

REPORT TO THE TRAFFIC AND TRANSPORTATION COMMISSION

City of Salinas, California

DATE: August 18, 2016

FROM: Robert C. Russell, P.E., City Engineer

BY: James Serrano, Transportation Manager

SUBJECT: TRANSPORTATION SALES TAX

RECOMMENDATION:

The Traffic and Transportation Commission is requested to receive report on the proposed Transportation Sales Tax.

DISCUSSION:

The County Board of Supervisors recently approved the Transportation Agency for Monterey County's request to seek a sales tax measure on the November 2016 ballot. The purpose of this informational report is to provide the Traffic and Transportation Commission background on the measure which funds transportation.

Background

TAMC has developed a Transportation Safety and Investment Plan ("Investment Plan") that will guide the investment of an estimated \$20 million per year for a total of \$600 million in new revenues over the next 30 years. The revenue will be raised from a proposed 3/8 percent sales tax that will sunset after 30-years, if approved by the voters in the November 2016 election. The Investment Plan will supply locally-controlled funding for critical local and regional transportation projects where safety improvements and congestion relief are vitally needed. It provides a balance between local road maintenance, pothole repairs & safety; and regional safety and mobility projects. The Investment Plan will fund local street and road maintenance and regional bicycle and pedestrian projects, develop a bus rapid transit corridor, increases bus service, offer safe routes to school for children and expands focused transportation services for the elderly and people with disabilities. The Investment Plan is a crucial part of becoming a "self-help" county. Gaining this status would significantly enhance the ability for local projects in Monterey County to compete for federal and state grants.

On February 24, 2016, the TAMC Board of Directors agreed to a spending plan for the Investment Plan that will split the estimated \$600 million raised through the transportation sales tax. The Board approved a 60% /40% split of revenues between local and regional projects, respectively; 60% of the funds (est. \$360 million) will be allocated to the cities and County for road repairs and safety projects, (The City of Salinas will receive \$91 Million over 30 years, or a bit more than \$3 Million per year), and 40% (est. \$240 million) will be used for regional safety and mobility projects. The Board also approved a formula based upon 50% population and 50% lane miles for distribution of the 60% local

share amongst the cities and the county. The Board also adopted a cost-sharing policy for payment of election costs based thereon, should the measure not be approved. This aspect of the proposed measure has already been considered and approved by the City Council: On March 1, 2016, the City Council approved a Resolution supporting the efforts of TAMC to place a sales tax measure on the November 2016 ballot.

The Investment Plan was developed through a collaborative effort of local agencies and interested stakeholders and identifies solutions to regional safety and local road needs of the highest priority. Numerous public meetings were held to encourage dialogue and input. TAMC's Board of Directors approved the components of the balanced investment plan at their March 23, 2016 meeting.

The Transportation Agency Board also approved a set of Policies and Project Descriptions to provide additional detail for the anticipated uses of the revenue to be generated by the proposed measure. This document calls for cities and the County of Monterey to identify examples of the types of road repair and safety projects anticipated to be funded by the 60% of revenues allocated to the local jurisdictions. Projects using this funding "will be thoroughly studied for environmental impacts and the identified environmental mitigations will be included in the project." This list will be included in the Policies and Project Description document being prepared by the Transportation Agency for dissemination to the voters, if the measure is approved to go on the ballot.

A majority of County cities representing a majority of the population approved the Investment Plan for Transportation Sales Taxes in Monterey County which is a requirement before the measure can be placed on the ballot. Then in July the Monterey County Board of Supervisors voted unanimously to place the proposed measure on the November 2016 ballot. (California Public Utilities Code sections 180201 and 180206).

The City Council approved a Resolution adopting the Transportation Safety and Investment Plan at its meeting on May 2016

ISSUE:

The Commission is requested to receive report from staff on the transportation sales tax.

TIME CONSIDERATIONS:

The sales tax measure will be on the ballot in November 2016.

CITY COUNCIL GOALS:

Funding of the City's streets and roads and its transportation system meets the Council's goal of excellent infrastructure.

CONCLUSIONS:

The Traffic and Transportation Commission is requested to receive the report from staff on the transportation sales tax.

Distribution:
City Council
City Manager
City Attorney

Back Up Pages:
Transportation Safety and Investment Plan