



## FACT SHEET

# \$10 Vehicle Registration Fee for Transportation Improvements

### Local Road Repairs and Safe Streets Ballot Measure

Funding Local Roads: Sound infrastructure is the backbone of a healthy community and strong local economy, yet **funding to maintain and improve our transportation system falls far short of the need.** Traditional state and federal sources, such as gas taxes, raise less than half of what is needed to meet local transportation needs.

New and Local Sources Needed: **In order to help repair local roads and make sidewalks safe and accessible for school children and people with disabilities, a \$10 Vehicle Registration Fee will be on the November 2012 ballot.** The new funds will be dedicated to helping address at least some of the significant backlog of transportation needs and deteriorating street conditions throughout Santa Cruz County.

#### Highlights:

- \$10 Vehicle Registration Fee (VRF) for Santa Cruz County transportation
- Generates approximately \$2.2 million countywide each year
- Funds can only be used on local road repairs, safety projects near schools and sidewalk access for people with disabilities
- Funds distributed to cities/county based on population, would supplement, not replace existing funds
- Will make a solid dent in the backlog of potholes to be fixed

#### What would it fund?

- **Fix potholes, repave and maintain local streets and roads** to the benefit of all users, including drivers, bus riders, bicyclists, and pedestrians
- **Provide safe routes to schools for children and safe and accessible crosswalks, ramps, and sidewalks for seniors and people with disabilities.**

#### Why?

- State and federal funds are unreliable
- VRF funds can be used as matching funds to leverage additional state/federal funds
- Streets and roads serve a wide cross section of users including people who: drive cars, use other modes, and those unable to drive due to age/income/ability
- Deferred maintenance costs five times more over time

The proposed Vehicle Registration Fee is a key part of a multipronged strategy to develop a balanced, sensible program that improves local transportation infrastructure. While this won't solve all our transportation needs, it's a step in the right direction.

**We want your input!** Attend meetings, email or call us with your ideas on the measure.

For more information visit:

<http://sccrtc.org/funding-planning/local-funds-local-roads/>



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# Ballot Measure Basics

## The Fee

- \$10 annual fee per motorized vehicle registered in Santa Cruz County (*this is the maximum allowed under SB83*)
- Generates over \$2 million/year countywide

## Project Categories to Fund

- Local street and road maintenance and repairs
- Safe routes to schools and pedestrian capital/infrastructure projects: not less than 15% every five years (\$1.6M/five years)

## Fund Distribution

- Distributed to local jurisdictions based on population, with a minimum of \$115,000 per jurisdiction

*Estimated breakout*

Jurisdiction	% population	Annual Distribution	5 Year total
Capitola	3.8%	\$115,000	\$575,000
Santa Cruz	23.0%	\$466,000	\$2,329,000
Scotts Valley	4.4%	\$115,000	\$575,000
Watsonville	19.5%	\$395,000	\$1,972,000
County	49.4%	\$1,000,000	\$4,999,000
<b>Total</b>	<b>100%</b>	<b>\$2,090,000</b>	<b>\$10,450,000</b>

- Local jurisdictions select specific roads to repair or pedestrian/safe routes to schools project based on input from their constituents. Cannot use funds for other projects/purposes.
- A maximum of 5% to address accountability and reporting requirements

## Accountability

- Uses existing public oversight structures
- Annual Audits to ensure funds expended as intended
- Reporting – Annual reports. Projects sponsors to provide annual reports of:
  - How funds were used in the prior year
  - List of projects a jurisdiction plans to use funds on in next three years
  - Percentage of funds designated for/used on safe routes to schools and pedestrian projects
  - Report to be posted on the RTC website, available to interested parties, provided to local jurisdictions' boards and committees as part of their capital improvement program and/or annual budget process, and provided to the RTC board and oversight committees.
- State-mandated Congestion Management Program development and implementation, required by State statute of agencies that have this type of vehicle registration fee

# Frequently Asked Questions

**How much money will the fee generate?** The additional VRF will generate about \$2.2 million annually based on current estimates.

**What can an additional \$10 Vehicle Registration Fee (VRF) be used for?**

By law, the funds must be used for transportation-related programs and projects that have a relationship to, or benefit for the owners of the vehicles paying the VRF. Funds would be used for programs to repair and maintain local streets and roads and improve safety for pedestrians, including school children, people with disabilities and seniors.

**Why don't existing gasoline taxes and fees cover the cost to operate and maintain local roads?**

While existing taxes and fees provide some funding to operate and maintain local streets and roads, they cover less than half of what it costs. Gas taxes, the primary source of funds to maintain and improve our roads, are collected per gallon; so while gas prices have increased, funds for transportation projects have not. Another problem is that the federal gas tax has not been raised since 1993 and the purchasing power of gasoline taxes have been eaten away by inflation. As more vehicles get better gas mileage or use alternative fuels or electric, fewer gas taxes are collected for the same amount of vehicle miles traveled. This new \$10 fee will provide an additional \$2 million every year to help repair more roadways. It won't completely fill the gap, but it is local money that will be dedicated to improve local roads.

**Why are 15% of the funds designated for safe routes to schools and accessible pedestrian projects?**

Providing safe access to schools enables and encourages children to walk or bicycle to schools, which would improve safety for students and reduce number of trips to schools resulting in less traffic congestion due to school-related travels. Constructing and improving sidewalks, crosswalks, and curb ramps for seniors and people with disabilities allows use of the pedestrian network, and thereby provides traffic congestion relief by reducing the numbers of motorized vehicles on the road and the aggregate congestion and air pollution.

**How much would the cities and the County receive?** Funds distributed based on the proportionate share of population, with a minimum guaranteed of \$115,000 per year for smaller jurisdictions. Each city and the County will select road repair, safe routes to schools, and pedestrian projects based on input from their constituents.

**When would the fee take effect?** If approved by voters in November 2012, revenues could be collected on vehicles as early as May 2013.

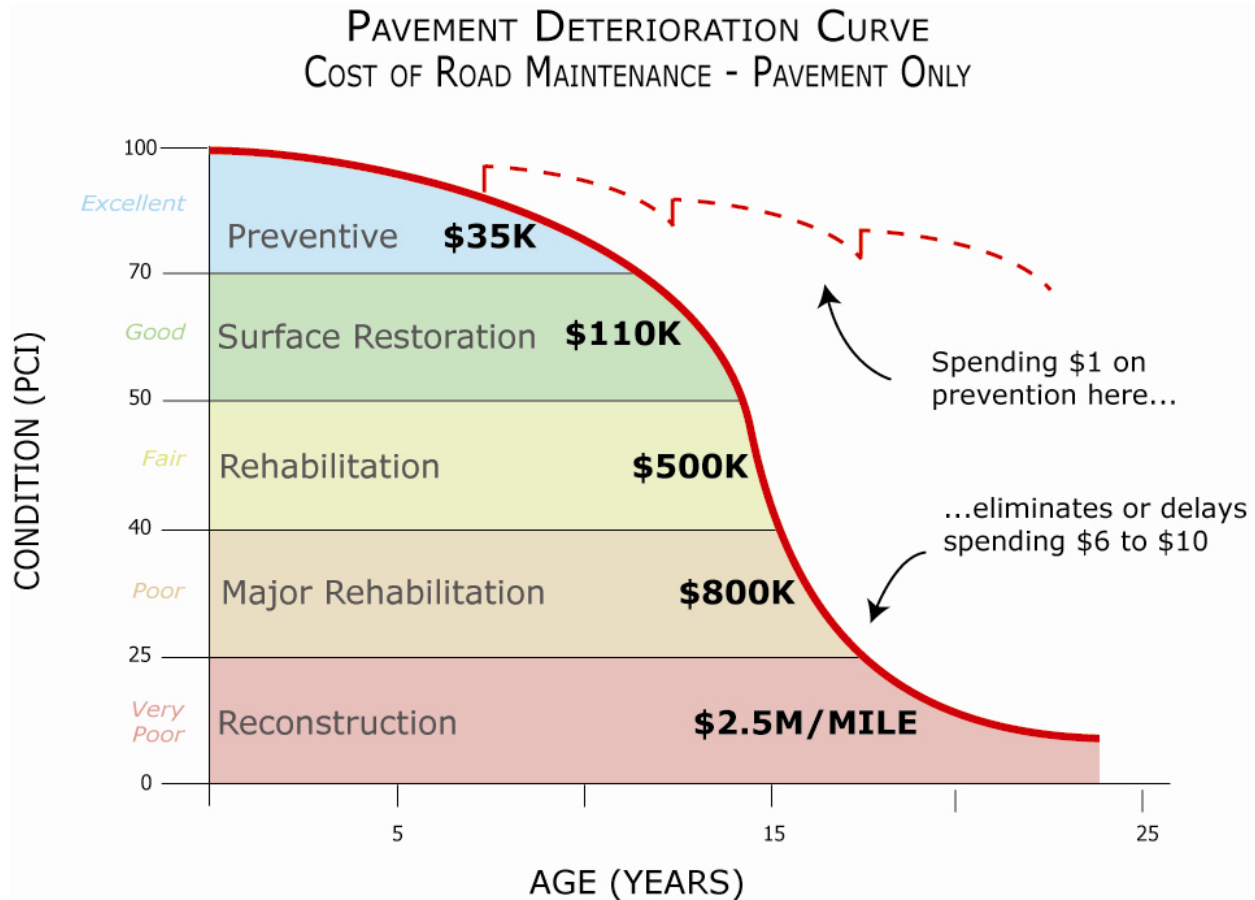
**How much money will be spent on administration?** A maximum of 5% of funds would be used to cover the cost to ensure transparency and accountability for the measure, including audits and mandated reports. Any funds not needed to meet mandates will be distributed to local jurisdictions.

**What is the difference between the proposed vehicle registration fee and a vehicle license fee?** A registration fee is a flat fee per vehicle, whereas a license fee is variable based on the value of the vehicle.

# Frequently Asked Questions

## How much does it cost to repair and maintain local roads?

The cost to maintain local streets and roads varies per mile, depending on the condition of the roadway. The cost of preventative maintenance every 5-7 years can eliminate more costly repairs later on, as shown in the following chart.



## What is the Santa Cruz County Regional Transportation Commission (RTC)?

The RTC is the countywide transportation planning agency for Santa Cruz County authorized by the state to place a \$10 vehicle registration fee on the ballot. The RTC is responsible for coordinating, planning, and programming transportation programs and projects. RTC works collaboratively with other agencies implementing transportation projects and programs in order to cost-effectively respond to cross-jurisdictional needs. The RTC board is made up of representatives from all four cities, all five of the County Board of Supervisors, and three members from the Santa Cruz Metropolitan Transit District.