

\$10 Vehicle Registration Fee (VRF) Summary Expenditure Plan Components

In the face of the significant backlog of transportation needs in Santa Cruz County, the Regional Transportation Commission (RTC) is considering asking voters to support a \$10 Cruz County Vehicle Registration Fee to fund local transportation projects. This small \$10 per motor vehicle annual fee would be dedicated solely to projects in Santa Cruz County and could not be taken by the state.

Based on transportation system needs, polls of likely voters, community input, and the amount of funding generated by a new \$10 VRF, **the following is proposed for the Expenditure Plan:**

The Fee

- \$10 Vehicle Registration Fee per motorized vehicle (*this is the maximum allowed under SB83*)
- Generates approximately \$2.2 million/year countywide

Project Categories to Fund

- Local street and road maintenance and repairs: 80% (\$1.8M/year)
- Safe routes to schools and pedestrian capital/infrastructure projects: not less than 15% every five years (\$1.6M/five years)
- Administration: Maximum 5% (\$110,000/year). Any amount not needed for administration to

Fund Distribution

- 95% to local jurisdictions based on population, with a minimum of \$115,000 per jurisdiction per year
Estimated breakout

Jurisdiction	% population	Min \$115k	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
Unincorporated	49.4%	\$1,000,000	\$4,999,000
Total	100%	\$2,090,000	\$10,450,000

- Local jurisdictions select specific projects to use funds on
- Not less than 15% of countywide VRF revenues must be spent on safe routes to schools and/or pedestrian projects every five years (est. \$1.6M). Some jurisdictions may decide to spend more or less of the funds on safe routes and pedestrian projects.
- Authorize RTC to bond against future years' funds, if RTC and local jurisdictions determine that it would be financially beneficial in spite of debt service payments.

Administration and Accountability

A maximum of 5% of revenues for administrative and accountability measures. These include:

- Use existing public oversight structures (do not create new oversight committee)
- Financial tracking and processing revenues
- Audits: RTC annual fiscal audits
- 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

Budget for November 2012 Election

- County Elections Department fee to place measure on ballot: \$1.00-\$3.00 per voter (\$150,000 to \$300,000)
- Public education material: \$25,000
- Private Sector Campaign: TBD (will not be funded from RTC budget)