appear overly optimistic and a significant reduction of should be anticipated. Fewer transportation improvement projects will be realized in every category (Highways, Regional Routes, and Non-Motorized), every community, and Transit Services and Road Maintenance will both be in decline.

SUPPLEMENTAL FUNDING

In order to address current shortfalls and significant uncertainties in the future, other regions throughout California (representing 85% of the population) have successfully secured alternative revenue streams for transportation. In addition, most of the other regions are aggressively pursuing a similar result. The first step in such an endeavor is to conduct a survey to identify the public's transportation investment priorities and their willingness to support supplemental funding options. These survey results will also help prioritize projects for future programming.

The 2010 RTP includes Financial Policy (FS 5) to: "Investigate and pursue opportunities for supplemental funding." In recognition of the deteriorating revenue projection and in order to program funding for all projects and services identified as constrained (and many within the unconstrained) list within the 2010 RTP, a supplemental revenue stream is necessary.

While small increases to existing sources may improve the deliverability of single projects, a new stream of Supplemental Funding will advance the underlying goals and strategies and improve the deliverability of improvements in all areas, including:

- Significant expansion of the public transportation system,
- Substantial increases to the non-motorized / livable community projects,
- Improvement of local street and road pavement conditions,
- Advancement of mid-term, long-term, or even unconstrained projects,
- Delivery of high-cost improvement projects.
- Other advantages:
 - Ability to leverage other State and Federal fund sources,
 - Ability to advance projects,
 - Ability to take advantage of emerging financial opportunities

Supplemental Funding options to investigate:

Regional Option Sales Tax

Nineteen counties (representing 85% of the population) have passed voter measures to increase the regional sales tax, most typically, by 0.5%. Throughout California, more and more regions have turned to a more stable, locally-derived, funding source for transportation projects. In 07/08, over \$4.5B was generated for transportation purposes in these regions. Currently, these measures require a 2/3rd majority vote and the funding may only be used for projects and programs in the voter- approved Expenditure Plan. A similar measure in the San Luis Obispo region would generate \$20M-\$25M per year.

Regional Option Sales Tax
Potential: \$500M (1/2% = \$20M/yr)
Requires: 67% vote
Flexibility: High
Investments in: Transit, Regional Routes, ITS, Highway, transportation enhancements, Ped, Bike, open space acquisition, local road maintenance, environmental improvements.

Regional Traffic Impact Fee Program

These one-time fees may be imposed on new development to pay for fair-share improvements and facilities required to serve it or otherwise reduce the impacts of development on a community on a regional level. While a number of jurisdictions actively collect local impact fees, to date, regional traffic impact fees have been enacted in many regions, often in conjunction with a regional option sales tax. Ideally these fees should supplement other local funding sources (Regional Option Sales Tax or Regional Option Fuel Tax) and may be used to leverage federal and state funding.

Regional Traffic Impact Fee
Potential: \$125M (1000dus*\$5k = \$5M/yr)
Requires: Deficiency Analysis & Nexus Study.
Flexibility: Very Low
Capacity Improvements only: Highway, Regional Routes

Regional Option Fuel Tax

Similar to a Regional Option Sales Tax, a 2/3rd Voter approval is required along with an Expenditure Plan. With respect to allocation of the revenues between the county and the cities, a written agreement is required. The written agreement could specify improvement purposes such as transit, bikeways,

Regional Option Fuel Tax
Potential: \$400M (10c/gal = \$16M/yr)
Requires: 67% vote
Investments in: Transit, Ped, Bike, Regional Routes, ITS, Highway, local maintenance

pedestrians, or freeways. The law states that these funds could be used for "streets and highways and their related public facilities for non motorized traffic."

Vehicle Registration Fees

Current legislation allows Congestion Management Agencies to place a measure before the voters to authorize an increase (up to \$10/vehicle) in the fees of motor vehicle registration in the county for transportation-related projects and programs. (Covered by Govt. Code Section 65088-65089). Subject to Proposition 26 (2010), future measures require 2/3rds majority vote. Eligibility, for the San Luis Obispo region, requires either a change in legislation or designation as a Congestion Management Agency.

Vehicle Registration Fee
Potential: \$65M (\$10/vehicle = **\$2.6M/yr**)
Requires: 67% vote & Congestion Mgmt Agency
Investments in: Transit, Pedestrian, Bike,
Regional Routes, ITS, Highway, Road
Maintenance.

Recent Election Results

In November 2010, seven (of the nine) Bay Area counties placed Vehicle Registration Fees on the ballot. The additional funds will help pay for a variety of transportation improvements, ranging from Road Maintenance to Transit improvements. Measures in five counties passed with a majority of votes, including:

- Alameda (62%)
- Marin (62%)
- San Mateo (54%)
- San Francisco (59%)
- Santa Clara (52%)

In November 2010, no sales tax measures were on the ballot. Expert advice recommends proposing these measures during Presidential elections. In 2008, the following counties voted on Sales Tax measures:

Successful '08 Transportation Sales Tax Measures

- Imperial - 83.80% Yes
- Los Angeles - 67.93% Yes
- Santa Barbara 79.15% Yes
- Santa Clara - 66.78% Yes
- Sonoma-Marín County - 69.6% Yes

Unsuccessful 2008 Transportation Sales Tax Measures

- Monterey - 62% Yes
- Stanislaus - 66.42% Yes

Proposed Public Opinion Poll

The Consultant's scope of work would include the following:

1. Provide supervision, coordination, analysis and recommendations involving voter opinion research, including polls and focus groups.
2. Actively meet with and fully involve SLOCOG Board members, local staff members, key community-based stakeholders and interest groups to solicit their views on major transportation investments (projects, programs, or service needs), as well as other non-transportation issues that may be of concern.
3. Conduct a 600-sample size, 25-minute baseline poll.
4. Conduct a focus group session (with an option for a second session) to test overall concepts and plan refinement.
5. Prepare and present a final report and recommendations regarding the potential feasibility of various supplemental funding options for San Luis Obispo County, identify resulting investment priorities, and prepare a schedule and work plan for next steps.

Financial Implications

The 2010/11 OWP includes the following objectives, task, and funding:

- WE7100 Task 6: Conduct public opinion poll to ascertain public attitudes on supplemental funding.
- WE8000 Objective 8: Assess/pursue supplemental funding opportunities.
- WE8500 Tasks: To assess and pursue supplemental funding.
- WE8500: \$95,400 is programmed for consultant services for this effort in 2010/11.

**An Introduction to SLOCOG
&
Our Current Effort**



San Luis Obispo Council of Governments

July 19, 2011

Presentation Overview

- Who we are
- Responsibilities
 - Planning
 - Services
 - Programming
- Recent Accomplishments / Future Limitations
- Current Effort
 - Polling the Public
 - Supplemental Funding (Sales Tax or Gas Tax) ₂

San
Luis
Obispo
Council
Of
Governments

Who We Are

SLOCOG BOARD

12 Members
1 from each City Council (7)
Board of Supervisors (5)

Responsibilities:
Planning
Services
Programming \$

3 Advisory Committees

- Technical (City/Co./Caltrans)
- Citizens (appointed by Board)
- Social Services (Transit focus)

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Planning

- **Regional Transportation Plan**
 - Vision for the next 25 Years
 - Financially Constrained
 - Improvements to:
 - Highways
 - Downtown Corridors
 - Major Roads
 - Bikes
 - Transit
 - Road Maintenance (local \$ only)
 - **Requests Far Exceed Revenues**
- **Corridor Plans and Special Studies**

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Services



Rideshare Division

- Bike Month (May)
- Commute for Cash Challenge (October)
- Safe Routes to School
- Senior Transportation Options (training)
- Bike / Ped / Carpool / Vanpool / Transit
- Transportation Choices Program
- Mobility Management Program
- 511-Traveler Information
- Emergency Ride Home

www.rideshare.org




Programming

- Receive State and Federal Funds
 - Formula
 - Competitive
- Distributes State or Federal funds
 - Formula to member agencies
 - Competitive based on requests
- Projects/Programs/Improvements include:

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Major “Inter-Regional” Highway Accomplishments

46E widening: 101 to Airport previously completed

46E widening: Airport to Geneseo completed 2011 (\$49M RTIP/ITIP/Earmarks)


46E widening: Geneseo to Whitley Gardens under construction (\$65M Prop 1B Bonds/RTIP/ITIP)

46E widening: Whitley Gardens to west of Shandon (\$65M funded)

46E widening: Shandon to Kern County (No funding)

Santa Maria River Bridge widening funded (\$50M – construction begun)

166E Operational Improvements (Phase 1 completed) **Phase 2 (No funding)**



Highway Accomplishments

Widenings, Realignments, and Auxiliary Lanes

- Cuesta Grade Widening
- 41 realignment and bridge (Atascadero)
- 101 Aux Lanes (4) (Pismo Beach / Arroyo Grande)
- 101 Aux Lanes (SLO City: Madonna to Marsh)

Interchanges

- 101 / 46E (dual left turn, start construction Fall '11) Paso Robles
- 101 / 46W Phase 1 Theater Realignment (Paso Robles)
- 101 / 41 (Atascadero)
- 101 / Willow (under construction) Nipomo
- 101 / Tefft (Nipomo)
- 101 / Oak Park (PB/AG/GB)
- 101 / 4th St. (Pismo Beach)
- 101 / LOVR (funded, but delayed) SLO city

25-Year Plan

Project Requests: \$8

Expected: \$1



Regional Route Accomplishments

- Streetscapes and landscaped medians (Spring St. Gateways)
- Class II bike lanes (Vine St.)
- Shoulders
- Left and right turn pockets
- Capacity projects (Niblick & 13th St. Bridges)
- Operational improvements
- Roundabouts and Intersection improvements
- Road and Frontage extensions



25-Year Plan

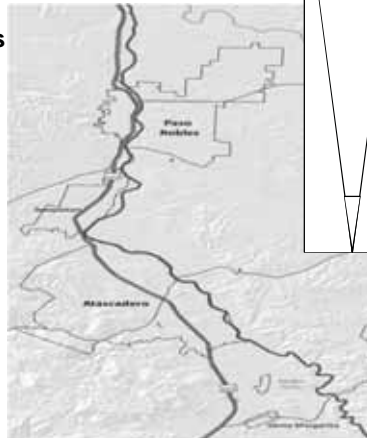
Project Requests:
\$4

Expected:
\$1

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Non-Motorized Accomplishments

- Boardwalks
- Promenades
- Multi-Use Trails
- Recreational Class I Trails
- Park and Ride Lots
- Land Acquisitions



25-Year Plan

Project Requests:
\$5

Expected:
\$1

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Public Transit Accomplishments

410 Regional Transit Network (Existing Service)

Monterey County

2.5 million total riders
(27% above year 2000)
55 total weekday round trips

Aviation Services

Ridesharing

Recently completed

- Transit Hubs
- Bus Stop Improvements
- Park & Ride lots

Transit Bus

Paso Robles Rail Station

Our Fiscal Challenges



Funding for Hwys:
Past \$15M/year
Now \$6M/yr



Transit: \$11M/year
\$6M/yr stable;
\$5M/yr unstable



Interchange Example (41/101)
Programmed 1998: \$8M
Delivered 2010: \$30M

We'd like to do more, but

- State & Federal Funding for Transportation
 - Drying up
 - Redirected to other priorities
 - Restrictive and unreliable
 - And no fix is coming

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Supplemental Funding: Other Regions

Pre 2010 Transportation Measures

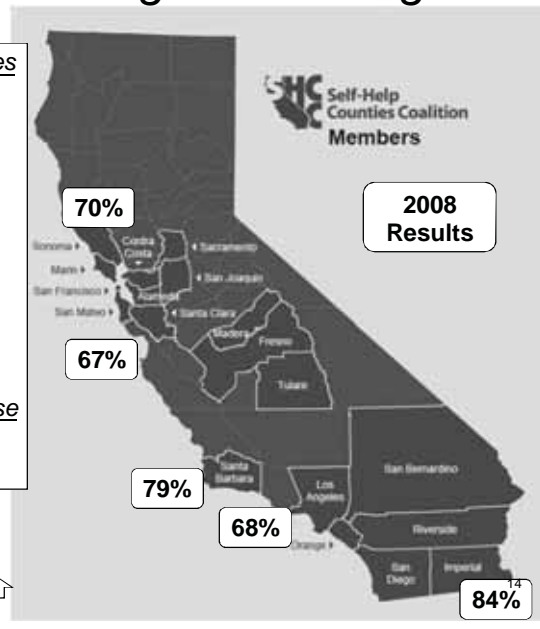
- 19 Counties (85% of State's Population) passed.
- In 2008, 5 (of 7) Measures passed, including:

Sonoma-Marin 70%
 Santa Clara 67%
 Santa Barbara 79%
 Los Angeles 68%
 Imperial 84%

2010 Vehicle License Fee increase

- 5 (of 7) Counties passed by majority vote

Hwy/Rd Imp. Funding:
 State funds: \$200M/yr ↓
 Self-Help Co.s: \$2.5B/yr ↑



Benefits of supplemental funding

Transportation Improvements

Congestion, Bottlenecks, Potholes

Funding for Transit Capital, Operations, Expansions

Quality of Life: Livability/Walkability/Visitor-oriented projects:

Downtown and Corridor enhancements

Bikeways / Promenades / Boardwalks / SRTS

Economic Vitality

Economic Recovery and Job Growth

Competitive for State & Federal Grants

Funding to match developer fees

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SLOCOG Board Actions

Poll the public to identify investment priorities and opportunities for supplemental funding.

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Process: Phase 1

- Consultant Contract Awarded (4-6-11)
- **Meeting with Stakeholder groups to identify key Projects / Programs / Services**
- Develop Survey Instrument and Poll the Public (Sept.)
 - 600 Respondent,
 - 25-minute survey,
 - Representative Sample
- Develop / Present Results & Findings to SLOCOG
 - Board Determines Initial Direction



What are your key Projects / Programs / Services ?

- Highway Corridor Improvements
- Major Road Improvements
- Park n Ride Lots
- Non-Motorized (Bicycle / Ped / Enhancements)
- Other Transportation Related Improvements
 - Expanding Senior Transportation*
 - Street and Road Maintenance*
 - Clean Beaches / Clean Streams*
 - Open Space Protection*

The Need

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A Plan to meet the Need: Phase 2

- **Develop Expenditure Plan,**
 - Detailed list of projects/programs/services and timing
 - Voter Approved and included with Ballot Measure
- **Develop Ordinance,**
 - Legalese and critical details
 - Requirements of Safeguards
 - Requirements to use funds
- **Safeguards include:**
 - Administration Maximum (1%)
 - Independent Taxpayers Oversight Committee to oversee;
 - Annual report to taxpayers on spending and progress;
 - Assure revenues cannot replace private/developer obligations

The Plan

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'Green Light' Process : Phase 2

- Tracking poll
 - Focus Group studies
 - Refinements
- 
- Approvals from Cities (4+ Cities w/majority of population)
 - Approval from County Board of Supervisors
 - 2/3rd Approval from SLOCOG Board

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'All Green Lights?': Phase 3

- SLOCOG involvement ends
- Measure Placed on Ballot (July 2012)
- Consultant to work with private org.s
- 2/3rd Voter Approval required



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We want your input!

*Now: Meeting with Stakeholder groups to identify key
Projects / Programs / Services*

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