



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 3a

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Memorandum

TO: Legislation Committee

DATE: May 1, 2015

FR: Executive Director

W. I. 1131

RE: SB 16 (Beall): Transportation Funding

Background

Senate Bill 16, proposed by Senator Jim Beall, Chair of the Senate Transportation & Housing Committee, is the most ambitious transportation funding package to be proposed in Sacramento since 2006 when the Legislature placed a \$20 billion transportation bond (Proposition 1B) on the ballot. The bill establishes a new Road Maintenance and Rehabilitation Program focused on restoring the condition of our local and state-owned roads.

SB 16 includes approximately \$2.8 billion in FY 2015-16, growing to \$3.6 billion in FY 2019-20 from several vehicle-related sources. The bill also requires Caltrans to submit a plan to the California Transportation Commission by April 1, 2016 and every three years thereafter for how to improve the department's efficiency by up to 30 percent, with savings to be spent on increased maintenance or capital projects in the State Highway Operation and Protection Program (SHOPP).

The bill requires the new funding to be deposited in a new Road Maintenance and Rehabilitation Program, with 5 percent reserved for a State-Local Partnership Program to incentivize *new* self-help counties and the remainder split 50/50 between the state and cities and counties for roadway maintenance, rehabilitation and safety projects. Bay Area local jurisdictions would receive approximately \$250 million in Year 1 of the legislation, growing to \$322 million by Year 5 based on estimates provided by the League of California Cities and the California State Association of Counties. Specific funding estimates by city and county are attached.

Specific funding increases included in the bill are as follows:

- Restores truck weight fees to the State Highway Account over a five year-period;
- Increases the state gasoline tax by 10 cents per gallon;
- Increases the diesel tax by 12 cents per gallon, with 2 cents dedicated to the Trade Corridor Investment Fund;
- Increases the vehicle registration fee by \$35 for gasoline vehicles and by \$100 for zero emission vehicles;
- Backfills the loss of truck weight fees to the General Fund with a 0.07 percent annual increase in the vehicle license fee over five years for a total increase of 0.35 percent; and
- Requires all outstanding transportation fund loans made to the General Fund to be fully repaid over three years.

The Road Maintenance and Rehabilitation Program — and the new taxes that would support it — would expire in five years unless reauthorized by the Legislature.

Recommendation: Support and Seek Amendments

Discussion

Consistent with our 2015 Advocacy Program to support statewide transportation revenue increases, staff recommends that MTC support this bold proposal by a former Commission Chairman. Governor Brown's State of the State speech in January focused solely on the need to address the \$59 billion maintenance backlog facing state highway system. SB 16 wisely ensures that new funds are equally invested in addressing cities and counties' \$78 billion local street and road funding backlog, \$ 20 billion of which is located in the Bay Area.

That said, the omission of public transit, particularly given the significant transit capital shortfalls across the Bay Area at agencies including BART, MUNI, Caltrain, AC Transit, VTA and most other major transit operators, is problematic. While the legislature directed 15 percent of the state's annual Cap and Trade funds towards public transit, those funds are focused on climate change related projects (primarily expanded service) and are woefully insufficient given the billions of dollars needed to rebuild and modernize Bay Area public transit.

We seek your approval to pursue the following amendments in addition to seeking the inclusion of a funding element to repair our public transit infrastructure as discussed above:

- Broaden the five percent incentive program to reward all regional and local jurisdictions for new funding measures regardless of the kind of revenue.
- Clarify that funds may be used for any eligible State Highway Operation and Protection Program category, especially in the area of system operation and management.
- Add a "complete streets" requirement as a condition of cities and counties gaining access to the local street and road funding.
- Update certain technical provisions that are currently in state law that relate to the federal fuel tax. Specifically, the reference to the federal fuel tax amount needs to be increased from 9 cents to 18.4 cents.
- Make the funding increases permanent. Street and road repair needs are ongoing and creating uncertainty every five years on road maintenance funding levels is unnecessarily disruptive.

Known Positions

Support

Associated General Contractors
California Alliance for Jobs
California Infill Builders Federation
California State Association of Counties
California State Council of Laborers
Cities of:
Brisbane
Cathedral City
Danville

Oppose

None on file

Gilroy
Hercules
Hughson
Lafayette
Lakewood
Montclair
Napa
Santa Maria
Thousand Oaks
DeSilva Gates Construction
Granite Construction Company
League of California Cities
Northern California Carpenters Regional Council
Transportation California
United Contractors



Steve Heminger

SH: RL

	FY 2015-16	FY 2019-20
STATEWIDE STREETS & ROADS FUNDING	\$1,330,000,000	\$1,710,000,000
BAY AREA		
DISTRIBUTIONS TO COUNTIES	\$ 112,346,317	\$ 144,445,265
DISTRIBUTIONS TO CITIES	\$ 138,147,215	\$ 177,617,850
Total	\$ 250,493,532	\$ 322,063,115
DIRECT DISTRIBUTIONS TO COUNTIES		
Alameda	\$ 21,273,366	\$ 27,351,470
Contra Costa	\$ 16,469,013	\$ 21,174,445
Marin	\$ 4,789,199	\$ 6,157,542
Napa	\$ 3,326,958	\$ 4,277,517
San Francisco	\$ 9,955,824	\$ 12,800,345
San Mateo	\$ 11,717,938	\$ 15,065,921
Santa Clara	\$ 26,054,618	\$ 33,498,795
Solano	\$ 7,445,403	\$ 9,572,661
Sonoma	\$ 11,313,998	\$ 14,546,568
Region	\$ 112,346,317	\$ 144,445,265
DISTRIBUTIONS TO CITIES		
ALAMEDA		
ALAMEDA	\$ 1,541,285	\$ 1,981,652
ALBANY	\$ 377,715	\$ 485,634
BERKELEY	\$ 2,380,688	\$ 3,060,884
DUBLIN	\$ 1,084,384	\$ 1,394,208
EMERYVILLE	\$ 212,792	\$ 273,589
FREMONT	\$ 4,542,884	\$ 5,840,851
HAYWARD	\$ 3,105,449	\$ 3,992,720
LIVERMORE	\$ 1,730,406	\$ 2,224,808
NEWARK	\$ 900,171	\$ 1,157,363
OAKLAND	\$ 8,735,313	\$ 11,231,117
PIEDMONT	\$ 228,430	\$ 293,696
PLEASANTON	\$ 1,482,037	\$ 1,905,477
SAN LEANDRO	\$ 1,778,660	\$ 2,286,848
UNION CITY	\$ 1,522,340	\$ 1,957,295
ALAMEDA COUNTY TOTAL	\$ 29,622,554	\$ 38,086,142

CONTRA COSTA		
ANTIOCH	\$ 2,159,255	\$ 2,776,185
BRENTWOOD	\$ 1,110,326	\$ 1,427,562
CLAYTON	\$ 227,173	\$ 292,079
CONCORD	\$ 2,552,933	\$ 3,282,343
DANVILLE	\$ 883,823	\$ 1,136,344
EL CERRITO	\$ 488,563	\$ 628,152
HERCULES	\$ 500,855	\$ 643,956
LAFAYETTE	\$ 500,165	\$ 643,069
MARTINEZ	\$ 748,290	\$ 962,087
MORAGA	\$ 335,181	\$ 430,947
OAKLEY	\$ 772,285	\$ 992,938
ORINDA	\$ 366,904	\$ 471,734
PINOLE	\$ 397,633	\$ 511,243
PITTSBURG	\$ 1,346,160	\$ 1,730,777
PLEASANT HILL	\$ 687,035	\$ 883,330
RICHMOND	\$ 2,152,825	\$ 2,767,918
SAN PABLO	\$ 651,722	\$ 837,928
SAN RAMON	\$ 1,567,288	\$ 2,015,085
WALNUT CREEK	\$ 1,350,541	\$ 1,736,410
CONTRA COSTA COUNTY TOTAL	\$ 18,798,957	\$ 24,170,087
MARIN		
BELVEDERE	\$ 44,116	\$ 56,721
CORTE MADERA	\$ 199,101	\$ 255,986
FAIRFAX	\$ 152,956	\$ 196,658
LARKSPUR	\$ 251,472	\$ 323,321
MILL VALLEY	\$ 289,179	\$ 371,801
NOVATO	\$ 1,082,254	\$ 1,391,470
ROSS	\$ 49,917	\$ 64,179
SAN ANSELMO	\$ 258,490	\$ 332,344
SAN RAFAEL	\$ 1,193,102	\$ 1,533,989
SAUSALITO	\$ 154,072	\$ 198,092
TIBURON	\$ 184,375	\$ 237,053
MARIN COUNTY TOTAL	\$ 3,859,034	\$ 4,961,614
NAPA		
AMERICAN CANYON	\$ 405,686	\$ 521,596
CALISTOGA	\$ 108,921	\$ 140,041
NAPA	\$ 1,598,139	\$ 2,054,750
ST HELENA	\$ 122,531	\$ 157,540
YOUNTVILLE	\$ 82,593	\$ 106,192
NAPA COUNTY TOTAL	\$ 2,317,870	\$ 2,980,119
SAN FRANCISCO		
SAN FRANCISCO	\$ 17,364,403	\$ 22,325,661
SAN FRANCISCO COUNTY TOTAL	\$ 17,364,403	\$ 22,325,661

SAN MATEO		
ATHERTON	\$ 153,220	\$ 196,997
BELMONT	\$ 538,703	\$ 692,618
BRISBANE	\$ 89,875	\$ 115,554
BURLINGAME	\$ 602,109	\$ 774,140
COLMA	\$ 36,611	\$ 47,072
DALY CITY	\$ 2,198,361	\$ 2,826,464
EAST PALO ALTO	\$ 679,976	\$ 874,255
FOSTER CITY	\$ 652,472	\$ 838,893
HALF MOON BAY	\$ 271,208	\$ 348,695
HILLSBOROUGH	\$ 234,008	\$ 300,867
MENLO PARK	\$ 667,238	\$ 857,878
MILLBRAE	\$ 458,503	\$ 589,504
PACIFICA	\$ 820,073	\$ 1,054,379
PORTOLA VALLEY	\$ 95,838	\$ 123,221
REDWOOD CITY	\$ 1,638,239	\$ 2,106,307
SAN BRUNO	\$ 898,427	\$ 1,155,120
SAN CARLOS	\$ 592,657	\$ 761,987
SAN MATEO	\$ 2,030,477	\$ 2,610,613
SOUTH SAN FRANCISCO	\$ 1,336,099	\$ 1,717,842
WOODSIDE	\$ 116,385	\$ 149,638
SAN MATEO COUNTY TOTAL	\$ 14,110,479	\$ 18,142,044
SANTA CLARA		
CAMPBELL	\$ 851,755	\$ 1,095,114
CUPERTINO	\$ 1,215,901	\$ 1,563,301
GILROY	\$ 1,063,107	\$ 1,366,852
LOS ALTOS	\$ 607,869	\$ 781,546
LOS ALTOS HILLS	\$ 183,401	\$ 235,802
LOS GATOS	\$ 624,765	\$ 803,270
MILPITAS	\$ 1,451,308	\$ 1,865,968
MONTE SERENO	\$ 74,358	\$ 95,604
MORGAN HILL	\$ 835,610	\$ 1,074,355
MOUNTAIN VIEW	\$ 1,557,369	\$ 2,002,332
PALO ALTO	\$ 1,356,159	\$ 1,743,634
SAN JOSE	\$ 20,751,465	\$ 26,680,455
SANTA CLARA	\$ 2,458,920	\$ 3,161,469
SARATOGA	\$ 649,004	\$ 834,433
SUNNYVALE	\$ 2,982,756	\$ 3,834,972
SANTA CLARA COUNTY TOTAL	\$ 36,663,747	\$ 47,139,107
SOLANO		
BENICIA	\$ 569,676	\$ 732,440
DIXON	\$ 385,483	\$ 495,622
FAIRFIELD	\$ 2,231,524	\$ 2,869,103
RIO VISTA	\$ 168,838	\$ 217,077
SUISUN CITY	\$ 587,444	\$ 755,285
VACAVILLE	\$ 1,973,663	\$ 2,537,567
VALLEJO	\$ 2,463,098	\$ 3,166,841
SOLANO COUNTY TOTAL	\$ 8,379,726	\$ 10,773,935

SONOMA		
CLOVERDALE	\$ 175,755	\$ 225,970
COTATI	\$ 152,834	\$ 196,501
HEALDSBURG	\$ 242,000	\$ 311,142
PETALUMA	\$ 1,196,713	\$ 1,538,631
ROHNERT PARK	\$ 880,253	\$ 1,131,754
SANTA ROSA	\$ 3,452,942	\$ 4,439,497
SEBASTOPOL	\$ 161,110	\$ 207,141
SONOMA	\$ 219,080	\$ 281,674
WINDSOR	\$ 549,758	\$ 706,831
SONOMA COUNTY TOTAL	\$ 7,030,445	\$ 9,039,141
BAY AREA CITIES, GRAND TOTAL	\$ 138,147,215	\$ 177,617,850
COMBINED CITY/COUNTY DISTRIBUTION, BY COUNTY		
Alameda	\$ 50,895,920	\$ 65,437,612
Contra Costa	\$ 35,267,970	\$ 45,344,532
Marin	\$ 8,648,233	\$ 11,119,156
Napa	\$ 5,644,828	\$ 7,257,636
San Francisco	\$ 27,320,227	\$ 35,126,006
San Mateo	\$ 25,828,417	\$ 33,207,965
Santa Clara	\$ 62,718,365	\$ 80,637,902
Solano	\$ 15,825,129	\$ 20,346,596
Sonoma	\$ 18,344,443	\$ 23,585,709
Region	\$ 250,493,532	\$ 322,063,115

Source: California State Association of Counties, League of California Cities
 April 29, 2015