



Santa Cruz County Regional  
Transportation Commission  
1523 Pacific Avenue  
Santa Cruz, CA 95060  
Phone: (831) 460-3200  
E-mail: [info@scrtc.org](mailto:info@scrtc.org)  
[www.scrtc.org](http://www.scrtc.org)



# MEASURE D

## 2020 STRATEGIC IMPLEMENTATION PLAN

ADOPTED ON FEBRUARY 6, 2020



## 2020 COMMISSIONERS

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County of Santa Cruz, 5th District

Ryan Coonerty  
County of Santa Cruz, 3rd District

Aurelio Gonzalez, Vice-Chair  
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County of Santa Cruz, 1st District

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City of Santa Cruz

Mike Rotkin  
Santa Cruz METRO

Greg Caput,  
County of Santa Cruz, 4th District

Tim Gubbins, Ex-Officio  
Caltrans

Trina Coffman-Gomez  
City of Watsonville

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“After receiving feedback from residents throughout Santa Cruz County on their priorities for the multimodal transportation system, the Santa Cruz County Regional Transportation Commission has determined that the community places a high priority on preserving and maintaining existing infrastructure, maintaining public transit and transit service for seniors and people with disabilities, reducing traffic congestion, improving safety, and expanding options for traveling within Santa Cruz County”

- Measure D Ordinance

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*It is a proud moment to present to the residents of Santa Cruz County the inaugural strategic implementation plan that will guide the development and construction of Measure D transportation programs and projects throughout the county. The RTC looks forward to expanding its role in improving transportation in Santa Cruz County and thanks voters for their support of Measure D.*

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# CHAPTER 1

# EXECUTIVE

# SUMMARY



## **Chapter 1 - Executive Summary**

**In September 2015**, the Santa Cruz County Regional Transportation Commission (RTC) initiated discussions about placing a sales tax measure for transportation improvements on the November 2016 ballot. With the 2014 Regional Transportation Plan in place, the funding crisis surrounding transportation and experience with an unsuccessful measure, the RTC set out to create an expenditure plan that addressed the multi-modal needs of the county and provided solid information about the range of investments.

What emerged from the process was the Santa Cruz County Transportation Improvement Plan Measure. The Measure and associated 2016 Transportation Improvement Plan (TRIP) – Expenditure Plan for Santa Cruz County provides a balanced vision to improve, operate and maintain Santa Cruz County's transportation network. The expenditure plan provides safer routes to schools; maintains mobility and independence for seniors and those with disabilities; invests in bicycle and pedestrian pathways and bridges on an unprecedented scale; provides for repaving roadways, repairing potholes and improving safety on local streets; provides for congestion relief on major roadways; and invests in transportation projects that reduce pollution. This expenditure plan was placed on the ballot as Measure D and was approved by over two-thirds of the voters.

The passage of Measure D on November 8, 2016 marked a major shift for transportation improvements in Santa Cruz County. By instituting a half-cent sales tax, Santa Cruz County is now one of 24 self-help counties in California. A self-help county can more effectively leverage state and federal transportation dollars by advancing projects and providing a local match.

The passage of Measure D creates a stable funding source for local transportation projects that cannot be taken away when the State budget runs into crisis. Though it will not fund all our transportation needs, it will allow us to make significant progress in the five investment categories identified in the expenditure plan, including Neighborhood Projects, Highway Corridors, Transit for Seniors and People with Disabilities, Active Transportation, and the Rail Corridor.

The inaugural 2020 Measure D Strategic Implementation Plan (SIP) will serve as the guiding policy and programming document for the implementation of Regional Measure D projects. Included in the 2020 Strategic Implementation Plan are:

- Policies related to managing and expending sales tax revenues
- Policies related to project delivery and management
- Schedules and descriptions of programs and projects for the next five years
- Financial planning strategies, including borrowing and investment approaches
- Project implementation requirements such as audit and reporting requirements

The programming element of this Strategic Implementation Plan represents a snapshot of the anticipated cash flow of Measure D revenues as well as a commitment of funds to specific programs and projects in a specific year.

It is a proud moment to present to the residents of Santa Cruz County the inaugural strategic implementation plan that will guide the development and construction of Measure D transportation programs and projects throughout the county. The RTC looks forward to expanding its role in improving transportation in Santa Cruz County and thanks voters for their support of Measure D.

# CHAPTER 2

# BACKGROUND



**The Santa Cruz County Regional Transportation Commission (RTC)** plays a leading role as the countywide planning and programming agency for transportation related issues. The RTC secures and allocates funds, implements and oversees delivery of regional projects in partnership with other entities, and develops long range plans for the region. With the passage of Measure D in 2016, the role of the RTC has grown to include the administration of a 30-year, half cent transaction and use tax (sales tax) for transportation purposes.

The RTC periodically completes a Regional Transportation Plan (RTP) according to State guidelines to guide short- and long-range planning and project implementation for the county. The RTP is the RTC’s comprehensive planning document that provides guidance for transportation policy and projects. The 2014 RTP adopted a sustainability framework which balances economic, environmental and equity interests, resulting in goals, policies, projects and programs that support a more sustainable transportation system. Unfortunately, for many years regional transportation plans have shown that there are insufficient funds to fully implement the plans.

With revenues available for transportation projects in Santa Cruz County insufficient, over the years the RTC made various efforts to establish local funding sources for transportation. The RTC adopted a funding strategy as part of the 2014 RTP which included the pursuit of local funding mechanisms to become a “self-help” county with local, independent, secure revenue that cannot be taken by the State and can be used to leverage additional state and federal funding.

The RTC solicited input from community groups, local jurisdictions, project sponsors, and the community at large about a possible ½ cent sales tax transportation ballot measure. At its December 2015 meeting, the RTC approved a draft Expenditure Plan for using new revenues to repair and maintain local streets and roads; preserve transportation services for seniors and people with disabilities; make traveling safer for drivers, buses, pedestrians and bike riders; preserve and maintain the rail corridor; build the coastal rail trail; improve traffic flow and reduce congestion.

On June 16, 2016, RTC held a public hearing for the consideration of an ordinance to enact a transportation tax subject to voter approval. As part of the hearing, RTC adopted both an Ordinance and the final Expenditure Plan and resolved that the Santa Cruz County Board of Supervisors call for a special election for voter approval.

On November 8, 2016, more than two-thirds of Santa Cruz County voters approved Measure D, the 30-year transportation ballot measure providing funding for priority projects and programs in Santa Cruz County. Measure D provides funding for five categories of program investments. The full text of Measure D is attached as Appendix 1 to this document, but a summary of the Expenditure Plan in Table 2-1 below.

**Table 2-1: Summary of Transportation Investments**

<b>Summary of Transportation Investments</b>	<b>% of Funds</b>
Neighborhood Projects	30%
Highway Corridors	25%
Transportation for Seniors and People with Disabilities	20%
Active Transportation	17%
Rail Corridor	8%

The voter-approved Ordinance and Expenditure Plan serve as the primary guiding documents regarding implementation of Measure D. The RTC is required to allocate, administer and oversee the expenditure of all Measure Revenues which are not directly allocated by formula to other agencies, consistent with the Expenditure Plan, through an implementation plan. Subsequent to voter approval of Measure D, the RTC and other Measure D recipients have adopted a five-year program of projects showing how each recipient plans to spend Measure D revenues in the near term. The 2020 Strategic Implementation Plan serves as RTC's inaugural plan on how RTC will implement Measure D over the life of the measure.

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# CHAPTER 3

# STRATEGIC

# PLAN APPROACH

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**3.1 – General Approach**

**The inaugural 2020 Measure D Strategic Implementation Plan (SIP)** provides the current state of the scope, cost, and delivery schedule of each Expenditure Plan project or program, details the revenue projections and possible financing tools needed to deliver the Expenditure Plan within the 30 years of the Measure, and describes the risks, critical issues, and opportunities that should be addressed to expeditiously deliver the Expenditure Plan. The SIP implements the primary goal of the 2016 Santa Cruz County Transportation Improvement Plan Measure, or Measure D, as set forth in the Expenditure Plan.

*“The plan will provide safer routes to schools for local students; maintain mobility and independence for seniors and those with disabilities; invest in bicycle and pedestrian pathways and bridges on an unprecedented scale; repave roadways, repair potholes and improve safety on local streets; ease congestion on major roadways; and invest in transportation projects that reduce the pollution that causes global warming.”*

Although the SIP discusses and provides 30-year revenue projections for program categories that are directly allocated by formula to other agencies (Direct Allocation Projects and Programs), the RTC’s primary purpose of the SIP is to guide the allocation, administration, and oversight of the expenditure of all Measure Revenues which are not directly allocated by formula annually to other agencies (Regional Projects and Programs), consistent with the Expenditure Plan. The SIP takes into consideration available federal, state, and other funds; project and program schedules; and financing and other options that may be available to expedite project delivery and Measure D Regional Programs.

This inaugural Strategic Implementation Plan includes policies that provide requirements for the financial planning, administration and use of Measure Revenues. The SIP considers revenue projections and growth rates, accounts for fluctuations in sales tax revenue seen over the last several years of shifting economic trends and considers the effect of inflation in both sales tax revenues and program expenditures.

The Measure D Expenditure Plan originally estimated that \$500 million (in 2016 dollars) would be generated over 30-years. This amount does not account for potential growth. Approximately, \$235 million of the original \$500 million (2016\$) in Measure D funding was estimated for Direct Allocation Projects and Programs as shown in Table 3-1:

**Table 3-1: Direct Allocation Programs and Projects Measure D Fund Allocation**

<b>Direct Allocation Programs and Projects</b>	<b>% of Measure D revenues</b>	<b>Estimated Measure D 2016\$</b>
Neighborhood Projects*	27%	\$135 million
Transportation for Seniors and People with Disabilities	20%	\$100 million
Total Regional Projects/Programs	47%	\$235 million

\*Does not include capital investments for SLV - Highway 9 (\$10 million) or Highway 17 Wildlife Crossing (\$5 million).

Approximately \$265 million of the original \$500 million (2016\$) in Measure D funding was estimated for Regional Programs and Projects, as shown in Table 3-2:

**Table 3-2: Regional Programs and Projects Measure D Fund Allocation**

<b>Regional Programs and Projects</b>	<b>% of Measure D revenues</b>	<b>Estimated Measure D 2016\$</b>
Highway Corridors	25%	\$125 million
SLV - Highway 9 Corridor	\$10M total	\$10 million
Highway 17 Wildlife Crossing	\$5M total	\$5 million
Active Transportation-Coastal Rail Trail	17%	\$85 million
Rail Corridor	8%	\$40 million
Total Regional Projects/Programs	53%	\$265 million

Although Measure Revenues provide a significant boost in funding for these Regional Programs, it is not considered enough to complete all the potential investments. The Measure D Ordinance and Expenditure Plan was therefore designed to leverage Measure Revenues to obtain state and federal transportation funds that would otherwise be unavailable to the region. The SIP strategically guides the investment of funding for each Regional Program to maximize outside funding sources.

With a full 30-years of Measure D revenue forecast, the SIP programs funding for Regional Programs using a five-year horizon (FY19/20 – FY23/24). Prior to this inaugural SIP, the RTC annually adopted a five-year program of projects for all Regional Programs (Five-Year Plans). The inaugural 2020 Strategic Implementation Plan uses the adopted Five-Year Plans, proposes some amendments, and acknowledges that future amendments will inevitably be adopted, as more information on cost, opportunities, and needs become available.

### **3.2 – Sales Tax Revenues**

This section describes the RTC’s initial sales tax revenue forecast over the life of the Measure D tax. Pursuant to the Measure D Ordinance, the RTC has the authority to levy a one-half cent (0.5%) transactions and use tax for a period of thirty (30) years with the last operative date anticipated to be March 31, 2047.

At the writing of the 2016 Transportation Improvement Plan-Expenditure Plan (Expenditure Plan) for the Measure D tax, it was estimated based on then current sales tax receipts, that the 0.5% transaction and use tax would generate \$17 million a year, totaling approximately \$500 million for transportation investments over the 30-year life of the tax. This original estimate, based on 2016 dollars with no consideration for growth, was used to allocate Measure D revenues to program areas under the Expenditure Plan. However, noted within the Expenditure Plan was the expectation that actual revenues to be received over the 30-year life of the tax would be impacted by various economic factors, such as inflation and economic growth or decline and actual revenues were expected to vary from the revenue estimate of \$17 million a year. With no growth, this projection would correspond to approximately \$500 million collected over the life of the transactions and use tax.

Thus, critical to the RTC's long-term program implementation and financial planning under the Expenditure Plan is the consideration of a Measure D sales tax revenue growth forecast to better determine future resources available to targeted program areas over time. While total actual and forecasted revenues will vary from the Expenditure Plan revenue estimate, the net percentages to each investment category will remain constant over the 30-year life of the tax.

### **3.2.1 – Overview of Sales Tax Revenue Forecast**

Sales tax revenues allow the RTC to pay expenses, fund projects, distribute direct allocations, and make any potential debt service or loan payments. The amount and timing of sales tax revenues influences the maximum amount of monies available for programs and projects regardless of whether program and project funding is pay-as-you-go or from borrowing proceeds.

In the following sections, a sales tax revenue forecast for the RTC's 2020 Strategic Implementation Plan (SIP) is discussed. Given the inaugural nature of the tax, this forecast establishes a framework for the projection of future revenues based on the performance of other variables relevant to the Measure D tax.

The RTC utilizes the services of HdL Companies (HdL) to forecast Measure D sales tax revenues. HdL provides analytic services with regard to the understanding of public agency revenues. For the purpose of the SIP, HdL prepared a short-term forecast (Fiscal Years 2019-20 through 2023-24) and a long-term forecast (Fiscal Year 2024-25 through the end of Measure D in March 2047).

Overall, the Measure D sales tax revenue forecast is based on economic factors and historical data from a long-term perspective recognizing that actual revenues in certain years may result in amounts above or below forecasted annual figures derived from long-term averages. Taking a cautious and conservative approach, the initial Measure D sales tax revenue forecast projects future annual growth below that of the long-term historical growth averages discussed in the following sections. This approach provides a reasonable basis for initial planning purposes; however, the RTC will continue to refine future sales tax revenue forecasts through updates to this 2020 Strategic Implementation Plan no less than every five years and via annual updates to the five-year program of projects.

### **3.2.2 – Economic Factors**

Economic factors countywide, statewide, and nationally can result in revenue volatility – impacting growth and the ongoing performance of the Measure D tax. While current economic conditions appear strong, the duration of the continued economic expansion is the longest in modern history. Further growth requires jobs, wages, and consumption to rise in tandem while inflation remains contained. Historically, this has been a difficult balance to achieve. Fluctuations in interest rates, declines from higher fuel prices and the overall growing cost of goods (including tariffs) may begin putting pressure on California, and therefore the Santa Cruz County spending economy.

From a local perspective, current economic conditions are characterized by modest job growth and gradual declines in unemployment rates. Santa Cruz County currently has a population of 274,871<sup>1</sup>. The median household income is \$73,663 and a me-

<sup>1</sup> Source: State of California, Department of Finance, "E-4 Population Estimates for Cities, Counties and the State, 2011-2019, with 2010 Census Benchmark," Sacramento, California, May 2019.

dian home value of \$659,900<sup>2</sup>. Santa Cruz County's unemployment rate has ranged from a high of 6.9% (February 2019) to a low of 3.1% (September 2019) over the 2019 calendar year through October 2019. While in line with historic seasonal adjustments, the County's unemployment rate reflects greater seasonality than that of California and the U.S. By way of comparison, in 2019 year to date, California's unemployment rate has ranged from a high of 4.3% (March 2019) and a low of 3.9% (October 2019) and U.S unemployment ranged from a high of 4.0% (January 2019) and a low of 3.5% (September 2019). Total employment is expected to increase by an average growth rate of 0.6% through 2023. Average salaries are expected to rise by 1.9%. The largest employment gains are expected in education and healthcare, leisure services, government, and professional services. The population is expected to increase by 0.5% per year<sup>3</sup>.

Broader factors beyond Santa Cruz County and the region will also influence the ultimate revenue collected by the RTC. The evolution of the retail sector through enhanced technology deployment, coupled with national policies such as higher tariffs on imported goods, are but two examples of how the global economy is changing rapidly.

The State has enacted AB147, the enabling bill that implements the Wayfair vs. South Dakota decision regarding nexus for out of state retailers. In California, many retailers already had a physical presence and therefore this bill does not add substantial new out-of-state district taxes to the estimates. However, this legislation will have a positive impact on the future performance of Measure D.

With these economic factors as a backdrop, the duration of the current economic expansion and challenges in predicting the actual size or timing of a possible future recession, the sales tax forecast is reliant on historical growth trends in the estimation of future growth in this 2020 Strategic Implementation Plan.

### 3.2.3 – Historical Data

Given the inaugural nature of the Measure D tax, RTC does not have the benefit of long-term historical Measure D revenue trends to evaluate. The discussion that follows highlights other relevant historical data points to help inform the Measure D revenue forecast.

#### 3.2.3.1 Taxable Sales Data

Historical taxable sales data for Santa Cruz County and the related growth rates provide a historical context for sales tax growth rate assumptions associated with the initial Measure D 2020 Strategic Implementation Plan.

Since 1997, taxable sales in Santa Cruz County increased at an average annual growth rate of 2.76% percent, shown in the data in Table 3-3 as provided by the California Department of Tax and Fee Administration. This long-term growth average is generally consistent with average growth rates in the County over the prolonged period of economic expansion following the Great Recession. The average annual growth rate over a 10-year horizon is slightly lower than the long-term historical data

<sup>2</sup> Source: Census Bureau midyear population estimates. Estimates for 2013-2017 reflect county population estimates available as of October 2019.

<sup>3</sup> Source: The County of Santa Cruz Proposed Budget Fiscal Years 2019-20 & 2020-21.

**Table 3-3: Historical Santa Cruz County Taxable Sales<sup>^</sup>**

Calendar Year	Taxable Sales <sup>1</sup>	Growth
1997	\$2,253,409	NA
1998	2,366,871	5.04%
1999	2,624,632	10.89%
2000	2,922,342	11.34%
2001	2,881,282	-1.41%
2002	2,805,148	-2.64%
2003	2,782,641	-0.80%
2004	2,916,609	4.81%
2005	3,074,145	5.40%
2006	3,165,946	2.99%
2007	3,195,786	0.94%
2008	3,031,072	-5.15%
2009	2,638,469	-12.95%
2010	2,731,832	3.54%
2011	2,893,395	5.91%
2012	3,056,694	5.64%
2013	3,270,766	7.00%
2014	3,382,117	3.40%
2015	3,582,809	5.93%
2016	3,648,394	1.83%
2017	3,812,090	4.49%
2018	3,878,851	1.75%
<b>Averages</b>		
	3-year	2.69%
	5-year	3.48%
	10-year	2.66%
	15-year	2.20%
	<b>All Data</b>	<b>2.76%</b>

<sup>^</sup>California Department of Tax and Fee Administration

The 1% Bradley-Burns tax is allocated to the County of Santa Cruz and each of the cities within the County. This tax offers a long history of collection; however, for purposes of this discussion, the review data looks back to Fiscal Year 2006-07 (on an adjusted basis). Conversely, there is a limited two-year history regarding the collection and performance of the Measure D tax. However, Measure R, the Santa Cruz Library countywide 0.25% transactions and use tax extension measure, does offer recent performance history that can be directly compared to the countywide Measure D transaction and use tax. Table 3-4 (page 19) reflects the year over year performance of each of the 1% Bradley-Burns tax and the 0.25% Santa Cruz Library (Measure R)

– 2.66% versus the 2.76%. Looking at a 5-year horizon the average growth in taxable sales was 3.48% and over the last 3 years taxable sales growth has averaged closer to the long-term average at 2.69%.

Taxable sales growth, however, can vary from actual sales tax revenue growth due to adjustments by the California Department of Tax and Fee Administration, which collects the sales taxes. In addition, taxable sales are reported on a calendar year (year ending December 31) as compared to sales tax revenues, which are typically reported on a fiscal year (year ending June 30).

Figure 3-1 (page 19) presents a graphical history of taxable sales in Santa Cruz County.

### 3.2.3.2 Countywide Sales Tax Data

Measure D imposes a 0.5% transaction and use tax rate on the same goods and merchandise as the local sales and use tax (the 1% Bradley-Burns tax). However, the Bradley-Burns sales and use tax is generally allocated to the jurisdiction where the sale is negotiated or the order is taken, the Measure D transaction and use tax is allocated to the jurisdiction where certain goods (like automobiles and online sales) are delivered or placed into use. Despite the revenue allocation distinction between sales taxes and transaction and use taxes, the historical performance of each can serve as a benchmark for economic activity in Santa Cruz County.

**Figure 3-1: Historical Santa Cruz County Taxable Sales**

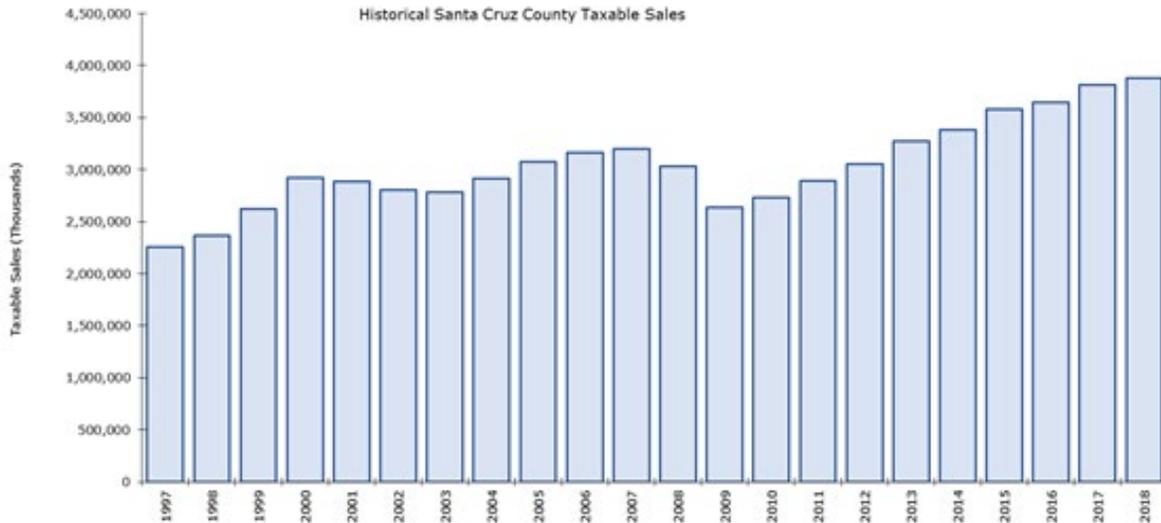


Figure 3-1 Source: California Department of Tax and Fee Administration. Calendar Year data.

**Table 3-4: Historical Sales Taxes in Santa Cruz County**

Fiscal Year Adjusted Data	Santa Cruz County-wide 1% Sales & Use Tax Revenues	Growth %	Santa Cruz Library Transactions & Use Tax Revenues ^	Growth %
2006-07	\$32,711,978.00	N/A	\$0.00	
2007-08	\$31,708,989.00	-3.1%	\$0.00	
2008-09	\$28,305,060.00	-10.7%	\$0.00	
2009-10	\$27,112,468.00	-4.2%	\$0.00	
2010-11	\$28,526,852.00	5.2%	\$5,701,945.00	N/A
2011-12	\$30,108,175.00	5.5%	\$8,038,998.00	41.0%
2012-13	\$31,864,042.00	5.8%	\$8,660,744.00	7.7%
2013-14	\$33,602,043.00	5.5%	\$9,016,928.00	4.1%
2014-15	\$35,089,704.00	4.4%	\$9,504,346.00	5.4%
2015-16	\$36,220,781.00	3.2%	\$9,835,593.00	3.5%
2016-17	\$37,443,334.00	3.4%	\$10,235,038.00	4.1%
2017-18	\$39,356,959.00	5.1%	\$10,717,490.00	4.7%
2018-19	\$40,051,908.00	1.8%	\$10,870,539.00	1.4%
<b>Averages</b>				
	3-year	3.42%	3-year	3.40%
	5-year	3.58%	5-year	3.82%
	10-year	3.57%		
	<b>All Data</b>	<b>1.83%</b>	<b>All Data^^</b>	<b>4.42%</b>

Source: California Department of Tax and Fee Administration. HdL Fiscal Year Adjusted Data.  
 ^ - Library Tax Measure R was effective 10/1/2010; FY 2010-11 reflected partial initial year. Utilized adjusted data.  
 ^^ - Excludes FY 2011-12 growth rate from partial year tax collection in FY 2010-11.

transaction and use tax.

Measure D’s forecast is modeled in part based upon the actual results of these sales tax proxies in prior years.

**3.2.4 – Sales Tax Revenue Forecast**

As stated at the start of this Section 3, Measure D sales tax revenues estimated in the Expenditure Plan were forecast in constant dollars and estimated to generate \$500 million through March 31, 2047. Sales tax collections began in April 1, 2017, representing one quarter of Fiscal Year 2016-2017 data. The full first year of collections was in Fiscal Year 2017-2018. The final year of collection in FY 2046-2047 will represent a partial year collection as the Measure D tax sunsets on March 31, 2047.

A conservative approach is taken in this initial forecast of future revenues to ensure that planning and programming stays within future available resources. The actual economy has been better than expected from when Measure D was being developed, and as shown in Table 3-5 below actual revenues have outperformed the \$17 million annual figure estimated in the Expenditure Plan. However, on the heels of an extended period of economic expansion, the forecast has been carefully considered given the potential of a near-term economic contraction, necessitating a conservative approach to forecasting annual growth from actual Measure D base values.

**Table 3-5: Forecasted Measure D Revenues**

<b>Fiscal Year</b>	<b>Measure D Sales Tax Revenues</b>	<b>Growth Factor</b>	
2017-18	\$21,391,907	NA	<b>Actual</b>
2018-19	\$21,819,341	2.0%	
2019-20	\$21,372,188	-2.0%	<b>Short-Term Forecast</b>
2020-21	\$21,450,173	0.4%	
2021-22	\$21,657,018	1.0%	
2022-23	\$21,898,796	1.1%	
2023-24	\$22,222,765	1.5%	

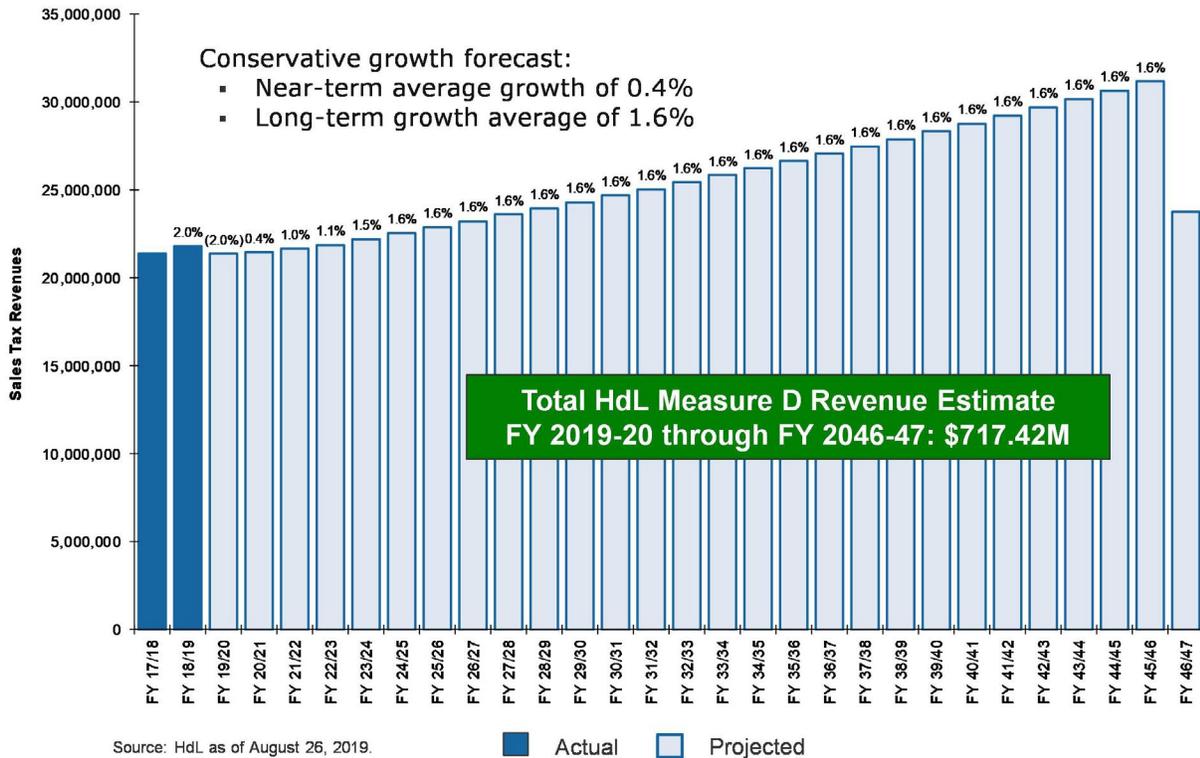
**3.2.4.1 Short-Term Forecast (Fiscal Years 2019-20 through 2023-24)**

When posed the question of the timing and depth of a future recession, most economists believe the US is overdue an economic correction based on historical trends. The 2020 and 2021 calendar years appear to have the broadest consensus, although experts disagree on the timing and length of a recession. As to the negative degree a recession may have on the economy, many believe it will be just a relative slowdown especially when compared to the Great Recession.

**Figure 3-2**

# Measure D Sales Tax Revenue Projection

Santa Cruz County RTC – Measure D Sales Tax Revenue Projection  
HdL Extended Sales & Use Tax Budget Estimate as of August 2019



Santa Cruz County RTC 0

Following the first two years of actual Measure D Revenues, HdL estimates a 2.0% decline in Fiscal Year 2019-20 for two reasons. First, a slowdown in spending occurs in sectors such as autos/transportation and general consumer goods; fuel prices are expected to decline next year as well. Second, a portion of Fiscal Year 2018-19 revenues included 'double up' payments from the last two quarters of Fiscal Year 2017-18; this temporary delay came from the California Department of Tax and Fee Administration's implementation of a new computer system to process taxpayer's sales tax returns.

Tax revenues return to increases in Fiscal Year 2020-21 and reflect 0.4% growth; the subsequent three fiscal years gains of 1.0%, 1.1% and 1.5% demonstrates a steady return of consumer confidence and stability.

### 3.2.4.2 Long-Term Forecast (Fiscal Years 2024-25 through 2046-47)

An expected normalized transaction and use tax growth trend has been applied for the out years of the Measure D forecast. The long-term growth potential appears positive. Outer year growth will be impacted by employment levels, wages, and the ongoing challenge of affording single and multi-family housing across the County.

**Table 3-6: Comparison of Long-Term Growth Averages**

<b>Historical Data Metric</b>	<b>Historical Period</b>	<b>Average Growth Factor</b>
Taxable Sales	Since CY 1997 (21-YRS)	2.76%
1% Sales & Use Tax (Bradley-Burns)	Since FY 2006-07 (12-YRS)	1.83%
0.25% Transactions & Use Tax (Measure R)	Since FY 2011-12 (7-YRS)	4.42%
<b>Measure D Long-Term Forecast:</b>		<b>1.60%</b>

Thus, future population, housing and job growth may further support improved revenue projection estimates through the end of Measure D in March 2047.

Beginning in FY 2024-25, Measure D transaction and use tax revenues are forecasted to grow at an annual rate of 1.6%. This average annual growth rate is below the long-term average growth rates of the historical data trends discussed previously, underscoring the cautious nature of the initial Measure D revenue forecast.

Overall, combining the short-term and long-term outlook for Measure D, the total Measure D revenue is expected to be approximately \$778.7 million. After RTC administration and California Department of Tax and Fee Administration (CDTFA) fees, the total expected allocation to Expenditure Plan investment categories is approximately \$754.4 million.

### **3.3 - Leveraging**

A significant benefit of having a local sales tax is that these funds can be used to leverage state, federal, and other grants. The Measure D Ordinance assumed that a portion of the total costs of projects included in the Expenditure Plan would also be funded from federal, state, and local sources. The best way to ensure Measure D is able to generate more revenue and expedite delivery of the Expenditure Plan is to use Measure D revenues to leverage these other funding sources.

The RTC is closely collaborating with partner agencies and project sponsors to increase the overall funding available to Santa Cruz County transportation projects identified in the Expenditure Plan. Availability of matching funds is a key factor in Measure D programming decisions and the longer-term implementation plan.

Approximately five months after Measure D passed in Santa Cruz County, the California State Legislature passed the Road Repair and Accountability Act of 2017, also known as Senate Bill 1 (SB1) with the aim of repairing roads, improving traffic safety, and expanding public transit systems across the state. The bill estimated that \$52.4 billion, or \$5.24 billion per year, would be raised over the next 10-years to fund the state’s transportation infrastructure needs. California’s state-maintained transportation infrastructure will receive roughly half of SB1 revenue. The other half will go to local roads, transit agencies and an expansion of the state’s growing network of pedestrian and bicycle routes. The Measure D Expenditure Plan strategically positions RTC with an opportunity to capture significant funding for all Regional Programs.

SB1 has created or enhanced several grant opportunities for regional agencies, including the ability to apply for an estimated \$250 million per year for projects that will improve traffic flow and mobility along the state’s most congested routes through the

Solutions to Congested Corridors Program (SCCP). SB1 provides approximately \$100 million per year as part of the state's Active Transportation Program (ATP) to build or convert more bike paths, crosswalks and sidewalks. SB1 included \$750 million per year in new funding to transit agencies, including significant additional funds for the state's Transit and Intercity Rail Capital Program (TIRCP). Annually, \$25 million was added to the State's Freeway Service Patrol (FSP) program to assist stranded motorists on the most congested freeways. SB1 created a new Trade Corridor Enhancement Program (TCEP) with an estimated \$300 million per year in new revenue. And SB1 includes an estimated \$200 million per year is included in SB1 as matching funds to either be directly allocated by formula and/or competitively awarded to local agencies with voter-approved transportation tax measures, such as RTC.

RTC is also targeting the State Transportation Improvement Program (STIP), the State Highway Operations and Protection Program (SHOPP)<sup>4</sup>, the Affordable Housing and Sustainable Communities Program (AHSC), the Highway Safety Improvement Program (HSIP), grants that may become available under California's historic Cap and Trade program to lower greenhouse gas emissions, and other State program opportunities as they are created and identified.

On the Federal level, the five-year Fixing America's Surface Transportation (FAST) Act, passed in 2015, is set to expire in September of 2020. Components of the reauthorization bill are working their way through several congressional committees. If approved by Congress, the Senate Environment and Public Works (EPW) Committee's proposed FAST reauthorization bill, the America's Transportation Infrastructure Act of 2019, would be the largest highway reauthorization legislation in history - \$287 billion from the Highway Trust Fund over five years. In addition to reauthorizing and increasing funding for long-standing programs (including increased set-asides for transportation alternatives), the bill includes new competitive grants for bridges, safety improvements, wildlife-vehicle collision reduction, and climate resiliency of roads and bridges. The bill also includes funds to states to support projects aimed at lowering highway-related carbon emissions. RTC will continue to monitor Federal grant opportunities to position Measure D programs to best leverage funding by the new Federal legislation.

Finally, RTC has worked with its local stakeholders to leverage Measure D Regional Funding with other local funds, including funding from the County, the four cities, and non-profits, such as the Land Trust of Santa Cruz County. RTC will continue to work with local agencies on funding agreements to deliver Expenditure Plan investments for programs that help deliver mutually beneficial priorities for transportation in the region.

### **3.4 – Direct Allocation Programs and Projects**

There are two programs which are considered Direct Allocation Programs and Projects within the Measure D Expenditure Plan in that they directly allocate funding by formula to local agencies for transportation projects, including the majority of the

<sup>4</sup> *Caltrans is responsible for scoping and programming projects for the SHOPP in accordance with the State Highway System Management Plan. Although grant funding is not a component of the SHOPP, Caltrans is committed to working with our local and regional partners to optimize the benefits that can be achieved with SHOPP investments to preserve the integrity of the transportation system and to support the safety of all travelers and modes.*

Neighborhood Projects investment category and the entire Transportation for Seniors and People with Disabilities category.

### **3.4.1 - Neighborhood Projects - Direct Allocation to Cities and County**

After accounting for RTC administration, implementation and oversight of Measure D, RTC allocates 30% of Measure D revenue to the Neighborhood Projects category. Of that 30%, specific dollar amounts of \$15 million is allocated to the following Programs and Projects:

- \$10 million for the San Lorenzo Valley – Highway 9 Corridor Improvements
- \$5 million for a Highway 17 Wildlife Crossing

The remainder of the Neighborhood Projects category is allocated by formula to the cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville and the County of Santa Cruz for transportation projects as a direct allocation. Projects to be funded with these Measure D revenues may include: fixing potholes, local roadway repairs, rehabilitation, reconstruction and intersection improvements; new and improved sidewalks, crosswalks and bicycle lanes and paths, especially near schools; and other transportation projects as necessary for the benefit of residents in those jurisdictions.

Each year, the County of Santa Cruz and the cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville prepare reports through a public process, typically as part of their capital improvement program, to identify how they plan to spend their share of measure funds and each year submit a report and audit information about how measure funds were spent in the prior year. Each agency adopts a five-year program of projects and a description of expenditures of Measure revenues from the most recently completed fiscal year.

RTC is required to allocate Measure D funds to these local jurisdictions no less than quarterly based on their proportional share of the countywide population (29%), lane miles of roadway (39%), and site where the Measure Revenue from the transaction and use tax is generated (32%). Population, road mile, and tax site generation figures are updated annually based on latest available data. Each jurisdiction has entered into a funding agreement with RTC which provides the guidelines and requirements for receiving, expending, and reporting on Measure D–Neighborhood Project (direct allocation) funding.

Based on the growth projection in Section 3.2.4, Revenue Forecast, RTC is estimating to directly allocate approximately \$211.3 million, to the County and cities over the 30-year life of the program.

### **3.4.2 - Transit for Seniors and People with Disabilities**

After accounting for RTC administration, implementation and oversight of Measure D, RTC allocates a total of 20% of Measure D revenue to two (2) transit providers as a direct allocation to serve seniors and people with disabilities.

A total of 16% of Measure D revenue is distributed to Santa Cruz Metropolitan Transit District (METRO) to provide transit and paratransit service for seniors and people with disabilities. A total of 4% of Measure Revenues is allocated to the Consolidated Transportation Services Agency for Santa Cruz County (Community Bridges-Lift Line) for paratransit service. Paratransit works with social service agencies to increase

transportation options for seniors, individuals with disabilities, and persons with low incomes. Funds are distributed no less than quarterly, though typically on a monthly basis.

Each agency has entered into a cooperative funding agreement with RTC which provides the guidelines and requirements for receiving, expending, and reporting on Measure D–Transit for Seniors and People with Disabilities (direct allocation) funding.

Based on the growth projection in Section 3.2.4, Revenue Forecast, of the 2020 Strategic Implementation Plan, the Measure D funding for Transit for Seniors and People with Disabilities investment category is now estimated to allocate approximately \$150.9 million to METRO and Community Bridges-Lift Line over the 30-year life of the program.

### **3.5 Regional Programs and Projects**

The Measure D Expenditure Plan identifies five investment categories, which the RTC considers Regional Programs and Projects. These five Regional Programs and Projects are the focus of the Strategic Implementation Plan. The Regional Programs and Projects include the San Lorenzo Valley–Highway 9 Corridor Improvements (\$10 million) and Highway 17 Wildlife Crossing (\$5 million), which are allocated specific dollar amounts for the 30-year life of the sales tax measure. The other three Regional Programs and Projects are the Highway Corridors (25%), Active Transportation (17%) and the Rail Corridor (8%), which each receiving a percentage of the net revenues, after accounting for RTC administration, implementation and oversight of Measure D.

#### **3.5.1 –San Lorenzo Valley/Highway 9 Corridor Improvements - \$10 million**

Transportation projects to improve travel for residents of San Lorenzo Valley (SLV) will receive \$10 million from Measure D–Neighborhood Projects over the 30-year life of the program. This amounts to approximately \$333,000 per year for transportation projects to improve travel for residents of San Lorenzo Valley.

One of the first steps to identify and prioritize transportation for this important corridor was to complete a comprehensive transportation needs assessment and an evaluation of a range of options to address transportation challenges. RTC used \$50 thousand in Measure D–SLV/Highway 9 funds to augment a \$249 thousand planning grant and \$372 thousand in RTC Transportation Development Act (TDA) and Rural Planning Assistance funding to complete the community-based Highway 9/San Lorenzo Valley Complete Streets Corridor Plan. This plan, adopted by the RTC board on June 27, 2019, focuses on safety for pedestrians, bicyclists and motorists; access to schools, businesses, and bus stops; traffic operations, pavement conditions, drainage and other needs for the Corridor.

RTC also applied for and received a \$250 thousand Highway Safety Improvement Program (HSIP) grant for pedestrian safety and visibility improvements at several locations along Highway 9. RTC programmed \$30 thousand in Measure D–SLV/ Highway 9 funds to leverage the HSIP funding and \$15 thousand for re-surfacing of an alternate pedestrian and bicycle route on Farmer Street.

While the Highway 9/SLV Complete Streets Corridor Plan identifies priorities for the

corridor, additional cost and project screening information is required in order secure grants and certain state funds. Since Highway 9 is a State Highway, owned and maintained by the California Department of Transportation (Caltrans), the Caltrans process for delivering improvements on the State Highway System must also be followed. Therefore, RTC programmed \$250 thousand to generate more detailed project information, complete project initiation documents, and prepare grant applications as may be needed to deliver capital projects on the Corridor. Finally, RTC programmed \$1 million to match future potential grants and state funds for improvements identified in the Complete Streets Corridor Plan that will improve access to the schools in Felton. As more information on the cost and feasibility of projects and future grant opportunities become available, RTC will make future programming decisions to leverage Measure D to the greatest extent possible and deliver the maximum number of projects for the benefit of the San Lorenzo Valley.

The latest adopted five-year program of projects for San Lorenzo Valley/Highway 9 Corridor Improvements is included in Appendix 2. A program fact sheet is included in Chapter 6. A summary of programming shown in Table 3-7.

**Table 3-7: San Lorenzo Valley/Highway 9 Corridor Improvements Programming (in thousands)**

Program	Prior	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total
SLV/ Highway 9	\$50	\$295	\$1,000	\$0	\$0	\$0	\$1,345

**3.5.2 - Highway 17 Wildlife Crossing - \$5 million**

Measure D provides \$5 million in revenues for the construction of a safe passage for wildlife to cross under Highway 17. This allotment amounts to approximately \$167 thousand per year over the 30-year life of the program. The Highway 17 wildlife crossing project is a partnership between Caltrans, the Land Trust of Santa Cruz County, and the RTC. Caltrans will implement the construction of a wildlife crossing under Highway 17 near the Laurel Curve to allow the safe passage for wildlife and reduce conflicts between wildlife and the traveling public, improving overall safety.

The California Transportation Commission (CTC) and Caltrans have provided over \$4.5 million in State Highway Operation and Protection Program (SHOPP) funds for pre-construction phases of the project, and the Land Trust has committed \$2 million in matching funds for construction. RTC has programmed \$30 thousand for pre-construction support costs and an additional \$4.03 million for construction, expected to start as early as 2021.

Measure D is not expected to have generated enough Highway 17 Wildlife Crossing funds to fund these programming commitments by FY21/22. This 2020 Measure D Strategic Implementation Plan therefore models a long-term loan between the Highway Corridor program and the Highway 17 Wildlife Crossing project. If the project meets its anticipated delivery schedule, the Highway Corridor Program could loan the funding needed to advance the Highway 17 Wildlife Crossing (See Chapter 5). The inter-investment category loan would be paid back, with interest, through FY44/45, as permitted by the Measure D Ordinance and as specified in Chapter 4, Policies on

Use of Inter-Program Loans (Policy 4.4).

The latest adopted five-year program of projects for the Highway 17 Wildlife Crossing project is included in Appendix 2. A project fact sheet is included in Chapter 6. A summary of programming shown in Table 3-8.

**Table 3-8: Highway 17 Wildlife Crossing Project Programming (in thousands)**

Project	Prior	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	Total
Wildlife Crossing	\$0	\$15	\$15	\$2,015	\$2,015	\$0	\$4,060

*Note: The RTC will evaluate financing options to advance delivery since the full \$5M committed in Measure D will not be available until the end of the 30-year measure - \$946,090 has been set aside for future debt service.*

### 3.5.3 – Highway Corridors – 25%

After accounting for RTC administration, implementation and oversight of Measure D, Measure D allocates 25% of revenue to highway corridor programs to improve the safety and efficiency of major highway corridors in Santa Cruz County. Based on the growth projection in Section 3.2.4, Revenue Forecast, of this 2020 Strategic Implementation Plan, the Measure D funding for Highway Corridors investment category is now estimated to allocate approximately \$188.6 million for Highway Corridor category investments over the 30-year life of the program.

RTC has been working on identifying Highway 1 improvements and funding for over two decades. In 2019, Caltrans certified an Environmental Impact Report/Environmental Assessment (EIR/EA) for Highway 1 improvements from Santa Cruz to Aptos. The EIR/EA was both a programmatic (Tier I) concept for the corridor, which would be built over time through a series of smaller incremental projects (Tier II projects), and a Tier II project level clearance for Auxiliary lanes between 41st Avenue in Capitola to Soquel Drive in Santa Cruz, including a new bicycle and pedestrian overcrossing at Chanticleer Avenue.

To help identify multi-modal corridor infrastructure investments between Watsonville and Santa Cruz, the RTC also performed a study on three (3) parallel routes, including Highway 1. RTC programmed \$200 thousand in Measure D-Highway funds to complete the Unified Corridor Investment Study (UCIS), which will serve as the RTC’s Compressive Multi-Modal Corridor Plan, which is a requirement for State grant opportunities. The preferred scenario in the UCIS included projects to construct auxiliary lanes. Auxiliary lanes improve highway safety and efficiency by extending the merge distance of vehicles entering and exiting the highway. The preferred scenario of the UCIS also identified projects to allow buses to operate on the shoulders of Highway 1 to bypass traffic, in order to improve travel time and reliability through the County. Santa Cruz is one of only two counties in the State with legislation in place to allow this innovative way to increase the capacity of a highway for transit vehicles, which will lead to reduced congestion and vehicle miles traveled.

RTC has determined that by focusing on a multi-modal Highway 1 Program of Projects that builds the auxiliary lanes, with new bicycle and pedestrian overcrossings and the bus on shoulders (BOS) concept, it can maximize SB1 grant opportunities and

### **Chapter 3 - Strategic Plan Approach**

deliver a safer and operationally better facility. RTC has identified an initial Highway 1 Program of Projects consisting of (4) Highway 1 projects, from Freedom Boulevard in Aptos to Soquel Drive in Santa Cruz, including work on an advanced mitigation strategy. This stretch of highway comprises the most safety concerns and inefficiencies, including the narrowest sections that must be enhanced for the corridor improvements to be effective.

RTC has targeted the competitive SB1 Solutions for Congested Corridors Program (SCCP), the Local Partnership Program (LPP), and the Active Transportation Program (ATP) as the three most viable ways to leverage Measure D funds for Highway 1 projects. The California Transportation Commission (CTC) manages all three funding programs and regularly programs funds in cycles. The SCCP, with \$250 million per year in funding, is the primary target for the Highway 1 Program. The CTC SCCP and LPP guidelines require projects to have environmental clearance within six (6) months of being adopted to receive grant funding. SCCP and LPP competitive program funds are only available for the construction phase. CTC is also looking for multi-modal and innovative solutions that improve safety and efficiency.

To meet these requirements, RTC has determined that the best strategy for Measure D-Highway Corridor funds is to complete the work necessary to ready the projects for construction. Accordingly, the 2020 Strategic Implementation Plan programs over \$26.8 million in Measure D-Highway Corridor funds to complete the pre-construction work of four (4) Highway 1 projects, with \$4 million for construction of the 41<sup>st</sup> to Soquel project to match grant opportunities. The Measure D funding is added to already programmed STIP, Regional Surface Transportation Program Exchange, and funds contributed by the Santa Cruz Metropolitan Transit District. The Measure D programming for these projects is summarized in Table 3-9, and project fact sheets are included in Chapter 6.

RTC intends to use some of the future capacity (FY23/24 – FY46/47) of the Measure D-Highway Corridor investment category, along with RTC's STIP and federal Highway Infrastructure Program (HIP) funds to leverage future SB1 construction grants, as well as new potential grant funding that may become available from the anticipated federal re-authorization bill. RTC intends to program any available formula LPP funds that RTC receives as matching funds for preconstruction work and reprogram Measure D-Highway funds to other program needs, including construction.

The two primary risks of the highway projects are deliverability and funding. RTC plans to address program management by controlling project scope, schedule and budget. RTC has sized and scheduled the projects to correspond well with CTC's programming cycles for SCCP. They each have independent utility and logical termini and can be phased further to deliver smaller independent projects to meet the limited availability of large funding requests. The 41st Avenue to Soquel Drive project has environmental clearance, is 95% complete with design, and the Bay Porter to State Park project is scheduled to have environmental clearance and final design by early 2021. Both projects are good candidates for the next cycle (Cycle 2) of funding, expected in 2020. RTC is advancing the environmental and design phases for the two remaining auxiliary lane and bus on shoulder projects, while the County of Santa Cruz plans to lead delivery of the Mar Vista bicycle and pedestrian crossing. If these projects can each complete environmental clearance in about 2-years, they will be attractive candidates for Cycle 3 funding in 2022. RTC anticipates it will take 2 to 4

SCCP funding cycles (4- to 8-years) to fully fund the Highway 1 Program of Projects.

To further reach the goals of the Highways Corridor investment category, Measure D funds are used on three additional programs to also reduce congestion and improve safety within the region's Highway Corridors; RTC's Transportation Demand Management (TDM), Cruz 511; Freeway Service Patrol (FSP) program; and Safe on 17 enforcement programs. All three programs preceded Measure D and the new revenue generated is expected to allow for these programs to expand and increase service over time.

In 2015, the RTC launched Cruz511.org as its TDM platform to deliver traveler information and referral services and market the availability of travel options. The Cruz511 TDM program relieves congestion on Highway Corridors by promoting sustainable and alternatives modes of transportation. Cruz511 also offers online car-pool and vanpool matching service, park and ride lot coordination and development, and personal trip planning assistance. RTC has programmed \$1.3 million of Measure D-Highway program funding to Cruz511 TDM program through FY23-24, which is added to existing STIP and RTSPX funding already programmed.

The Safe on 17 Task Force is a collaborative effort of the RTC Service Authority for Freeway Emergencies (SAFE), Caltrans, the California Highway Patrol (CHP), and the Metropolitan Transportation Commission (MTC) to identify conditions and behaviors contributing to collisions on the Highway 17 corridor and to recommend and implement solutions. Increasing CHP presence on Highway 17 has been found to significantly reduce speeding and collisions. Approximately \$275 thousand in Measure Revenues have been programmed for Safe on 17, adding to the DMV funds used for additional law enforcement, ensuring CHP enforcement through FY23-24, which is added to the DMV funds used for additional law enforcement.

The Freeway Service Patrol (FSP) provides roving tow trucks on segments of Highways 1 and 17 to help stranded motorists, remove debris and other obstructions on the corridors. This work helps address non-recurring congestion and improve safety for motorists. RTC has programmed \$937 thousand in Measure D-Highway funds for FSP service through FY 23-24.

The proposed updated five-year program of projects for the Highway Corridors Program is included in Appendix 2. Seven (7) project/program fact sheets are included in Chapter 6. A summary of programming is shown in Table 3-9 (page 30).

### **3.5.4 - Active Transportation - 17%**

After accounting for RTC administration, implementation and oversight of Measure D, Measure D allocates 17% of revenue for Active Transportation by means of investing in the Monterey Bay Sanctuary Scenic Trail Network (MBSST), otherwise known as the Coastal Rail Trail, for people walking and bicycling along the coast in Santa Cruz County. Based on the growth projection in Section 3.2.4, Revenue Forecast, of this 2020 Strategic Implementation Plan, Measure D is now estimated to allocate \$128.2 million for the Active Transportation category investments over the 30-year life of the program. Measure D Active Transportation funds will be used for trail construction, maintenance, operation, management and drainage of the rail and trail corridor and will leverage other state and federal grants for completion of the trail network.

**Table 3-9: Highway Corridors Programming (in thousands)**

<b>Project/Program</b>	<b>Prior</b>	<b>FY 19/20</b>	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>Total</b>
41st to Soquel	\$800	\$376	\$4,350	\$350	\$100	\$0	\$5,976
State Park to Bay-Porter	\$50	\$693	\$2,510	\$2,330	\$400	\$0	\$5,983
Freedom to State Park	\$0	\$4,300	\$5,730	\$824	\$3,660	\$0	\$14,514
Mar Vista Bike/Ped Overcrossing	\$0	\$149	\$100	\$100	\$0	\$0	\$349
Cruz 511	\$200	\$250	\$250	\$200	\$200	\$200	\$1,300
Safe on 17	\$25	\$50	\$50	\$50	\$50	\$50	\$275
Freeway Service Patrol	\$119	\$122	\$150	\$165	\$182	\$200	\$937
<b>TOTAL</b>	<b>\$1,194</b>	<b>\$5,940</b>	<b>\$13,140</b>	<b>\$4,019</b>	<b>\$4,592</b>	<b>\$450</b>	<b>\$29,334</b>

*Note: 1 - Measure D - Highway allocations to the UCIS and the RCIS were included with Prior funds allocated to 41st to Soquel*

*2 - On-going programs, some of which may have been in place prior to Measure D*

Work on the Coastal Rail Trail began before the passage of Measure D, including the purchase of the Santa Cruz Branch Rail Line (SCBRL) in 2012 and the adoption of the Monterey Bay Sanctuary Scenic Trail (MBSST) Network Master Plan and the certification of the programmatic level Final Environmental Impact Report (EIR) in 2014. Work had also begun to deliver four (4) high priority sections, including Segment 5 on the North Coast, Segments 7 and 8 in Santa Cruz, and Segment 18 in Watsonville. RTC is leading the delivery of Segment 5 (North Coast) and the local jurisdictions are leading the delivery of the other segments. As the trail is constructed, maintenance will become the responsibility of the local jurisdiction and RTC will assist in seeking necessary funding, which could include Measure D – Active Transportation funds.

RTC has programmed a total of \$15.375 million in Measure D-Active Transportation funds for corridor-wide project development work, not including RTC project management and maintenance programming. Funds have been programmed to prepare environmental documents, complete funding plans and/or leverage additional grants for Segments 5, 8, 9, 10, 11, and a portion of Segment 12. Completing environmental pre-construction work will demonstrate project readiness and best position these sections of the trail for potential construction grant funding. RTC is working with the County, City of Santa Cruz, and the City of Capitola on how best to implement the work from the completed section over the San Lorenzo River in Segment 8 to Aptos Creek Road in Segment 12.

The rail trestle crossing of Soquel Creek in the historic district of Capitola is not included in this programming. Constructing the crossing over Soquel Creek in the City of Capitola will be one of the most challenging sections of the trail to implement, therefore funds are programmed under the Measure D-Rail Corridor Program to conduct a feasibility study for this bridge to take place following the Transit Corridor Alternatives Analysis (TCAA) for high-capacity public transit on the rail line, which will provide better understanding of the future use of the structure. RTC will need to work closely with the local community to find a solution that will allow this important section of the trail to be delivered.

For each Segment under development, RTC plans to work with local jurisdictions to seek grants, in order to fill funding gaps and construct the trail in sections or phases. The City of Santa Cruz has phased Segment 7, fully funding Phase I (from Bay/California to Natural Bridges Drive) with a combination of federal earmarks and State Transportation Improvement Program (STIP) funds programmed by the RTC, City of Santa Cruz Measure D direct allocations, Coastal Conservancy grants, and donations from Bike Santa Cruz County and Friends of the Rail & Trail (FORT) non-profits. The City of Santa Cruz is also pursuing grant opportunities for Phase II to connect from Bay/California to the Wharf, using up to \$2.1 million of Measure D-Active Transportation programming to match grants, and it has committed other funds to commence environmental and design phases of the remainder of Segments 8 and 9. The City of Watsonville has phased implementation of Segment 18, fully funding Phase I from Ohlone Parkway to the Watsonville Slough Trailhead with Active Transportation Program (ATP), Regional Surface Transportation Program Exchange (RSTPX), city funds, Land Trust of Santa Cruz County and FORT donations, and \$150 thousand in Measure D-Active Transportation funds. City of Watsonville plans to use up to \$2.8 million in Measure D-Active Transportation programming to match future grant opportunities to complete Phase II.

The RTC is leading the development of Segment 5 on the North Coast and was awarded \$6.1 million from the Federal Lands Access Program (FLAP) grant, \$4 million from a Land Trust of Santa Cruz County donation, and \$840 thousand from a Coastal Conservancy grant. The RTC previously programmed \$441 in RSTPX funds and is leveraging over \$5.5 million in Measure D-Active Transportation funds programmed to the project. The RTC has also applied for a \$4 million Proposition 68 – Recreational Trails and Greenways Grant to get the segment close to being fully funded.

The ATP, SB1 Solutions for Congested Corridors Program (SCCP), the SB1 Local Partnership Program (LPP), California State Parks and Land Trust of Santa Cruz County grants as some of the most viable ways to leverage Measure D funds for additional Coastal Rail Trail projects. The California Transportation Commission (CTC) manages the first three funding programs and programs funds in cycles. Although the State's Active Transportation Program (ATP), with \$100 million a year in estimated funding, is the primary target for the Coastal Rail Trail program, RTC also sees opportunities to get two major bridges needed for the trail in Segment 12 constructed as part of the Highway program with a potential SCCP grant. For SCCP, CTC is requiring that projects have environmental clearance within 6 months of project adoption and that grant funding be solely used on the construction phase of the project, so advancing environmental clearance continues to be a good use of Measure D-Active Transportation funds. CTC is also looking for multi-modal and innovative solutions that increase safety and efficiency as part of the criteria used toward SCCP grants, so RTC will continue to include Coastal Rail Trail projects in future grant cycles.

In addition to the funding for the project development work of these initial projects, RTC has programmed over \$6.3 million for maintaining and managing the corridor through FY23/24. This funding is used for RTC staff and to procure contractors and consultants for corridor management, preventative maintenance and upkeep, and technical work, while individual projects are developed to build the Rail Trail. Some of the maintenance funding has been programmed to local jurisdictions for anticipated future maintenance of fully funded trail projects. Maintenance agreements will be

needed to reimburse local agencies with Measure D–Active Transportation funds for trail maintenance work. RTC plans to work closely with local jurisdictions to find other fund sources for corridor maintenance, in order to be able to use more of the future programming capacity for Active Transportation on the delivery of projects.

Measure D is not expected to have generated enough Active Transportation funds for all these programming commitments by FY21/22. This 2020 Measure D Strategic Implementation Plan therefore models a short-term loan between the Highway Corridor and Active Transportation investment categories. If all the Active Transportation projects meet their anticipated delivery schedules, the Highway Corridor Program could loan the funding needed to advance Active Transportation investments (see Chapter 5). The inter-investment category loan would be paid back, with interest, through FY22/23, as permitted by the Measure D Ordinance (Appendix 1) and as specified in Chapter 4 – Policies on Use of Inter-Program Loans (Policy 4.4).

The latest adopted five-year program of projects for the Active Transportation Program is included in Appendix 2. Six (6) project/program fact sheets are included in Chapter 6. A summary of programming shown in Table 3-10.

**Table 3-10: Active Transportation Programming (in thousands)**

<b>Project/Program</b>	<b>Prior</b>	<b>FY 19/20</b>	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>Total</b>
Segment 5	\$1,217	\$240	\$3,985	\$150	\$0	\$0	\$5,592
Segment 7	\$0	\$2,100	\$0	\$0	\$0	\$0	\$2,100
Segments 8 & 9	\$500	\$0	\$0	\$0	\$2,000	\$0	\$2,500
Segments 10-12	\$0	\$1,333	\$1,333	\$1,333	\$0	\$0	\$4,000
Segment 18	\$0	\$150	\$0	\$2,800	\$0	\$0	\$2,950
RTC Project Mgmt & Maintenance	\$975	\$1,036	\$949	\$1,075	\$1,140	\$1,140	\$6,316
<b>TOTAL</b>	<b>\$2,692</b>	<b>\$4,860</b>	<b>\$6,268</b>	<b>\$5,359</b>	<b>\$3,140</b>	<b>\$1,140</b>	<b>\$23,458</b>

### **3.5.5 – Rail Corridor – 8%**

After accounting for RTC administration, implementation and oversight of Measure D, Measure D allocates 8% of revenue for the Rail Corridor for infrastructure preservation and analysis of options. Based on the growth projection in Section 3.2.4, Revenue Forecast, of this 2020 Strategic Implementation Plan, the Measure D funding for the Rail Corridor investment category is now estimated to allocate approximately \$60.4 million for the Rail Corridor category investments over the 30-year life of the program. In 2012 RTC purchased the Santa Cruz Branch Rail Line (SCBRL) with the intent to build the Coastal Rail Trail and to possibly expand freight and recreational rail traffic to include commuter rail service. Per the Measure D Expenditure Plan (Appendix 1), Measure D-Rail Corridor funds will be used for preservation of the Rail Corridor infrastructure and analysis of its future potential use to better serve Santa Cruz County residents and visitors. The Measure Revenues do not include funding for any new train/rail service.

The 2020 Strategic Implementation Plan programs over \$5.75 million for the analysis of Rail Corridor options, including future feasibility studies and environmental clearance. Initially, RTC programmed \$775,000 of Measure D–Rail Corridor funds to complete the Unified Corridor Investment Study (UCIS). This funding was added to \$487 thousand (including \$200 in Measure D–Highway Corridors funds) to complete a study to determine a preferred scenario of investments for to provide the most effective use of the three parallel major thoroughfares in the county (Highway 1, Soquel Avenue/ Soquel Drive/Freedom Boulevard, and the SCBRL). The preferred scenario adopted by the Commission included preserving the rail line for future high-capacity public transit, while the Rail Trail is constructed along the corridor.

To follow the UCIS, RTC programmed \$933 thousand in Measure D-Rail Corridor funds for a Transit Corridor Alternatives Analysis (TCAA). The study will evaluate high-capacity public transit investment options that provide an integrated transit network for Santa Cruz County utilizing all or part of the length of the rail right-of-way between Pajaro Station and Shaffer Road as a dedicated transit facility. RTC leveraged \$100 thousand in Caltrans network integration rail grant funds for the analysis. Once the study is complete, RTC should have a clearer picture of the scope for future environmental analysis for transit along the rail line.

The 2020 Strategic Implementation Plan programs \$50 thousand for a feasibility study of the rail trestle crossing in Capitola and \$4 million for future environmental analysis of transit on the rail corridor. RTC will use Measure D funds for feasibility and environmental work, depending on the final scope of the proposed project. Measure D-Rail Corridor funds may be used to serve as a match to leverage grants if additional funds are needed to conduct environmental analysis of rail and other options on the SCBRL.

In addition to analyzing options and future environmental clearance, RTC has programmed over \$5 million in Measure D–Rail Corridor funds for Infrastructure Preservation. RTC has programmed \$550 thousand for repair work related to the damages occurred on the SCBRL during the 2017 winter storms. Although RTC anticipates getting fully reimbursed for storm damages, this funding is programmed until reimbursement is received and for some work that may not be covered by reimbursement, due to betterments. An additional \$2.65 million of the funds are programmed for Railroad Bridge analysis and rehabilitation, whereas just over \$1.58 million is programmed for maintenance, repair, and rehabilitation of railroad track infrastructure, grade crossings, signals and signage. The remaining funds (\$308 thousand) are programmed for RTC project management, including work on an advance mitigation strategy and legal services.

The latest adopted five-year program of projects for the Rail Corridor Program is included in Appendix 2. Two (2) project fact sheets are included in Chapter 6. A summary of programming shown in Table 3-11.

**Table 3-11: Rail Corridor Programming (in thousands)**

<b>Project/Program</b>	<b>Prior</b>	<b>FY 19/20</b>	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>Total</b>
Analysis of Options & Environmental Clearance	\$788	\$920	\$700	\$1,150	\$1,450	\$750	\$5,758
Infrastructure Preservation	\$1,150	\$1,558	\$1,867	\$169	\$171	\$173	\$5,089
<b>TOTAL</b>	\$1,938	\$2,478	\$2,567	\$1,319	\$1,621	\$923	\$10,847

# CHAPTER 4

# POLICIES

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## **4.1 – Direct Allocations**

There are two (2) investment categories within the Measure D Expenditure Plan that contain Direct Allocation programs. The categories include the direct allocation portion of the Neighborhood Program and the Transit for Seniors and People with Disabilities category.

### **Neighborhood Projects**

30% of Measure D net revenues are allocated at least quarterly to cities and the County of Santa Cruz based on each jurisdiction's proportional share of the county-wide population (29%), lane miles of roadway (39%) and site where the Measure Revenue from the transaction and use tax is generated (32%). Population, road mile and tax site generation figures will be updated each year based on the latest available data. City and County projects that may be funded with Measure Revenues are outlined in the Master Funding Agreement (Appendix 5) for Direct Allocations and may include: fixing potholes, local roadway repairs, rehabilitation, reconstruction and intersection improvements; new and improved sidewalks, crosswalks and bicycle lanes and paths, especially near schools; and other transportation projects as necessary for the benefit of residents in those jurisdictions. Recipients are required to prepare an annual report through a public process to identify how they plan to spend their share of measure funds and to report on how measure funds were spent in the prior year.

Net revenues available for the Direct Allocation portion of the Neighborhood Projects investment category includes 30% of Measure D revenues, after accounting for one-time election costs; California Department of Tax and Fee Administration (CDTFA) costs; RTC administration, implementation and oversight costs; and funding specifically set aside for the San Lorenzo Valley – Highway 9 Corridor Improvements (\$10 million over 30-years) and the Highway 17 Wildlife Crossing (\$5 million over 30-years).

### **Transportation for Seniors and People with Disabilities**

20% of Measure D net revenues are allocated to the Transportation for Seniors and People with Disabilities investment category. Sixteen percent (16%) of net Measure D funds are allocated at least quarterly to the Santa Cruz Metropolitan Transit District (METRO) to provide transit and paratransit service for seniors and people with disabilities. Four percent (4%) of net funds are allocated to the Consolidated Transportation Services Agency for Santa Cruz County (Community Bridges-Lift Line) for paratransit services. This category includes all funding in this category, after accounting for one-time election costs; California Department of Tax and Fee Administration (CDTFA) costs; and RTC administration, implementation and oversight costs.

## **4.2 – Use of Cash Flow Model Analysis for Regional Programs and Projects**

RTC shall maintain a cash flow model, updated at least annually, to demonstrate that there are sufficient resources to support project delivery. While direct allocation program areas are funded based on their net allocable percentage of actual Measure D revenues and will not necessarily carry cumulative cash balances in the RTC's Mea-

sure D fund, funding needs for regional program investment categories are driven by specific project timelines and construction schedules and will therefore accumulate cash if annual Measure D revenues are not required for projects.

To ensure that the percentage of funds allocated as provided in the Expenditure Plan is maintained over the duration of the period that the tax is imposed, the RTC will maintain a Measure D Cash Flow model in addition to individual cash flow models for the following regional programs:

- Highway Corridors (25% of Measure D Revenues)
- Active Transportation (17% of Measure D Revenues)
- Rail Corridor (8% of Measure D Revenues)
- SLV Highway 9 (\$10M Fixed Allocation from Neighborhood Category)
- Highway 17 Wildlife (\$5M Fixed Allocation from Neighborhood Category)

Each of these individual models will be used to provide information on the timing of projects and Measure D expenditures. Should RTC not be able to fund projects for these programs on a pay-as-you-go basis or through inter-program loans and if determined by the Commission to be cost effective and to accelerate implementation of projects, the RTC may decide to use bond financing or borrowing as an alternative method to fund project expenditures. The cash flow models will also be used to provide information on the potential debt capacity and to ensure that the percentage of funds allocated to each investment category is maintained over the duration of the period that the tax is imposed, consistent with the Ordinance and Expenditure Plan.

### **4.3 – Use of Pay-As-You-Go Financing**

Pay-as-you-go financing involves paying for expenditures with available cash on hand. No debt is incurred under pay-as-you-go financing, but the ability to incur expenses and deliver projects may be delayed, depending on the availability of cash on hand. In the delivery of projects under the Measure D Expenditure Plan, all capital expenditures are first paid with available cash revenue on a pay-as-you-go basis, unless the Commission approves financing by inter-program loans (Policy 4.4) or use of bond financing or other financing tools (See Policy 4.5).

### **4.4 – Use of Inter-Investment Category Loans**

In some years, a program or project in one investment category may need more than its annual sales tax allocation while another investment category may not spend its full allocation or may maintain a positive balance from prior year allocations. In order to maximize the effective use of funds, the RTC may consider inter-investment category loans.

The rationale for individual inter-investment category loans will be examined within the context of total Expenditure Plan efficiency as well as investment category equity on a case-by-case basis. On an Expenditure Plan-wide basis, inter-investment category loans provide flexibility to re-allocate available funds on a short-term or long-term basis to meet the interim cash flow needs of one or more investment categories. Allowing Measure D revenues to flow across investment categories in the form of an inter-investment category loan reduces the need to issue bonds or use other bor-

rowing tools to fund investments, thereby preserving a larger proportion of sales tax revenues for investments, versus financing costs, within the total Expenditure Plan.

However, while total Expenditure Plan efficiency may be maximized with inter-investment category loans, it is necessary to implement borrowing parameters to ensure equity across programs. From a tracking and reporting standpoint, clear delineations of sales tax revenues across investment categories will need to be maintained. RTC will track and account for inter-investment category loans, including repayment and interest.

Inter-investment category loans can maximize program efficiency. Specific parameters need to be integrated to ensure loan accountability and ensure program categories remain consistent with Measure D objectives. Inter-investment category loans are included as a short-term cash management strategy and are clearly delineated between the investment categories. Interest on the loan will be determined at the time of the loan, but it is generally assumed to be at or near the assumed short-term investment rate applicable to the fund balance.

### **4.5 – Use of Bond Financing or Other Borrowing Tools**

If needed, a bond or borrowing may be authorized to accelerate projects and take advantage of a low interest rate environment. In addition, short-term financings may be authorized to address short-term cash flow deficits if an inter-investment category loan is not pursued for such purposes.

Bond financing or other forms of borrowing generates up-front financing proceeds to accelerate project delivery. While inter-investment category loans are meant to meet smaller cash flow needs, bonds and other borrowing tools are utilized to advance projects with larger-scale funding and cash flow needs.

Bond financings and borrowings provide for project acceleration, but also involves additional costs in the form of interest payments to investors/lenders, as well as the upfront cost of issuance. If the Commission authorizes the issuance of revenue bonds or execute some form of borrowing for investments within the Expenditure Plan, the cost of financing, including debt service, will be the pro-rata responsibility of the investments that received the financing proceeds. Once a bond is issued, qualifying capital expenditures shall be paid with bond proceeds until those proceeds are exhausted. Once exhausted, capital expenditures will then return to pay-as-you-go financing.

Long-term bonds are secured against and repaid from down-stream, recurring revenues. Investors/lenders are repaid principal and interest, according to regular, pre-determined periodic payments with a specified final maturity. To ensure that each individual program can make its annual debt service payment independent of any other program's revenue, RTC may issue bonds designated for an individual program up to an amount where that program's projected annual sales tax revenue is at least one hundred and ten percent [1.10x] of that program's expected annual debt service for any given year. Further, in order to achieve and maintain high bond credit ratings, at the time of a bond financing or borrowing, RTC will ensure that total sales tax revenues will be greater than one and a half times [1.50x] the maximum authority-wide

annual debt service payments.

## 4.6 – Investment of Cash Balances

RTC will invest the cash balance of each Measure D regional investment category (including Neighborhood Program funds allocated for Highway 9 and Highway 17 Wildlife programs) in the County of Santa Cruz Investment Pool. Interest earned on the balance will be credited to the cash balance of the respective program. Earnings information can be found at the County of Santa Cruz Treasurer-Tax Collector website:

<http://www.co.santa-cruz.ca.us/Departments/TaxCollector/TreasuryDivision.aspx>

Agencies receiving direct allocation program funds (cities, the County of Santa Cruz, Santa Cruz Metropolitan Transit District, and Community Bridges) which carry a cash balance are expected to invest accumulated revenues in interest-bearing accounts. Any interest income earned on those funds shall be expended only for the purposes for which the funds were allocated.

## 4.7 – Cooperative Agreements

A cooperative agreement is required between the RTC and each agency receiving Measure D funds. A cooperative agreement between the RTC and each entity proposing to implement work on the Santa Cruz Branch Rail Line (SCBRL) is required, regardless as to whether Measure D funds are being used. To initiate a cooperative agreement for Regional Programs or Projects, local jurisdictions shall complete the RTC's Request for Cooperative Agreement for Measure D Regional Projects form (Appendix 3). Agencies receiving Direct Allocation program funds are required to enter into a Master Funding Agreement (Appendix 5).

## 4.8 – Annual Report & Five Year Plans

Per Section 32 of the Measure D Ordinance:

*"Each local agency receiving Measure Revenue (through a Direct Allocation Program or Project (See Chapter 3.4) shall annually adopt, after holding a public hearing, an annual report which includes:*

*1) A five-year program of projects including information about each of the projects to be funded with Measure Revenues allocated according to the Expenditure Plan. Local and regional agencies shall submit their program of projects to the Authority in a format that can be easily understood by members of the public; and*

*2) Description of expenditures of Measure Revenues from the most recently completed fiscal year."*

Additionally, by December 31<sup>st</sup> of every year, each local agency receiving Measure Revenue, shall provide separate independently audited financial statements for the prior fiscal year ending June 30 of Measure D funds received and used. The RTC may

consider extensions of the due date on a case-by-case basis. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with the Expenditure Plan adopted by voters. The annual report shall provide the information included in the RTC's Annual Reporting Template (Appendix 4) and be submitted no later than December 31<sup>st</sup> of each year. Some agencies may adopt the five-year program of projects as part of their annual budget, capital improvement programs, or other process earlier in the year, but must submit the list no later than December 31<sup>st</sup>.

The RTC will prepare a publicly available annual report on past and upcoming activities, and adopt, after holding a public hearing, an annual report for Regional Programs and Projects (See Chapter 3.5). The annual financial statement will be published on the RTC website.

## **4.9 – Accounting and Audits**

RTC and any local jurisdictions receiving Measure Revenue shall set up and maintain an appropriate system of accounts to track and report on Measure D funds. The accounting system must account for Measure D funds, including any interest received or accrued, separately for each program, and separately from any other funds received from the RTC. The accounting system shall provide adequate internal controls and documentation to facilitate an annual compliance audit for Measure D funds and the respective usage and application of said funds. Agencies may accumulate revenue over multiple years so that sufficient funding is available for larger and long-term projects. Any interest income earned on funds allocated pursuant to this ordinance shall be expended only for the purposes for which the funds were allocated.

No less than annually, the RTC and any local jurisdiction receiving Measure D funds shall provide an independent annual audit of the expenditure of all funds generated by the transportation tax. The audit, which will be made available to the public, shall report on evidence that the expenditure of funds is in accordance with the Measure D Expenditure Plan. Audits will be submitted as part of the annual report requirements of Policy 4.8.

## **4.10 – Independent Oversight Committee**

An Independent Oversight Committee shall be formed by the Board of Directors of the Authority (the Commission) to review the annual independent fiscal audit of the expenditure of the Transportation Tax funds and issue an annual report on its findings regarding compliance with the requirements of the Expenditure Plan and the Ordinance to the . As set forth by the Measure D Ordinance, the total membership of the Independent Oversight Committee shall not exceed five (5) members and any vacancy which may occur from time to time shall be filled by the Commission as soon as reasonably possible.

Members of the Independent Oversight Committee shall be residents of Santa Cruz County who are neither elected officials of any government, nor employees from any agency or organization that either oversees or implements projects funded from the proceeds of the sales tax. Members will fairly represent the geographical, social, cultural, and economic diversity of Santa Cruz County to ensure maximum benefit for transportation users. The Committee shall include at least one person with an

accounting or fiscal management background.

Independent Oversight Committee meetings will be announced in advance and will be open to the general public. The Independent Oversight Committee shall meet at least once but no more than four times per year.

The responsibilities of this Committee include:

- Reviewing Expenditure Plan expenditures on an annual basis to ensure they conform to the Ordinance;
- Reviewing the annual audit and report prepared by an independent auditor, describing how funds were spent; and
- Produce a publicly available Annual Report of Oversight Activities.

#### **4.11 – Programming Methodology for Regional Project Programs**

RTC is responsible for programming Measure D Regional Programs and Projects through the 5-year Program of Projects (Chapter 3.5) and managing the Cash Flow Model for Measure D Revenues (Policy 4.2). RTC prioritizes programming based on expeditiously delivering the Measure D Expenditure Plan. RTC shall consider project or program readiness to receive and expend funding, available matching funds, the ability to leverage other funding sources, and overall funding shortfall when making programming decisions. Overall program or project benefit, expected performance, safety, geographic equity, overall size/cost of a project or program, and prior commitments will be considered. Projects that are ready for construction shall be prioritized. Decisions on programming funds for Regional Programs and Projects to local jurisdictions to implement shall be based on having appropriate resources available to perform the work, with consideration of past performance in project delivery.

#### **4.12 – Eligible Cost Guidelines**

Measure Revenue, including any interest or other earnings thereon, may only be used for transportation purposes described in the Expenditure Plan, including: the implementation and administration of all provisions and requirements of this Ordinance; the construction, acquisition, maintenance, and operation of streets, roads, highways, including local roads, state highways and public transit systems; and for related transportation purposes consistent with the Expenditure Plan, including project management and oversight of the projects to be funded using the Transportation Tax, such as coordination with other responsible agencies as well as project delivery and negotiation of project agreements. These purposes include expenditures for planning, environmental reviews, engineering and design costs, and related right-of-way acquisition. Expenditures may also include, but are not limited to, payments to the County of Santa Cruz for any election costs as set forth in the Ordinance, required payments to the California Department of Tax and Fee Administration (CDTFA), costs of program administration and oversight, defense or prosecution of legal actions related thereto, debt service on bonds or other indebtedness, and expenses and reserves in connection with the issuance of the same. Additional guidance regarding eligible uses of Direct Allocation revenues is included in the Master Agreement for Direct Allocations (Appendix 5).

In order to ensure that the cost of administration, implementation and oversight of this Measure are not borne by other programs and sources, such as Transportation Development Act-funded programs, any funds necessary for administrative, implementation and oversight of the Ordinance and Transportation Tax shall be paid by Measure D Revenues. RTC shall expend only that amount of the Transportation Tax Revenue for staff support, audit, administrative expenses, and contract services that is necessary and reasonable to carry out its responsibilities pursuant to Division 2 of the Revenue and Taxation Code. Pursuant to Section 180109 of the Public Utilities Code, the Authority shall not expend more than one percent of the funds generated pursuant to Division 19 of the Code for administrative salaries and benefits, net of the amount of fees paid CDTFA for collection of the transactions and use tax and prior to the distribution of the Transportation Tax Revenue as provided in the Expenditure Plan.

### **4.13 – Proper and Timely Invoicing of Regional Programs and Projects**

Although RTC is responsible for programming Measure D Regional Programs and Projects (Chapter 3.5) and managing the Cash Flow Model for Measure D (Policy 4.2), RTC can, by cooperative agreement with a local agency (Policies 4.7 & 4.11), agree to have a local agency implement all or part of a Regional Program or Project. Measure D funds programmed to a local agency for implementation of a Regional Program or Project will be on a reimbursement basis.

After the cooperative funding agreement is executed, the project sponsor can initiate expending and invoicing of Measure D funding, if applicable. The implementing agency can submit invoices to the RTC for reimbursement of eligible costs (Policy 4.12) as frequently as monthly. Implementing agencies shall report to the RTC all expected expenditures for a fiscal year, no later than June 15 of each fiscal year, including the current fiscal year (FY 2019/20). RTC will review invoices for quality control and provide reimbursement within 45 days.

### **4.14 – Maintenance of Effort**

Pursuant to California Public Utilities Code Section 180001(e), funds generated by the Transportation Tax shall be used to supplement and not replace existing revenues used for transportation purposes. Existing funds, revenues and other resources being used for transportation purposes include but are not limited to federal and state funding, the collection of traffic impact mitigation fees, other local impact fees, and dedications of property. The funds generated by the Transportation Tax shall not be used to replace existing transportation funding or to replace requirements for new development to provide for its own transportation needs. The entities receiving Measure D Revenues shall maintain their existing commitment of discretionary local transportation-related expenditures for transportation purposes pursuant to the ordinance, and the RTC shall enforce this requirement by appropriate actions, including fiscal audits of the local agencies.

## **4.15 – Delivery Management and RTC Oversight for Regional Programs and Projects**

Although RTC is responsible for programming Measure D Regional Programs and Projects (Chapter 3.5) and managing the Cash Flow Model for Measure D (Policy 4.2), RTC can, by cooperative agreement with a local agency (Policies 7 & 12), agree to have a local agency sponsor or implement all or part of a Regional Program or Project. The RTC has an obligation to ensure that local agencies are delivering Regional Programs and Projects in accordance with the Measure D Expenditure Plan, as well as any federal, state, regional, or local requirements.

RTC's Executive Director will assign an RTC representative to each project who will serve as the Project Delivery Manager (PDM). The PDM could be an employee or a consultant to the RTC. The PDM will work with local jurisdictions who have agreed to sponsor or implement all or part of a Regional Program or Project, in order to resolve issues that may arise throughout the various phases of project delivery. The PDM is responsible for reviewing the project at major milestones. It is expected that the PDM will work in partnership with the project sponsors to facilitate communications and speed delivery.

The purpose of the RTC review is four-fold: 1) to review the project to ensure that the objectives and purpose of the project are consistent with the original purpose of the project programmed in the Measure D Strategic Implementation Plan; 2) to ensure consistency with Strategic Implementation Plan policies and guidelines; 3) to monitor and assist with meeting project delivery milestones; and 4) to ensure any project in the Santa Cruz Branch Rail Line (SCBRL) right-of-way meets any applicable federal, state, and regional requirements for work on this RTC owned and managed property.

The following section summarizes the review and approval process required for Regional Programs or Projects implemented by a local jurisdiction.

### **RTC REVIEW DURING PROJECT APPROVAL AND ENVIRONMENTAL DOCUMENT (PAED) PHASE**

The RTC may be designated as either the lead agency, a responsible agency or a co-operating agency according to the California Environmental Quality Act (CEQA). For this reason, in addition to performing project reviews, the RTC's PDM will be involved in the environmental process for Measure D projects as follows:

1. The implementing agency shall consult with the PDM on the type of document proposed to meet CEQA compliance.
2. The implementing agency shall provide the PDM with a Notice of Preparation if an Environmental Impact Report (EIR) is the type of CEQA document.
3. The implementing agency shall provide the PDM with the opportunity to comment on the project.
4. To assist local agencies delivering projects in the SCBRL right of way meet any applicable federal, state, and regional requirements, the implementing agency shall provide the PDM with the opportunity to review proposed mitigation measures.

5. The implementing agency will provide the PDM with an opportunity to comment on the administrative draft environmental document, and should advise the PDM if there are project delivery risks associated with the results of the environmental analysis.
6. The implementing agency shall provide responses to the PDM's comments on the environmental document or proposed mitigation measures.
7. The RTC will work with local agencies to develop a schedule for all reviews which commits to a fluid process based on partnership.

### **RTC REVIEW DURING DESIGN PLANS SPECIFICATONS AND ESTIMATES (PS&E) PHASE**

RTC has identified four (4) stages of design reviews.

#### **CONCEPTUAL DESIGN REVIEW (35% PS&E)**

This review is to occur once the conceptual alternatives have been identified, and prior to the start of final design. The environmental document could be under preparation, but not final, since the intent of this review is to evaluate different alternatives and their impacts.

RTC will review scope of the project, consistency with Measure D policies and the Ordinance, and identify concerns regarding significant cost components of the project. The schedule and budget will be reviewed, and the schedule and phasing of the remaining reviews will be developed.

#### **65% PS&E**

The Level I review will be at a stage in design where a project alternative has been adopted, and the details of the project have been initially defined for the following components of the project: right-of-way acquisition, easements, and disposition; utility relocations; drainage; wetlands and other environmental issues; need for permit applications; and value engineering decisions.

#### **95% PS&E**

The Level II review will be at a stage when most of the details of the final design have been finalized. In particular, the review will focus on the following components of the project: right-of-way acquisition, easements, and disposition; drainage; utility relocations; draft utility agreements; signing and striping plans; landscaping; preliminary construction staging; environmental permit applications; environmental mitigation needed; and preliminary estimates.

#### **FINAL DESIGN REVIEW (100% PS&E)**

When the plans, specifications and estimates (PS&E) are complete, a review by the PDM will be performed to verify that all components from the previous reviews have been addressed and that the project construction cost estimate is compatible with the Strategic Implementation Plan. This review is required prior to advertising the project for construction bids.

## **INFORMATION PROVIDED BY THE PROJECT SPONSOR'S PM PRIOR TO ANY DESIGN REVIEW**

To provide for an adequate review, it is important to have materials available prior to the review. The following materials are requested by the project sponsor at least one week prior to any of the design reviews:

- 1) Project Schedule – Beginning and completion dates for the following activities:
  - Conceptual Engineering studies;
  - Environmental Document;
  - Design stages and RTC design review times (35%, 65%, 95%, Final);
  - Right-of-Way Engineering and Acquisition;
  - Permits;
  - Utility Relocations;
  - Advertisement; and
  - Construction.
- 2) Project Estimate - A detailed breakdown of the project cost estimate, escalated to the year of construction.
- 3) Financial Plan – Proposed revenue sources and amounts (by development phase and fiscal year), including shortfalls and proposed revenue sources. Any required match of Measure D funds must be clearly identified.
- 4) Plans, Reports, and Specifications – any applicable plans, reports and specifications appropriate for the type of review.
- 5) Summary response to issues raised by the PDM in previous reviews.
- 6) Summary of compliance with applicable mitigation measures.

The material should offer enough detail to provide the PDM with an adequate perspective to aid them in their review. The implementing agency should provide the PDM at least four (4) weeks to perform their review.

The project sponsor's staff or consultant will meet with the RTC's PDM to describe the current status of design and any issues that are critical to understanding the project.

## **CALTRANS REVIEWS**

Project Sponsors are responsible for working with Caltrans to assure preparation and submittal of all documents that may be required by Caltrans, such as the Project Study Report (PSR)/Initial Project Report (IPR), the Project Report (PR), environmental documentation, right-of-way certification, and PS&E. Wherever possible, the Sponsor should attempt to combine these reports, such as the combined PSR/PR.

## **RTC REVIEW DURING RIGHT OF WAY PHASE**

The project sponsor is responsible for identifying real property needs, such as property acquisitions, clearance and demolition, property easements, rights to enter, and relocations of affected parties and businesses as part of the right-of-way process.

Real Property acquisition and associated relocation of affected parties must be conducted consistent with the requirements of state law, and the federal "Uniform Acquisition and Relocation Assistance Act." In addition, the project sponsor will identify utility relocations needed for the project, including a determination of the liability for cost. The project sponsor will enter into utility agreements necessary to ensure the timely relocation of affected utilities as part of the right-of-way phase of project development. Finally, the right-of-way process will include entering into agreements for the acquisition of off-site environmental mitigation needed for the project.

The project sponsor should communicate with the PDM throughout the right of way process. Once the project design is at least 65% complete, the project sponsor shall provide a detailed estimate of the right-of-way cost of the project. At that point, the sponsor shall also provide a detailed schedule for completion of all right-of-way activities for the project. Proposed right of way acquisition and the potential for parcels to be excess to the Measure D project will be evaluated as part of the design review process described above. If issues regarding excess land extend beyond the design stage of the project, the project sponsor will meet with the PDM, as necessary to resolve such issues. The PDM will work to shorten review times whenever possible and can combine or eliminate a review based on the complexity of the project.

Any special circumstances regarding ownership of property excess to the Measure D project, or acquisition of property that will not be used for the Measure D project should be resolved early. With respect to disposal of property excess to the Measure D project, the proponent should consult with the PDM in order to determine the most cost effective and efficient time for the disposal, in order to get the highest possible return on the investment for the Measure D program. Unless the RTC makes an exception, the project sponsor shall dispose of any property excess to the Measure D project within five years following completion of the project, or prior to sunset of the Measure D program. In some cases, this may mean that the sponsor accepts a less than optimal price, with the agreement of the RTC. In any case, the project sponsor shall advise the PDM of its plans for disposition at the completion of the project.

### **RTC REVIEW DURING CONSTRUCTION PHASE**

After bidding the construction contract, the PDM will be provided a summary of the funding used for the award of the construction contract. The PDM will be invited to attend the initial pre-construction meeting and any standing progress meetings with the Contractor. Attendance at construction meetings with the Resident Engineer and Contractor will be at the discretion of the PDM and based upon the complexity of the project. Regardless of attendance at meetings, the PDM will be permitted to review any design changes and be available as a resource to address issues and problems that arise during the construction phase. The PDM shall be provided copies of contract change orders (CCOs) and associated tracking logs, as requested. The project sponsor shall get the PDM's written concurrence on any CCOs that increase the scope of the project, beyond the project description set forth in the Measure D Expenditure Plan. At least 30-days before completion of the construction project, the implementing agency shall notify the RTC to perform a field review. The implementing agency shall resolve all comments provided by the PDM, prior to acceptance of the Construction contract.

## **4.16 – Amendments to Measure D Ordinance and Projects**

The Measure D Ordinance and Expenditure Plan may be amended to provide for the use of additional federal, state, and local revenues, to account for unexpected revenues, or to take into consideration unforeseen circumstances. Should a project implementing agency determine that a planned project has become undeliverable, infeasible or unable to secure adequate funding or financing due to circumstances unforeseen at the time this Ordinance and Expenditure Plan were created, or should a project not require all funds programmed for that project or have excess funding, funding set forth at project termination will be reallocated to another project or program of the same type or otherwise serving the same objectives.

The Ordinance and Expenditure Plan may only be amended, if required, by the following process set forth in Section 180207 of the Public Utilities Code: (1) Initiation of amendments by the Commission reciting findings of necessity; (2) Provision of notice and a copy of the amendments provided to the Board of Supervisors and the City Councils in Santa Cruz County; (3) The proposed amendments shall become effective 45 days after notice is given. Amendments shall require a two-thirds (2/3) vote of the total membership of the Commission.

## **4.17 – Adoption of Future Policies and Amendments to Strategic Implementation Plan**

Over time, the RTC may find the need to revise, delete, or add new policies or to otherwise amend provisions of the Measure D Strategic Implementation Plan. The Strategic Implementation Plan can be revised during subsequent Strategic Implementation Plan updates or amended at any time by resolution of the Commission. The Measure D Strategic Implementation Plan will be updated at least every 5-years, following a public hearing.

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# CHAPTER 5

# CASH FLOW

# MODEL

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## Cash Balance by Program (in \$1000s)

### Model #1: Direct Allocation to Cities and County

Fiscal Year	Prior	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax Revenues	\$6,788	\$6,021	\$5,780	\$5,806	\$5,867	\$5,938	\$6,033	\$6,138	\$6,244	\$6,352	\$6,462	\$6,573	\$6,686	\$6,801	\$6,918	\$7,037	\$7,157	\$7,280	\$7,404	\$7,531	\$7,659	\$7,790	\$7,923	\$8,057	\$8,194	\$8,333	\$8,475	\$8,618	\$8,764	\$6,559	\$211,192
Allocations	\$6,788	\$6,021	\$5,780	\$5,806	\$5,867	\$5,938	\$6,033	\$6,138	\$6,244	\$6,352	\$6,462	\$6,573	\$6,686	\$6,801	\$6,918	\$7,037	\$7,157	\$7,280	\$7,404	\$7,531	\$7,659	\$7,790	\$7,923	\$8,057	\$8,194	\$8,333	\$8,475	\$8,618	\$8,764	\$6,559	\$211,192
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

### Model #2: Transit for Seniors and People with Disabilities

Fiscal Year	Prior	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Sales Tax Revenues	\$4,942	\$4,347	\$4,187	\$4,204	\$4,245	\$4,292	\$4,356	\$4,425	\$4,496	\$4,568	\$4,641	\$4,715	\$4,791	\$4,868	\$4,945	\$5,025	\$5,105	\$5,187	\$5,270	\$5,354	\$5,440	\$5,527	\$5,615	\$5,705	\$5,796	\$5,889	\$5,983	\$6,079	\$6,176	\$4,706	\$150,878
Allocations	\$4,942	\$4,347	\$4,187	\$4,204	\$4,245	\$4,292	\$4,356	\$4,425	\$4,496	\$4,568	\$4,641	\$4,715	\$4,791	\$4,868	\$4,945	\$5,025	\$5,105	\$5,187	\$5,270	\$5,354	\$5,440	\$5,527	\$5,615	\$5,705	\$5,796	\$5,889	\$5,983	\$6,079	\$6,176	\$4,706	\$150,878
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

### Model #3: Highway 17 Wildlife Crossing

Fiscal Year	Prior	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS	
Beginning Balance	\$0	\$168	\$340	\$498	\$660	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28	\$195		
Interest on Pooled Cash	\$1	\$5	\$7	\$10	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$4	\$41	
Sales Tax Revenues	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$5,000
InterProgram Loan (Highway Corridors)	\$0	\$0	\$0	\$0	\$1,176	\$1,848	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,024	
Loan Payments	\$0	\$0	\$0	\$0	\$0	\$0	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$167	-\$139	\$0	\$0	-\$3,639
Expenses	\$0	\$0	-\$15	-\$15	-\$2,015	-\$2,015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$4,060
Ending Balance	\$168	\$340	\$498	\$660	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28	\$195	\$366		

### Model #4: San Lorenzo Valley/ Highway 9 Corridor Improvements

Fiscal Year	Prior	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS	
Beginning Balance	\$0	\$335	\$629	\$680	\$27	\$361	\$702	\$1,049	\$1,403	\$1,765	\$2,133	\$2,509	\$2,893	\$3,284	\$3,683	\$4,090	\$4,505	\$4,929	\$5,361	\$5,801	\$6,250	\$6,709	\$7,176	\$7,653	\$8,140	\$8,636	\$9,142	\$9,658	\$10,184	\$10,721		
Interest on Pooled Cash	\$2	\$11	\$13	\$14	\$1	\$7	\$14	\$21	\$28	\$35	\$43	\$50	\$58	\$66	\$74	\$82	\$90	\$99	\$107	\$116	\$125	\$134	\$144	\$153	\$163	\$173	\$183	\$193	\$204	\$214	\$2,614	
Sales Tax Revenues	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$10,000	
InterProgram Loan (Highway Corridors)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Loan Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Expenses	\$0	-\$50	-\$295	-\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,345
Ending Balance	\$335	\$629	\$680	\$27	\$361	\$702	\$1,049	\$1,403	\$1,765	\$2,133	\$2,509	\$2,893	\$3,284	\$3,683	\$4,090	\$4,505	\$4,929	\$5,361	\$5,801	\$6,250	\$6,709	\$7,176	\$7,653	\$8,140	\$8,636	\$9,142	\$9,658	\$10,184	\$10,721	\$11,269		

### Model #5: Highway Corridors

Fiscal Year	Prior	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS	
Beginning Balance	\$0	\$6,160	\$10,915	\$13,083	\$10,055	\$3,742	\$1,814	\$7,012	\$12,850	\$18,894	\$25,149	\$31,620	\$38,313	\$45,235	\$52,391	\$59,787	\$67,430	\$75,326	\$83,483	\$91,906	\$100,603	\$109,582	\$118,848	\$128,411	\$138,277	\$148,454	\$158,951	\$169,776	\$180,908	\$192,247		
Interest on Pooled Cash	\$32	\$158	\$218	\$262	\$201	\$75	\$36	\$140	\$257	\$378	\$503	\$632	\$766	\$905	\$1,048	\$1,196	\$1,349	\$1,507	\$1,670	\$1,838	\$2,012	\$2,192	\$2,377	\$2,568	\$2,766	\$2,969	\$3,179	\$3,396	\$3,618	\$3,845	\$42,092	
Sales Tax Revenues	\$6,177	\$5,434	\$5,234	\$5,255	\$5,306	\$5,365	\$5,445	\$5,532	\$5,620	\$5,710	\$5,801	\$5,894	\$5,989	\$6,084	\$6,182	\$6,281	\$6,381	\$6,483	\$6,587	\$6,692	\$6,799	\$6,908	\$7,019	\$7,131	\$7,245	\$7,361	\$7,479	\$7,599	\$7,720	\$5,883	\$188,598	
InterProgram Loan (Active Transportation)	\$0	\$0	\$0	\$0	-\$201	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$201	
Inter Program Loan (Highway 17)	\$0	\$0	\$0	\$0	-\$1,176	-\$1,848	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$3,024	
Loan Payment (Active Transportation)	\$0	\$0	\$0	\$0	\$0	\$205	\$0	-\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$205	
Loan Payment (Highway 17)	\$0	\$0	\$0	\$0	\$0	\$0	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$139	-\$0	-\$0	\$3,639

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**Model #5: Highway Corridors - Continued**

Fiscal Year	Prior	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS	
Expenses	-\$50	-\$837	-\$3,285	-\$8,545	-\$10,443	-\$5,725	-\$450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$29,334
Ending Balance	\$6,160	\$10,915	\$13,083	\$10,055	\$3,742	\$1,814	\$7,012	\$12,850	\$18,894	\$25,149	\$31,620	\$38,313	\$45,235	\$52,391	\$59,787	\$67,430	\$75,326	\$83,483	\$91,906	\$100,603	\$109,582	\$118,848	\$128,411	\$138,277	\$148,454	\$158,951	\$169,776	\$180,908	\$192,247	\$201,974		

**Model #6: Active Transportation**

Fiscal Year	Prior	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS
Beginning Balance	\$0	\$3,691	\$5,997	\$4,131	\$1,520	\$0	\$304	\$2,872	\$6,691	\$10,646	\$14,742	\$18,982	\$23,370	\$27,909	\$32,605	\$37,461	\$42,481	\$47,670	\$53,032	\$58,571	\$64,294	\$70,203	\$76,305	\$82,604	\$89,105	\$95,814	\$102,736	\$109,876	\$117,241	\$124,835	
Interest on Pooled Cash	\$21	\$88	\$120	\$83	\$30	\$0	\$6	\$57	\$134	\$213	\$295	\$380	\$467	\$558	\$652	\$749	\$850	\$953	\$1,061	\$1,171	\$1,286	\$1,404	\$1,526	\$1,652	\$1,782	\$1,916	\$2,055	\$2,198	\$2,345	\$2,497	\$26,549
Sales Tax Revenues	\$4,201	\$3,695	\$3,559	\$3,574	\$3,608	\$3,648	\$3,702	\$3,762	\$3,822	\$3,883	\$3,945	\$4,008	\$4,072	\$4,137	\$4,204	\$4,271	\$4,339	\$4,409	\$4,479	\$4,551	\$4,624	\$4,698	\$4,773	\$4,849	\$4,927	\$5,006	\$5,086	\$5,167	\$5,250	\$4,000	\$128,247
InterProgram Loan (Highway Corridor)	\$0	\$0	\$0	\$0	\$201	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$201
Loan Payment (Highway Corridor)	\$0	\$0	\$0	\$0	\$0	-\$205	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$205
Expenses	-\$530	-\$1,477	-\$5,545	-\$6,268	-\$5,359	-\$3,140	-\$1,140	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$23,459
Ending Balance	\$3,691	\$5,997	\$4,131	\$1,520	\$0	\$304	\$2,872	\$6,691	\$10,646	\$14,742	\$18,982	\$23,370	\$27,909	\$32,605	\$37,461	\$42,481	\$47,670	\$53,032	\$58,571	\$64,294	\$70,203	\$76,305	\$82,604	\$89,105	\$95,814	\$102,736	\$109,876	\$117,241	\$124,835	\$131,332	

**Model #7: Rail Corridor**

Fiscal Year	Prior	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS
Beginning Balance	\$0	\$1,344	\$1,954	\$1,014	\$199	\$582	\$689	\$1,522	\$3,323	\$5,187	\$7,118	\$9,117	\$11,186	\$13,326	\$15,539	\$17,828	\$20,195	\$22,641	\$25,168	\$27,779	\$30,476	\$33,262	\$36,138	\$39,107	\$42,171	\$45,332	\$48,595	\$51,960	\$55,431	\$59,010	
Interest on Pooled Cash	\$10	\$41	\$39	\$20	\$4	\$12	\$14	\$30	\$66	\$104	\$142	\$182	\$224	\$267	\$311	\$357	\$404	\$453	\$503	\$556	\$610	\$665	\$723	\$782	\$843	\$907	\$972	\$1,039	\$1,109	\$1,180	\$12,567
Sales Tax Revenues	\$1,977	\$1,739	\$1,675	\$1,682	\$1,698	\$1,717	\$1,742	\$1,770	\$1,798	\$1,827	\$1,856	\$1,886	\$1,916	\$1,947	\$1,978	\$2,010	\$2,042	\$2,075	\$2,108	\$2,142	\$2,176	\$2,211	\$2,246	\$2,282	\$2,318	\$2,356	\$2,393	\$2,432	\$2,470	\$1,882	\$60,351
InterProgram Loan (Hwy Corridor)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loan Payment (Highway Corridor)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenses	-\$642	-\$1,170	-\$2,654	-\$2,517	-\$1,319	-\$1,621	-\$923	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$10,846
Ending Balance	\$1,344	\$1,954	\$1,014	\$199	\$582	\$689	\$1,522	\$3,323	\$5,187	\$7,118	\$9,117	\$11,186	\$13,326	\$15,539	\$17,828	\$20,195	\$22,641	\$25,168	\$27,779	\$30,476	\$33,262	\$36,138	\$39,107	\$42,171	\$45,332	\$48,595	\$51,960	\$55,431	\$59,010	\$62,072	

**Model #8: Total Program Cash Flows**

Fiscal Year	Prior	FY 18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	TOTALS
Beginning Balance	\$0	\$11,823	\$19,961	\$19,531	\$12,585	\$4,811	\$3,634	\$12,580	\$24,392	\$36,618	\$49,268	\$62,354	\$75,887	\$89,879	\$104,343	\$119,291	\$134,736	\$150,691	\$167,168	\$184,183	\$201,749	\$219,881	\$238,592	\$257,899	\$277,817	\$298,361	\$319,548	\$341,395	\$363,917	\$387,133	
Interest on Pooled Cash	\$66	\$303	\$397	\$388	\$249	\$94	\$70	\$249	\$485	\$730	\$983	\$1,245	\$1,515	\$1,795	\$2,084	\$2,383	\$2,692	\$3,011	\$3,341	\$3,681	\$4,032	\$4,395	\$4,769	\$5,155	\$5,554	\$5,965	\$6,388	\$6,825	\$7,276	\$7,740	\$83,863
Measure D Sales Tax Revenue	\$25,429	\$22,460	\$21,610	\$21,700	\$21,909	\$22,154	\$22,481	\$22,841	\$23,206	\$23,578	\$23,955	\$24,338	\$24,728	\$25,123	\$25,525	\$25,934	\$26,349	\$26,770	\$27,199	\$27,634	\$28,076	\$28,525	\$28,981	\$29,445	\$29,916	\$30,395	\$30,881	\$31,375	\$31,877	\$24,291	\$778,686
Administrative Expenses	-\$720	-\$723	-\$676	-\$679	-\$685	-\$693	-\$703	-\$714	-\$726	-\$737	-\$749	-\$761	-\$773	-\$786	-\$798	-\$811	-\$824	-\$837	-\$850	-\$864	-\$878	-\$892	-\$906	-\$921	-\$935	-\$950	-\$966	-\$981	-\$997	-\$760	-\$24,294
Total Sales Tax Revenue for Distribution	\$24,710	\$21,737	\$20,934	\$21,021	\$21,224	\$21,461	\$21,778	\$22,127	\$22,481	\$22,840	\$23,206	\$23,577	\$23,954	\$24,338	\$24,727	\$25,123	\$25,525	\$25,933	\$26,348	\$26,770	\$27,198	\$27,633	\$28,075	\$28,524	\$28,981	\$29,445	\$29,916	\$30,394	\$30,881	\$23,531	\$754,392
Neighborhood Direct Allocations	-\$6,788	-\$6,021	-\$5,780	-\$5,806	-\$5,867	-\$5,938	-\$6,033	-\$6,138	-\$6,244	-\$6,352	-\$6,462	-\$6,573	-\$6,686	-\$6,801	-\$6,918	-\$7,037	-\$7,157	-\$7,280	-\$7,404	-\$7,531	-\$7,659	-\$7,790	-\$7,923	-\$8,057	-\$8,194	-\$8,333	-\$8,475	-\$8,618	-\$8,764	-\$6,559	-\$211,192
Transit Direct Allocations	-\$4,942	-\$4,347	-\$4,187	-\$4,204	-\$4,245	-\$4,292	-\$4,356	-\$4,425	-\$4,496	-\$4,568	-\$4,641	-\$4,715	-\$4,791	-\$4,868	-\$4,945	-\$5,025	-\$5,105	-\$5,187	-\$5,270	-\$5,354	-\$5,440	-\$5,527	-\$5,615	-\$5,705	-\$5,796	-\$5,889	-\$5,983	-\$6,079	-\$6,176	-\$4,706	-\$150,878
Hwy 17 Wildlife X-ing Program	\$0	\$0	-\$15	-\$15	-\$2,015	-\$2,015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$4,060
Highway 9 Program	\$0	-\$50	-\$295	-\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,345
Hwy Corridor Program	-\$50	-\$837	-\$3,285	-\$8,545	-\$10,443	-\$5,725	-\$450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$29,334
Active Transportation Program	-\$530	-\$1,477	-\$5,545	-\$6,268	-\$5,359	-\$3,140	-\$1,140	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$23,459
Rail Program	-\$642	-\$1,170	-\$2,654	-\$2,517	-\$1,319	-\$1,621	-\$923	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$10,846
Ending Balance	\$11,823	\$19,961	\$19,531	\$12,585	\$4,811	\$3,634	\$12,580	\$24,392	\$36,618	\$49,268	\$62,354	\$75,887	\$89,879	\$104,343	\$119,291	\$134,736	\$150,691	\$167,168	\$184,183	\$201,749	\$219,881	\$238,592	\$257,899	\$277,817	\$298,361	\$319,548	\$341,395	\$363,917	\$387,133	\$407,139	

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# CHAPTER 6

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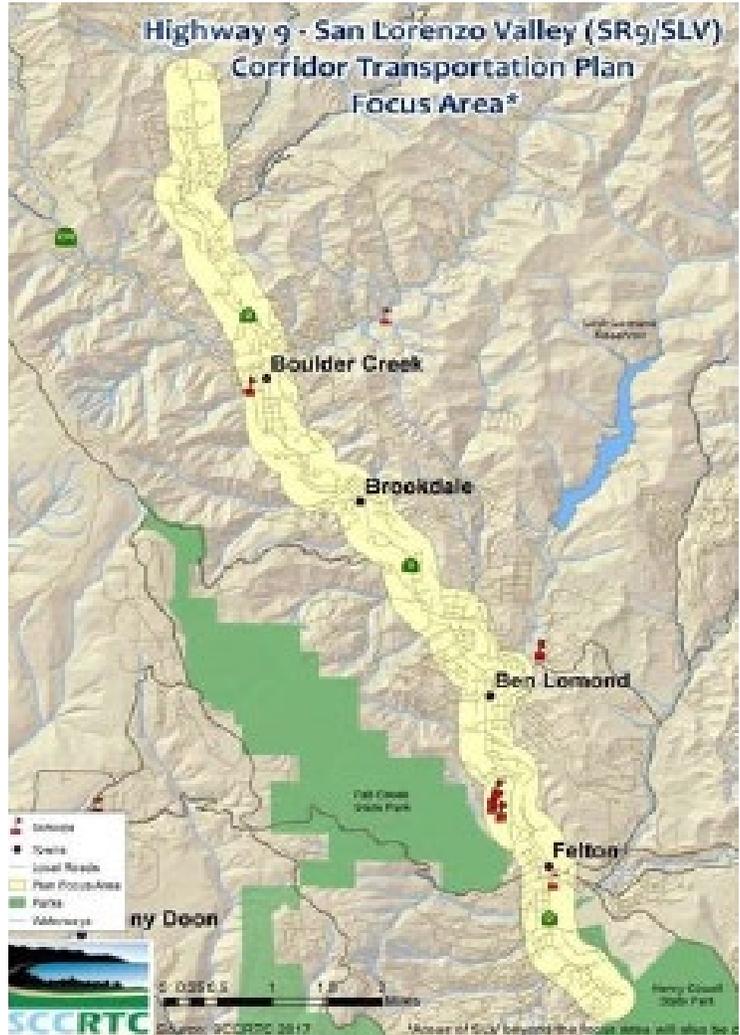
# Neighborhood Projects: San Lorenzo Valley Highway 9 Corridor Improvements

## Project Description

Highway 9 serves as the “Main Street” and economic corridor for the San Lorenzo Valley (SLV) towns of Felton, Ben Lomond, Brookdale, and Boulder Creek, and is an interregional arterial connecting Silicon Valley and Santa Cruz. It is the backbone for the movement of people and goods through the SLV and is the only direct route linking the four SLV towns.

There are significant transportation concerns throughout the SLV. This mountainous area has high collision rates, narrow curving roadways frequently impacted by steep terrain, significant gaps in bicycle and pedestrian facilities, a lack of walkways to many of the bus stops, traffic backups at a number of choke points, as well as pavement, drainage, and other assets in disrepair.

Measure D designates \$10 million for transportation projects in the Highway 9 corridor that will improve travel for residents of the SLV. Since Measure D, state, federal, and other local revenues are limited, a first step in identifying priority projects was the development of a comprehensive Highway 9 San Lorenzo Valley Complete Streets Corridor Plan. Building on past public input and planning activities, the plan identifies, evaluates, and prioritizes transportation projects on Highway 9 and connecting county roads through the SLV that can be implemented in the short- and mid-term to address challenges along the corridor. The plan focuses on safety for pedestrians, bicyclists, and motorists; multi-modal access to schools, businesses, and bus stops; traffic operations, pavement conditions, drainage, and other needs in this travel corridor.



## Total Programming (in thousands)

<b>Total Funding Secured</b>	<b>\$</b>	<b>10,821</b>
<b>Funding Sources</b>		
Measure D (Neighborhood)	\$	10,000
Other*	\$	821

\*Includes HSIP Grant (Fed), Caltrans Planning Grant, and Match (TDA, RTC Reserve Fund & RPA) funds.



# Neighborhood Projects: San Lorenzo Valley Highway 9 Corridor Improvements

## Priority Projects

The Highway 9 Corridor Plan identifies over 30 priority projects for the corridor, including the following:

- ▶ Pedestrian and bicycle paths to SLV schools and modifications to improve traffic flow along the schools' entrances
- ▶ Modifications to Felton, Brookdale, Ben Lomond, and Boulder Creek town centers to create safer pedestrian walking and crossing facilities, reduce speeding, and improve access to businesses
- ▶ Corridor-wide roadway maintenance, storm damage repairs, and emergency preparedness; pedestrian safety and visibility improvements; and shoulder widening for bicycles

The plan will be used to secure grants and facilitate subsequent design, environmental review, and construction of these and other priority projects.

## Project Delivery Strategy

The RTC, Caltrans, and the County of Santa Cruz are working together to decide who is best positioned to lead the delivery of the various projects. Caltrans has agreed to lead the construction of some of the crosswalk improvements that were awarded Highway Safety Improvement Program (HSIP) funds. The RTC is working with Caltrans to develop two Program Initiation Documents (PIDs). The first PID will focus on the segment between Kirby Street and the 3-school campus in Felton. The second PID will focus on the remaining projects in the Complete Streets Plan. The RTC plans to use Measure D funds to leverage state and federal grants to fund construction of additional improvements approved by Caltrans.





# Neighborhood Projects: Highway 17 Wildlife Crossing

## Project Description

Caltrans, the Santa Cruz County Regional Transportation Commission, the Land Trust of Santa Cruz County, and resource agencies have partnered to construct a wildlife undercrossing on Highway 17 near Laurel Road in Santa Cruz County.

The Santa Cruz Mountains are home to a variety of wildlife species including endangered and threatened species. The area of Highway 17 at Laurel Road has been identified as a critical linkage for two core wildlife habitat areas on either side of the highway.

Highway 17 is the major freeway connection between the San Francisco Bay Area and the Monterey Bay Region through the Santa Cruz Mountains. More than 65,000 vehicles travel the highway each day (24 million vehicles a year). The dense traffic, concrete median barriers, and lack of culvert undercrossings or bridges make Highway 17 a major barrier for wildlife moving through the Santa Cruz Mountains. Many wildlife (including mountain lions, bobcats, and deer) have been hit trying to cross Highway 17 near Laurel Road.

Highway 17 at Laurel Road is built over a large natural drainage, an ideal place to install a bridge to allow animals to travel beneath the highway. At the project location, 460 acres of mostly undeveloped land on both sides of the highway have been preserved in a conservation easement by the Land Trust of Santa Cruz County.



## Project Highlights

- ▶ Provides safe passage for wildlife to cross under Highway 17 near Laurel Road
- ▶ Bridges two core wildlife habitat areas on each side of Highway 17
- ▶ Highway 17 at Laurel Road is built over a large natural drainage, an ideal place to install a bridge to allow animals to travel beneath the highway
- ▶ Collaborative project between the Regional Transportation Commission, Land Trust of Santa Cruz County, and Caltrans

## Project Delivery Strategy

Caltrans is leading the project delivery. The pre-construction phases are funded with Caltrans State Highway Operation and Protection Program funds. The RTC is using Measure D funds to leverage additional SHOPP and Land Trust funds for construction. The RTC plans to administer an inter-program loan between the Highway Corridor investment category and Wildlife Crossing project to ensure enough Measure D funds are available for this project to start construction in 2021.



# Neighborhood Projects: Highway 17 Wildlife Crossing

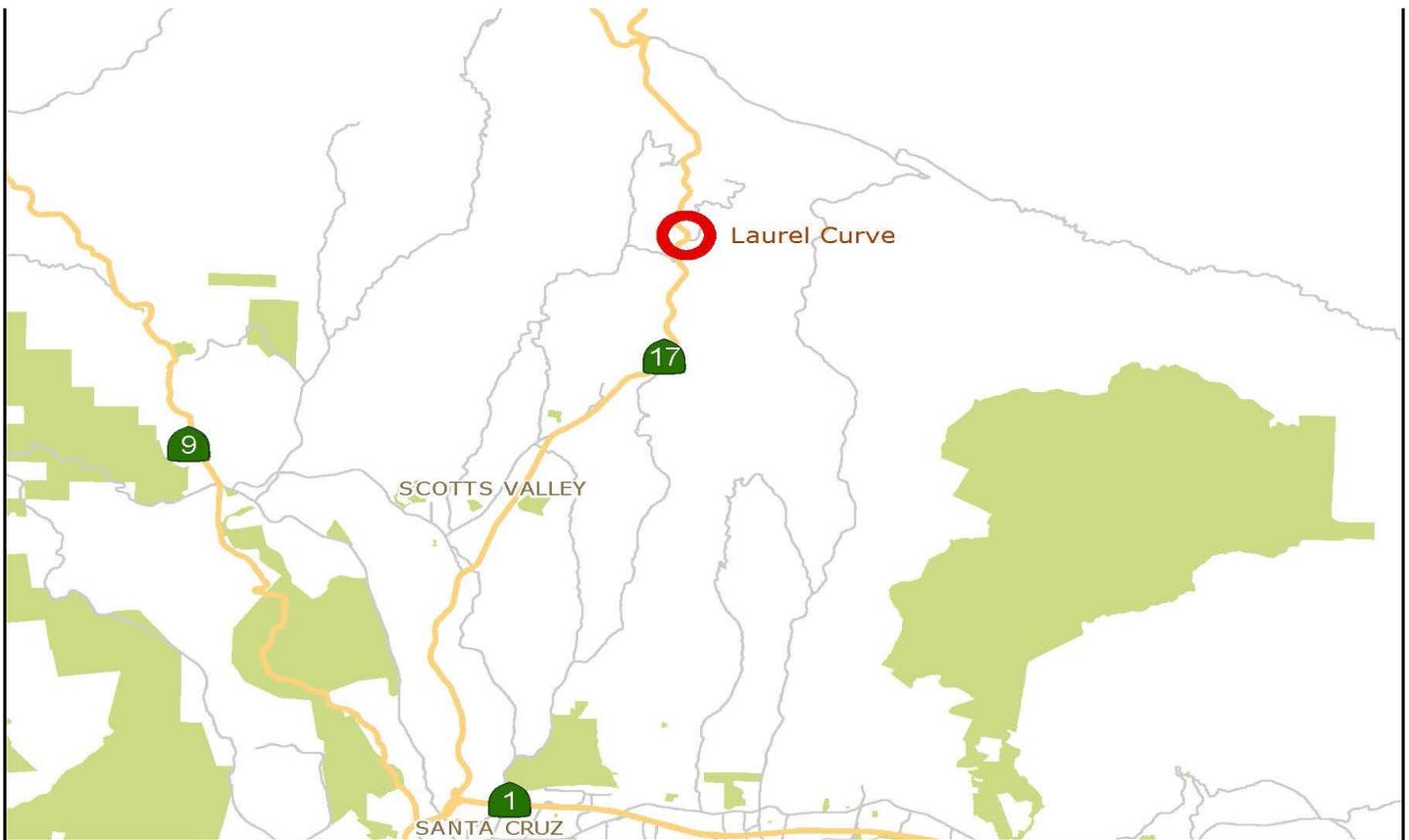
## Total Programming (in thousands)

<b>Estimated Total Cost</b>	<b>\$12,474</b>
<b>Funding Sources</b>	
Measure D (Neighborhood)*	\$5,000
Other Secured**	\$7,437

\*Includes loan payments (principal and interest)  
\*\*Includes Land Trust and SHOPP funds.

## Project Status/Schedule

This project has completed the environmental phase. The final design phase began in 2018 and is expected to be completed in 2020. Construction is expected to begin in 2021.



## Funding Partners





# Highway Corridors: Highway 1 Aux Lanes and BOS - 41st Avenue to Soquel Drive

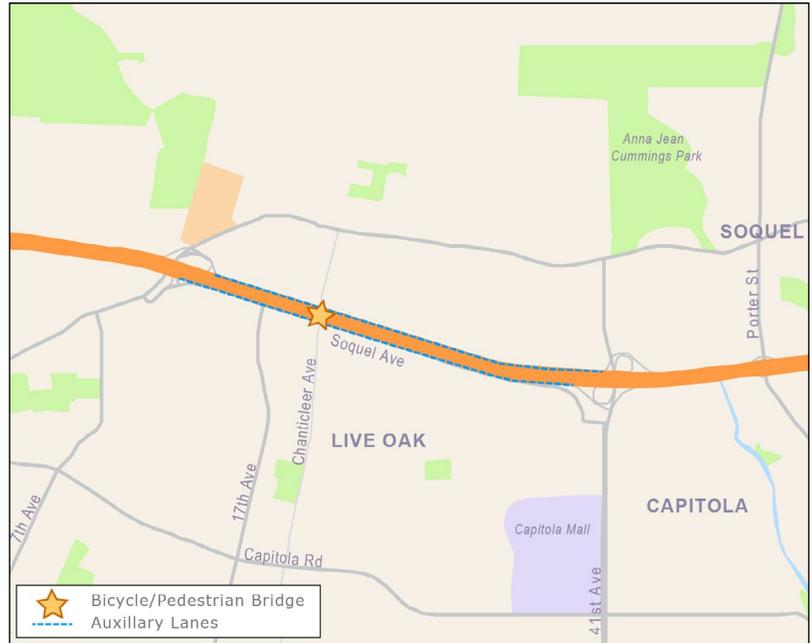
## Project Description

The project will construct northbound and southbound auxiliary lanes and bus-on-shoulder improvements between the 41st Avenue and Soquel Avenue/Drive interchanges, and construct a new bicycle and pedestrian overcrossing at Chanticleer Avenue. Historically, this section of Highway 1 has been the busiest in the county, serving over 100,000 vehicles a day, providing access to the primary regional commercial/retail activity centers on 41st Avenue and regional medical facilities located on Soquel Drive. The auxiliary lanes will connect the on-ramps with the next off-ramp, thereby extending the weaving and merging distance between the ramps, improving traffic operations, and reducing cut-through traffic diverting to local streets and neighborhoods.

The bicycle/pedestrian overcrossing at Chanticleer Avenue provides an alternative route for bicyclists and pedestrians currently using the Soquel or 41st interchanges to cross over Highway 1. The overcrossing will be lighted, 12 to 14 feet wide, and will incorporate aesthetic treatments consistent with the visual character of the corridor and the adjacent community.

## Unified Corridor Investment Study

Recognizing the need to address both existing transportation problems and future needs of Santa Cruz County, a Unified Corridor Investment Study (UCS) was undertaken to consider transportation options between Santa Cruz and Watsonville along three of the most important north to south transportation routes in the County, including the Highway 1 corridor. The study provides a rigorous analysis of how various groups of projects or scenarios advance the transportation goals of Santa Cruz County.



## Project Highlights

- ▶ Improves traffic operations and safety on Highway 1
- ▶ Reduces cut-through traffic diverting to local streets and neighborhoods by adding auxiliary lanes between 41st Avenue and Soquel Avenue/Drive
- ▶ Improves bicycle and pedestrian connectivity to regional destinations and transit by providing a dedicated crossing for active transportation users at Chanticleer Avenue
- ▶ Adds infrastructure for buses to travel in the auxiliary lanes between interchanges and on the outside shoulder through interchanges

## Project Delivery Strategy

The RTC is leading the delivery of this project. Measure D-Highway Corridor funds and other RTC discretionary funds will be used to complete the work necessary to ready the project for construction, and as a match for future SB1 and federal construction grants. This project has environmental clearance and will compete for cycle 2 of the SB1 Solutions to Congested Corridors Program, Local Partnership Program, and Active Transportation Program competitive funds.



# Highway Corridors: Highway 1 Aux Lanes and BOS - 41st Avenue to Soquel Drive

## Project Funding (in thousands)

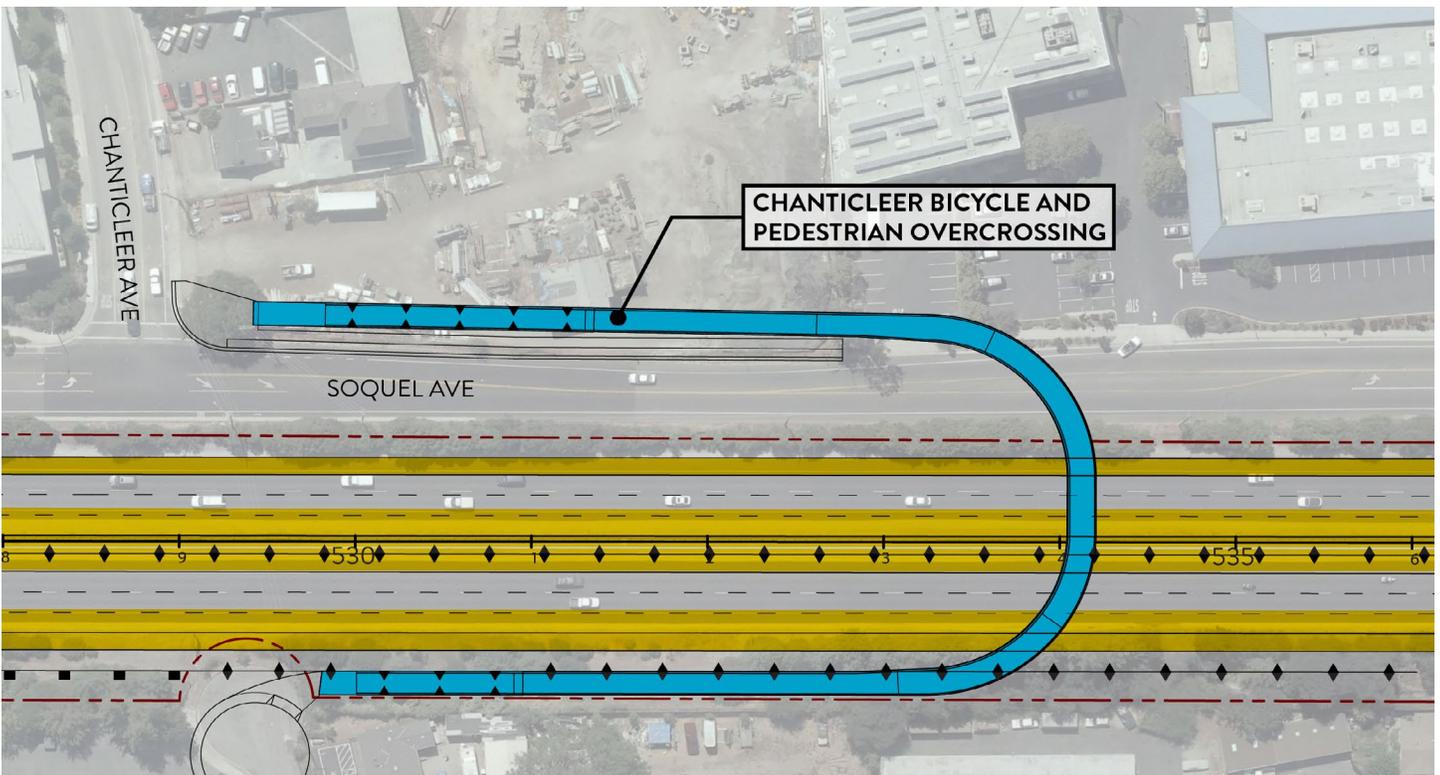
<b>Estimated Total Cost</b>	<b>\$</b>	<b>37,602</b>
<b>Funding Sources</b>		
Measure D (Highway)	\$	5,750
Other Secured*	\$	11,795
Needed	\$	20,057

\*Includes STIP and HIP funds.



## Project Status/Schedule

The Unified Corridor Investment Study was completed in 2019. The Environmental Impact Report was certified in 2019. The final design phase is currently underway and is expected to be completed in 2021. The project is expected to go to construction in 2021.





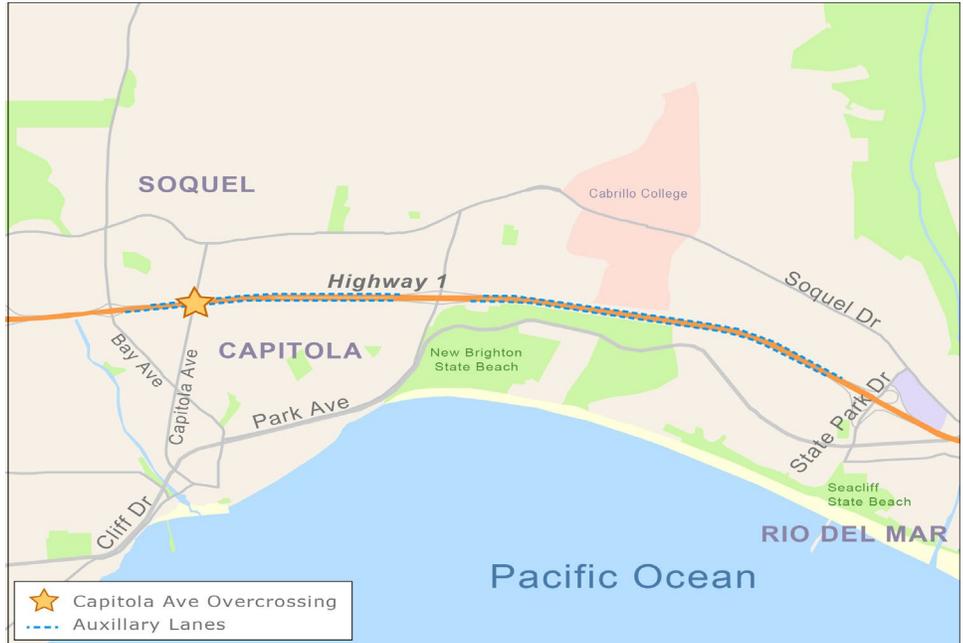
# Highway Corridor: Highway 1 Aux Lanes and BOS - Bay Avenue/Porter Street to State Park Drive

## Project Description

The project will construct northbound and southbound auxiliary lanes and bus-on-shoulder improvements between the Bay Avenue/Porter Street and State Park Drive interchanges and replace the existing Capitola Avenue local roadway overcrossing. This section of Highway 1 is one of the busiest in the county, providing access to the City of Capitola, Soquel and Aptos villages, and Cabrillo College. The auxiliary lanes will connect the on-ramps with the next off-ramp, thereby extending the weaving and merging distance between the ramps, improving traffic operations, and reducing cut-through traffic diverting to local streets and neighborhoods.

The new Capitola Avenue overcrossing will include enhanced bicycle and pedestrian facilities to improve connectivity for bicyclists and pedestrians between Soquel Drive to the north and the future Coastal Rail Trail to the south. The overcrossing, soundwalls, and retaining walls will incorporate aesthetic treatments consistent with the visual character of the corridor and the adjacent community.

Voter-approved Measure D transportation funds are being used for this project to allow the project development process to be accelerated.



## Project Highlights

- ▶ Improves traffic and safety operations on Highway 1
- ▶ Reduces cut-through traffic diverting to local streets and neighborhoods by adding auxiliary lanes between Bay Avenue/Porter Street and State Park Drive
- ▶ Improves bicycle and pedestrian connectivity to regional destinations and transit by providing enhanced bicycle and pedestrian facilities for active transportation users at Capitola Avenue
- ▶ Adds infrastructure for buses to travel in the auxiliary lanes between interchanges and on the outside shoulder through interchanges

## Project Delivery Strategy

The RTC is leading the delivery of this project. Measure D-Highway Corridor funds and other RTC discretionary funds will be used to complete the work necessary to ready the project for construction, and as a match for future SB1 and federal construction grants. Environmental clearance is expected to be obtained by 2021, positioning this project to compete for cycle 2 of the SB1 Solutions to Congested Corridors Program and Local Partnership Program competitive funds.

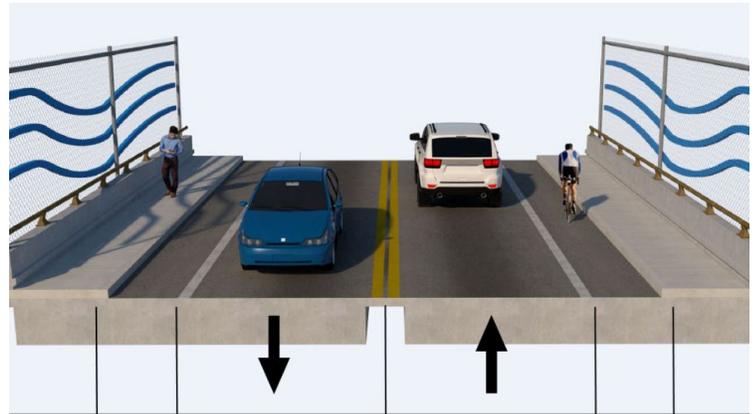


# Highway Corridor: Highway 1 Aux Lanes and BOS - Bay Avenue/Porter Street to State Park Drive

## Project Funding (in thousands)

<b>Estimated Total Cost</b>	<b>\$ 73,623</b>
<b>Funding Sources</b>	
Measure D (Highway)	\$ 5,983
Other Secured*	\$ 1,830
Need	\$ 65,810

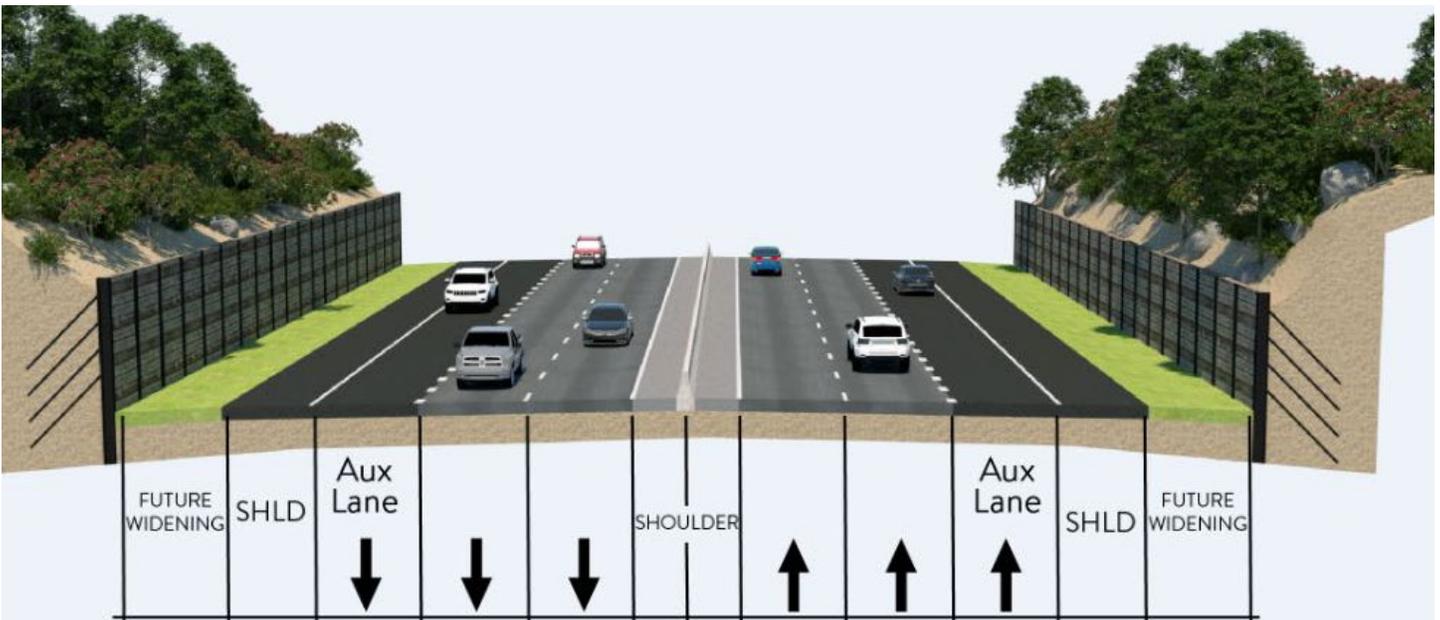
\*Includes STIP funds.



Preliminary rendering of Capitola Avenue Overcrossing

## Project Status/Schedule

The project is in the environmental phase, which is expected to be completed in 2021. Final design is expected to begin in 2021 and be completed by 2022. The project is expected to go to construction in 2022.



Preliminary rendering of auxiliary lanes



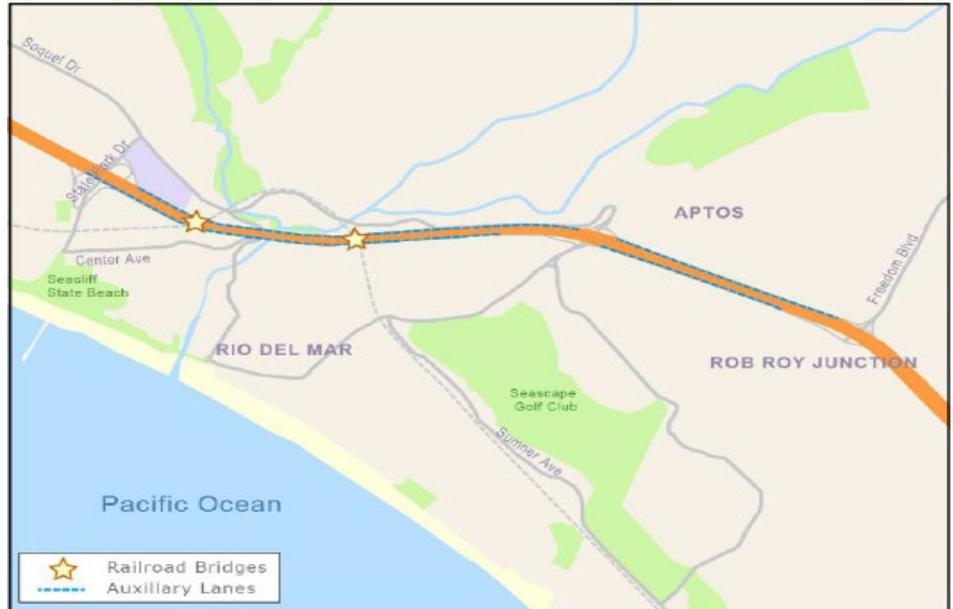
# Highway Corridors: Highway 1 Aux Lanes and BOS - State Park Drive to Freedom Boulevard

## Project Description

The project will construct northbound and southbound auxiliary lanes between the State Park Drive and Freedom Boulevard interchanges, replace the two existing railroad bridges between the State Park Drive and Rio del Mar interchanges, and widen the Aptos Creek bridge. This section of Highway 1 provides access to Aptos Village, Rio del Mar, Aptos High School, and Aptos Hills/Corralitos. The auxiliary lanes will connect the on-ramps with the next off-ramp, thereby extending the weaving and merging distance between the ramps, improving traffic operations, and reducing cut-through traffic diverting to local streets and neighborhoods.

The existing railroad bridges will be replaced with longer span bridges to accommodate the addition of auxiliary lanes on Highway 1. The new bridges will also be able to accommodate future high-capacity public transit and trail to improve multimodal transportation across the County. The new bridges, soundwalls, and retaining walls will incorporate aesthetic treatments consistent with the visual character of the corridor and the adjacent community.

Voter-approved Measure D transportation funds are being used for this project to allow the project development process to be accelerated.



## Project Highlights

- ▶ Improves traffic and safety operations on Highway 1
- ▶ Adds infrastructure for buses to travel in the auxiliary lanes between interchanges and on the outside shoulder through interchanges
- ▶ Reduces cut-through traffic diverting to local streets and neighborhoods by adding auxiliary lanes between State Park Drive and Freedom Boulevard
- ▶ Replaces two existing railroad bridges and widens the Highway 1 Aptos Creek bridge
- ▶ Accommodates future high-capacity public transit on the new railroad bridges

## Project Delivery Strategy

The RTC is leading the delivery of this project. Measure D-Highway Corridor funds and other RTC discretionary funds will be used to complete the work necessary to ready the project for construction, and as a match for future SB1 and federal construction grants. By obtaining environmental clearance by early 2022, this project can compete for cycle 3 of the SB1 Solutions to Congested Corridors Program, Local Partnership Program, and Active Transportation Program competitive funds.



# Highway Corridors: Highway 1 Aux Lanes and BOS - State Park Drive to Freedom Boulevard

## Project Funding (in thousands)

<b>Estimated Total Cost</b>	<b>\$</b>	<b>101,414</b>
<b>Funding Sources</b>		
Measure D (Highway)	\$	14,514
Other Secured	\$	0
Needed	\$	86,900



## Project Status/Schedule

The environmental phase of this project is expected to begin in 2020 and be completed in 2021. The design phase is expected to begin in 2021. The project is expected to go to construction in 2024 pending availability of funding.



Preliminary rendering of new railroad bridge



# Highway Corridors: Highway 1 Mar Vista Bicycle and Pedestrian Bridge

## Project Description

The Highway 1 Mar Vista Bicycle and Pedestrian Overcrossing will provide a safe link between schools, the beach, residential neighborhoods, and retail centers on each side of Highway 1. This bicycle and pedestrian overcrossing was one of three bicycle and pedestrian overcrossings identified in the Highway 1 Corridor Investment Plan. The proposed crossing locations were chosen with public input to provide community cohesion and improved connectivity to schools and other activity centers.

The Mar Vista overcrossing will reduce travel distances for bicyclists and pedestrians traveling between Mar Vista Drive at McGregor Drive in Seacliff to Mar Vista Elementary School by up to 1.6 miles and minimize travel through the busy State Park Drive interchange. The bridge will also improve access to residential, educational, recreational, and commercial destinations, including Seacliff State Beach, Cabrillo College, and Aptos/Seacliff villages.

This project is eligible to receive voter-approved Measure D transportation funds.



## Project Highlights

- ▶ Provides new opportunities for safe and convenient travel
- ▶ Improves bicycle and pedestrian connectivity to regional destinations and transit by providing a dedicated crossing for active transportation users
- ▶ Connects neighborhoods, schools, parks/beaches, and commercial centers

## Project Delivery Strategy

The County plans to lead the delivery of this project. Measure D-Highway Corridor funds and other regional and local discretionary funds will be used to complete the work necessary to ready the project for construction, and as a match for future SB1 and federal construction grants. By obtaining environmental clearance by early 2022, this project can compete for cycle 3 of the SB1 Solutions to Congested Corridors Program, Local Partnership Program, and Active Transportation Program competitive funds.

## Project Status/Schedule

This project is expected to begin the environmental phase in 2020. The design phase is expected to begin in 2021. It is expected to go to construction in 2023.



# Highway Corridors: Highway 1 Mar Vista Bicycle and Pedestrian Bridge

## Project Funding (in thousands)

<b>Estimated Total Cost</b>	<b>\$</b>	<b>14,105</b>
<b>Funding Sources</b>		
Measure D (Highway)	\$	349
Other Secured*	\$	7,284
Need	\$	6,472

\*Includes STIP and RSTPX funds.



Project Area with proposed overcrossing shown



# Highway Corridors: Cruz511

## Program Description

For more than 35 years, the RTC has offered transportation demand management (TDM) services to Santa Cruz County with the goal of using the existing transportation system more effectively by assisting travelers to use various modes of transportation, especially sustainable transportation modes. TDM programs use a multi-pronged approach to incentivize and support mode share changes to non-drive alone methods of transportation.

Cruz511, the RTC's TDM service, provides a comprehensive website of resources for travel options around the county, including a trip planner, bicycle maps, accessible travel options, and an interactive traffic map with real-time information on construction, incidents, and travel speeds. Knowledgeable travel counselors are also available to help people understand their options for getting around.

The Cruz511 program works with non-profits and community-based organizations to deliver messaging around transportation safety. Staff works closely with agencies implementing Vision Zero plans and campaigns around the county by providing resources and guidance. Cruz511 also provides a hazard reporting system where members of the public can report issues that impede access and mobility on our roadway networks.

In 2019, Cruz511 partnered with RideAmigos to launch MyCruz511, a commuter engagement and incentives hub for changing the way people commute to reduce traffic and pollution. The platform offers end-users a commuter dashboard, unified trip planner, workplace challenges, and gamification for sustainable commuting. The MyCruz511 platform is currently open to downtown Santa Cruz employees and will launch countywide in spring 2020. **To sign up for early access, register your commute at [my.cruz511.org](http://my.cruz511.org).**



## Program Highlights

- ▶ Provides sustainable commute choices to residents through coordination with major employers in the county
- ▶ Hosts an online and mobile platform to make sustainable commute choices easier for all people to access
- ▶ Coordinates with Metro to promote and encourage transit usage
- ▶ Provides education and informational messaging regarding safety and mobility options to the public

## Total Programming (in thousands)

Total Funding	\$ 2,295
<b>Funding Sources</b>	
Measure D (Highway)	\$ 1,300
Other Sources**	\$ 995

\*Amounts show money programmed beginning in FY17/18 when Measure D funds first became available.

\*\*Includes STBG, RSTPX, STIP, SAFE, City of Santa Cruz and Fund Interest



# Highway Corridors: Cruz511



**CRUZ511  
HOW  
TO:  
USE OUR  
TRAFFIC  
MAP**

**TIPS FOR  
RIDING THE BUS**



# Highway Corridors: Safe on 17

## Program Description

The Highway 17 corridor was identified as a high-collision corridor in 1998 as a result of collision data analysis and recommendations of local, regional, county, and state agencies. The Safe on 17 Task Force was formed to develop and implement collision reducing strategies, such as additional CHP enforcement, traffic safety improvements, and public education. These strategies focus on preventing the occurrence of the top five Primary Collision Factors in fatal and injury collisions including driving at unsafe speeds, vehicle right-of-way violations, improper turning, and improper lane change.

The Task Force is comprised of representatives from the Santa Cruz County Regional Transportation Commission (RTC), the San Francisco Bay Area's Metropolitan Transportation Commission (MTC), the California Highway Patrol (CHP), the California Department of Transportation (Caltrans), local police and fire departments, legislators' offices, and the media. The RTC and MTC provide \$100,000 annually for enhanced CHP enforcement using Service Authority for Freeway Emergencies (SAFE) funds. SAFE funds come from a \$1 registration fee on all vehicles in the region and fund the highway call box system, Freeway Service Patrols on Highways 1 and 17 in addition to extra CHP enforcement on Highway 17, and other motorist-aid services. The RTC provides an additional \$50,000 annually to the program from Measure D funds.



## Program Highlights

- ▶ Multi-agency, multi-jurisdictional effort to reduce injury and fatal collisions on Highway 17
- ▶ Encourages safer driving and deters traffic violations with extra CHP enforcement
- ▶ Implements road safety improvements to reduce wet weather and run-off-road collisions through guardrail upgrades, shoulder widening projects, and pavement surface treatments
- ▶ Increases safe driving practices, especially on mountainous highway roads, through education and public outreach

## Meeting Schedule

The Safe on 17 Task Force meets twice a year to share information about transportation projects and collisions on Highway 17 and traffic operation systems in Santa Cruz County. Meetings are open to the public and all are welcome to attend.

SAFE ON 17 MEETINGS	LOCATION	ADDRESS
3rd Wednesday in March	CHP San Jose	2020 Junction Ave., San Jose, CA
3rd Wednesday in September	RTC office	1523 Pacific Ave., Santa Cruz, CA



# Highway Corridors: Safe on 17

## Total Programming (in thousands)\*

<b>Total Funding</b>	<b>\$ 975</b>
<b>Funding Sources</b>	
Measure D (Highway)	\$ 275
Other Secured**	\$ 700

\*Amounts show money programmed beginning in FY17/18 when Measure D funds first became available.

\*\*Includes MTC-SAFE and DMV-SAFE funds.





# Highway Corridors: Freeway Service Patrol

## Program Description

The Santa Cruz County Regional Transportation Commission (RTC) operates the Freeway Service Patrol (FSP) program in Santa Cruz County in conjunction with the Department of Transportation (Caltrans) and the California Highway Patrol (CHP). This program consists of two tow trucks patrolling Highway 1 from Highway 9 to State Park Drive and Highway 17 from Mount Herman Road to the Santa Clara County Line.

FSP tow trucks remove disabled vehicles from the highway at no cost to motorists. They reduce congestion on the highway by quickly clearing accidents, debris, and other incidents, and allowing traffic to return to normal conditions. They commonly perform tasks such as changing a flat tire, jump-starting a vehicle, or providing gas. Service is available during weekday commute hours and on a limited schedule on weekends.

The FSP program is designed to reduce congestion, improve safety, and reduce fuel consumption and auto emissions by minimizing the congestion associated with collisions and other incidents. The benefit/cost ratio for the Santa Cruz County FSP program is 4:1.



## Program Highlights

- ▶ Reduces the number of traffic jams by quickly clearing accidents, debris, and other incidents
- ▶ Lessens the chain of further accidents and bottlenecks caused by passing drivers
- ▶ Saves fuel and cuts air-pollution emissions by reducing stop-and-go traffic
- ▶ Helps stranded motorists

## Service Schedule

	WEEKDAYS		WEEKENDS	
	AM	PM	Saturday	Sunday
<b>Hwy 1</b>	6:00-9:00 a.m.	3:30-6:30 p.m.	No regular weekend service*	
<b>Hwy 17</b>	6:30-9:30 a.m.	3:30-6:30 p.m.	None	1:00-7:00 p.m.

\*Special weekend service is provided during Spring Break and Summer.



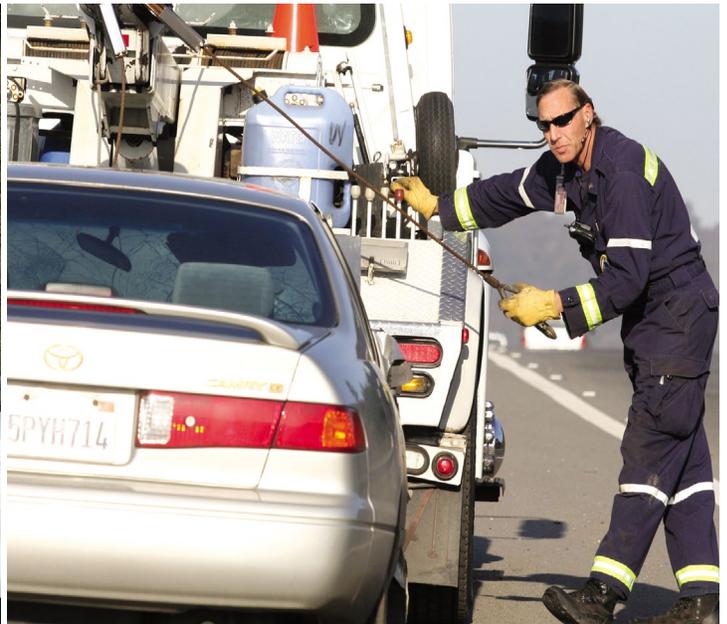
# Highway Corridors: Freeway Service Patrol

## Total Programming (in thousands)\*

<b>Total Funding Secured</b>	<b>\$</b>	<b>2,561</b>
<b>Funding Sources</b>		
Measure D (Highway)	\$	939
Other Secured**	\$	1,622

\*Amounts show money programmed beginning in FY17/18 when Measure D funds first became available.

\*\*Includes SB1, FSP, and STIP funds.



## FSP Partners



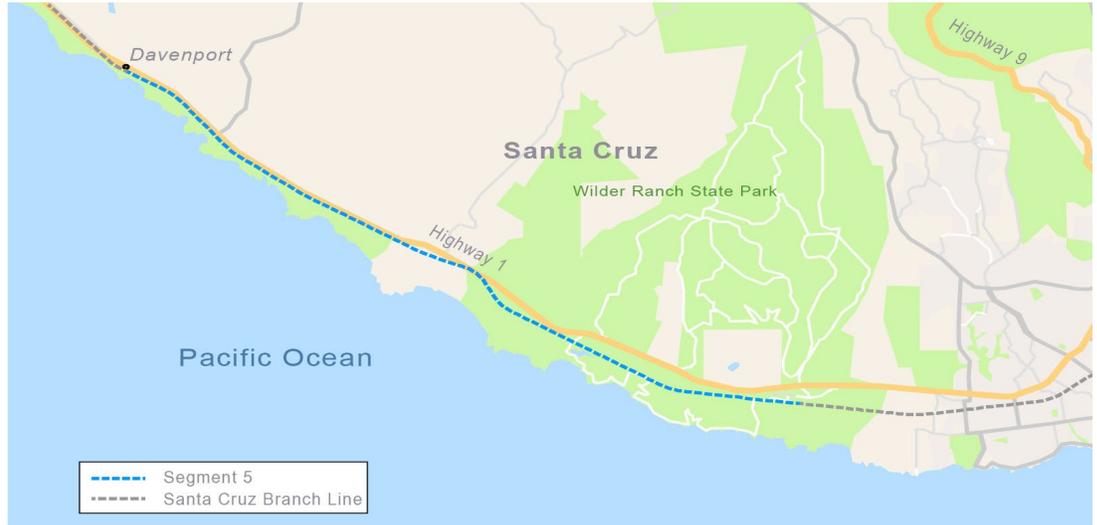


# Active Transportation: Coastal Rail Trail Segment 5

## Project Description

The Coastal Rail Trail Segment 5 (as defined in the Monterey Bay Sanctuary Scenic Trail {MBSST} Network Master Plan) proposes to construct 7.5 miles of the MBSST's rail trail spine between Wilder Ranch and Davenport. The existing facility is along the publicly-owned railroad right-of-way. Segment 5 would be a new multi-use paved path with striping, parallel unpaved path and shoulder, and parking improvements along the scenic North Coast in Santa Cruz County.

The goals of this project are to provide an accessible bicycle and pedestrian path adjacent to the rail right-of-way for active transportation, recreation, coastal viewshed appreciation, and environmental/cultural education along the existing rail corridor, consistent with the MBSST Network Master Plan. When constructed, this project will be one portion of the planned 32-mile rail trail network that traverses the entire coastline of Santa Cruz County.



## Project Highlights

- ▶ ADA-accessible trail that maximizes ocean views and scenic coastal vistas along historical and agricultural landscapes
- ▶ 7.5-mile continuous paved bicycle and pedestrian trail connecting Wilder Ranch to Davenport
- ▶ Provides car-free alternative access to numerous beaches and recreational facilities along the coast
- ▶ Links to existing and future trails (such as Wilder Ranch, San Vicente Redwoods, Cotoni-Coast Dairies, etc.) creating bike/pedestrian access from the City of Santa Cruz to Davenport
- ▶ Safety and mobility improvements along a scenic portion of the County adjacent to Highway 1 with the addition of two new parking lots and improvements to a third, restrooms, and a pedestrian crossing in Davenport

## Project Delivery Strategy

In partnership with the Federal Highway Administration (FHWA) - Central Federal Lands (CFL), the RTC is leading the project delivery. The RTC completed the Environmental Impact Report for the entire 7.5 mile-long Segment 5 project. The RTC is using Measure D, Federal Lands Access Program (FLAP), Coastal Conservancy, and Land Trust of Santa Cruz County funds to leverage other potential grant opportunities. CFL is completing the federal environmental clearance and leading the design of the entire 7.5-mile segment. The RTC is leading the acquisition of any right-of-way needed for the project. Although CFL will lead the construction phase, there is currently only enough funding to complete construction of the southerly 5.4 miles, from Wilder Ranch to Panther/Yellowbank Beach. If needed, this project will be phased. The RTC has applied for a \$6 million Proposition 68 Grant from the Natural Resources Agency and will continue to investigate other state and federal grant opportunities to complete the construction funding plan. The RTC has dedicated funding for the Davenport crosswalk, which can be separated and advanced early, once Caltrans approvals are received.



# Active Transportation: Coastal Rail Trail Segment 5

## Total Programming (in thousands)

Estimated Total Cost	\$22,262
Funding Sources	
Measure D (Active Transportation)	\$5,592
Other Secured*	\$11,576
Need	\$5,094

\*Includes Central Federal Lands (FLAP Grant), Coastal Conservancy, Land Trust of Santa Cruz County, RSTPX-County of Santa Cruz, and RSTPX funds.

## Project Status/Schedule

The RTC completed the Environmental Impact Report in 2019. CFL is scheduled to complete the federal environmental document by 2020, with final design expected in 2021. The first phase of the project is scheduled to go to construction in 2021, with the second phase (Panther/Yellowbank Beach to Davenport) dependent on Caltrans permits and construction funding.





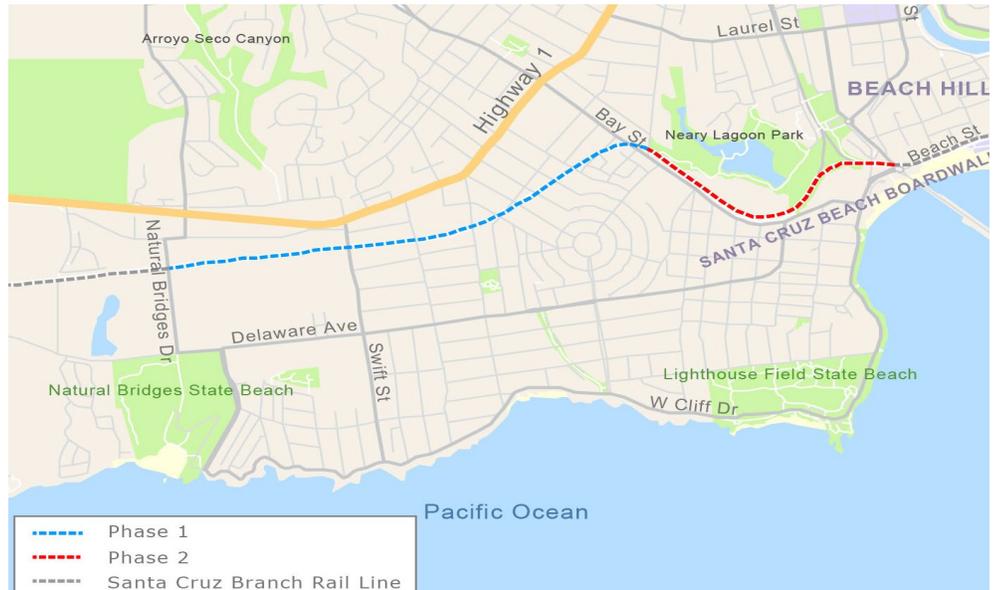
# Active Transportation: Coastal Rail Trail Segment 7

## Project Description

The Coastal Rail Trail Segment 7 project (as defined in the Monterey Bay Sanctuary Scenic Trail {MBSST} Network Master Plan) proposes to construct 2.1 miles of the MBSST's rail trail spine between Natural Bridges Drive and Pacific Avenue at the Santa Cruz Wharf. The existing facility is along the publicly-owned railroad right-of-way. Alternate routes have high bicycle and pedestrian crash histories, making this the highest priority project in mid-Santa Cruz County.

The goals of this project are to increase the numbers of people biking and walking, improve safety and mobility of non-motorized users, and to provide high-quality connections to schools, parks, and community facilities. When constructed, this project will be one portion of the planned 32-mile rail trail network that parallels the entire coastline of Santa Cruz County.

The Segment 7 project is at the epicenter of several existing trail networks such as Younger Lagoon Reserve and Antonelli Pond Park, and will also provide connections to Natural Bridges State Beach, the West Cliff Drive bike/pedestrian path, and the Wilder Ranch path.



## Project Highlights

- ▶ Provides a low stress, off-street dedicated bicycle and pedestrian trail, improving safety and connectivity to schools, employment centers, and transit facilities
- ▶ Over 30,000 residents live within 1 mile of the corridor, where 9 schools and 28 parks are located
- ▶ Provides a safer car-free alternative to Mission Street and connects to the Beach Street bikeway
- ▶ Enhances mobility and transportation for disadvantaged communities

## Project Delivery Strategy

The City of Santa Cruz is leading the project delivery. The City is delivering Segment 7 in stages due to funding availability. Phase I, from Natural Bridges to Bay/California, is fully funded. Phase II requires additional funds for construction. The City is targeting California Department of Parks and Recreation Proposition 68, SB1-Active Transportation Program, and federal grant opportunities to fully fund the construction of Phase II.



# Active Transportation: Coastal Rail Trail Segment 7

## Total Programming (in thousands)

<b>Estimated Total Cost</b>	<b>\$19,808</b>
<b>Funding Sources</b>	
Measure D (Active Transportation)	\$2,100
Other Secured*	\$7,369
Need	\$10,339

\*Includes Coastal Conservancy, Congressional Earmark, FORT/BSCC Donations, Measure D - Local (City of Santa Cruz), City of Santa Cruz, and STIP funds.

## Project Status/ Schedule

Phase I is under construction and expected to be completed in 2020. Phase II is environmentally cleared and design is complete. Once funding and a minor section of right-of-way is acquired, Phase II can go to construction.



Preliminary Project Rendering



# Active Transportation: Coastal Rail Trail Segments 8 & 9

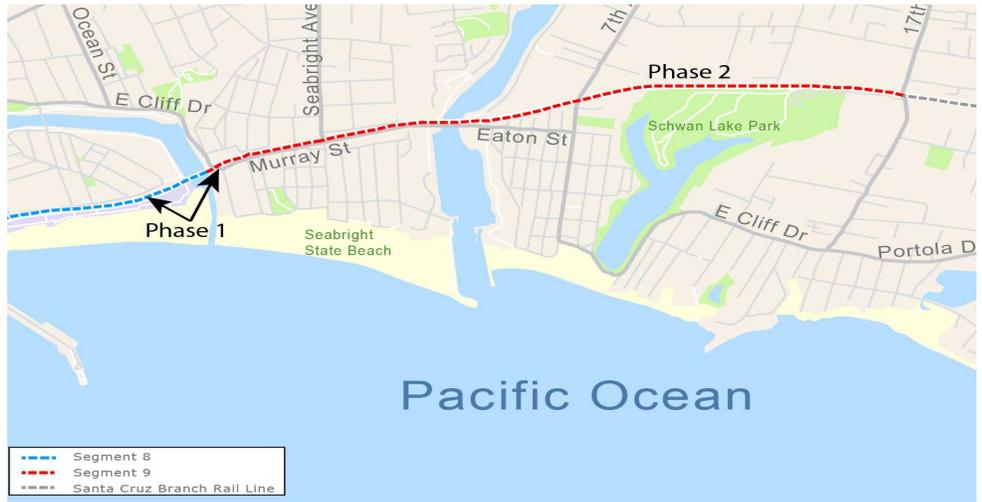
## Project Description

The Coastal Rail Trail Segments 8 and 9 project (as defined in the Monterey Bay Sanctuary Scenic Trail {MBSST} Network Master Plan) includes 2.5 miles of the MBSST's rail trail spine between Pacific Street in the City of Santa Cruz and 17th Avenue in the unincorporated area of Santa Cruz County. The existing facility is along the publicly-owned railroad right-of-way.

The goals of this project are to increase the numbers of people biking and walking, improve safety and mobility of non-motorized users, and provide high-quality connections to schools, parks, and community facilities. When constructed, this project will be part of a planned 32-mile rail trail network that traverses the entire coastline of Santa Cruz County. A part of the Segment 8 project, the San Lorenzo River Railroad Trestle trail widening, was accelerated ahead of the rest of the segment and was completed in May 2019.

Segments 8 and 9 are particularly challenging due to three new bridges and four at-grade crossings.

The project received \$3M in Active Transportation Program (ATP) funds for pre-construction efforts. Voter-approved Measure D transportation funds are being used as the local match for this project as is \$1.5M from the non-profit Land Trust of Santa Cruz County.



## Project Highlights

- ▶ Provides a dedicated bicycle and pedestrian trail, improving safety and connectivity to schools, employment centers, and transit facilities
- ▶ Connects to the Beach Street bikeway and Segment 7, connecting the west and east sides of Santa Cruz
- ▶ Includes a new bicycle and pedestrian bridge at Rodeo Gulch
- ▶ Includes 10' multi-use path across the Santa Cruz Harbor, cantilevered off the Harbor rail bridge
- ▶ Connects to downtown Santa Cruz via the San Lorenzo River levee trails
- ▶ Provides a 10' multi-use path across the San Lorenzo River, cantilevered off the San Lorenzo River Railroad Trestle
- ▶ Extends through the Seabright neighborhood to Live Oak
- ▶ 48,000 residents live within 1 mile of the corridor, where 15 schools and 37 parks are located

## Project Delivery Strategy

The City of Santa Cruz is leading the project delivery. The City is delivering Segment 8 in stages due to funding availability. The City fully funded the multi-use path across the San Lorenzo River with an innovative approach, cantilevering off the existing rail trestle with a system that used lightweight decking. The City is funding the remaining pre-construction work with grants from the Land Trust and the state's Active Transportation Program. The City is targeting SB1-Active Transportation Program and federal grant opportunities to fully fund the construction of Phase II.



# Active Transportation: Coastal Rail Trail Segments 8 & 9

## Total Programming (in thousands)

<b>Estimated Total Cost</b>	<b>\$</b>	<b>34,634</b>
<b>Funding Sources</b>		
Measure D (Active Transportation)	\$	2,000
Other Secured*	\$	6,369
Need	\$	26,265

### Project Status/Schedule

The multi-use path cantilevered off the San Lorenzo River Railroad Trestle was completed in 2019. The City expects to complete the environmental, design, and right-of-way work by 2022. Construction is dependent on acquiring additional funding.

\*Includes Measure D - Local (City of Santa Cruz), NRA, TDA, ATP, and Land Trust funds.



Preliminary project rendering



# Active Transportation: Coastal Rail Trail Segments 10-12

## Project Description

The Coastal Rail Trail Segments 10-12 project (as defined in the Monterey Bay Sanctuary Scenic Trail {MBSST} Network Master Plan) proposes to construct 5.3 miles of the MBSST's rail trail spine between 17th Avenue in the unincorporated area of Santa Cruz County known as Live Oak through Jade Street Park in the City of Capitola, then through Aptos Village to Rio del Mar Boulevard in unincorporated Santa Cruz County. The existing facility is along the publicly-owned railroad right-of-way. Alternate routes have high bicycle and pedestrian crash history.

The goals of this project are to increase the proportion of trips accomplished by biking and walking, improve safety and mobility of non-motorized users, and to provide high-quality connections to schools, parks, and community facilities. When constructed, this project will connect to a proposed 32-mile rail trail network that parallels the entire coastline of Santa Cruz County.

Segment 10 is particularly challenging due to right-of-way constraints requiring realignment of one mile of the railroad track bed. The project includes a 200-foot span pre-engineered bicycle and pedestrian bridge over Rodeo Gulch Creek on the inland side of the rail trestle bridge.

Segment 11 is particularly challenging due to extreme topography, including bridge structures at Soquel Creek, New Brighton State Beach, and Borregas Creek.

Segment 12 spans from State Park Drive to Aptos Creek Road and includes four railroad bridges, including a bridge over Soquel and Aptos Creek Drive, two bridges over Highway 1, and a bridge over Soquel Drive and Valencia Creek.



## Project Highlights

- ▶ Provides a dedicated bicycle and pedestrian trail, improving safety and connectivity to schools, commercial centers, and transit facilities
- ▶ Includes seven new bicycle and pedestrian bridges
- ▶ Includes two new multi-use bridges over Highway 1 (to be completed as part of the Highway Corridor Program)
- ▶ Over 49,000 residents live within one mile of the corridor
- ▶ 14 schools, Cabrillo College, 26 parks, and New Brighton and Seacliff State Beaches are within one mile of the corridor
- ▶ Enhances mobility and transportation for disadvantaged communities

## Project Delivery Strategy

The County is advancing the environmental, design, and right-of-way phases of the project (between 17th Avenue and Live Oak to Aptos Creek Road) with \$4 million of Measure D in order to position the project for construction grants, including SB1-Active Transportation Program and potential federal grant opportunities. This project can be phased to smaller sections as funding becomes available. This project currently does not include the Capitola trestle or the two bridge structures over Highway 1. The Capitola trestle will be studied separately after the Alternatives Analysis for transit in the rail right-of-way. The bridges over Highway 1 will be completed as part of the Highway Corridor Program, as these bridges need to be widened to accommodate the Freedom Boulevard to State Park Drive Auxiliary Lane and Bus on Shoulder Project. The City of Capitola is leading the delivery of a small section of the trail from City Hall to Monterey Avenue.



# Active Transportation: Coastal Rail Trail Segments 10-12

## Total Programming (in thousands)

<b>Estimated Total Cost</b>	<b>\$</b>	<b>66,331</b>
<b>Funding Sources</b>		
Measure D (Active Transportation)	\$	4,000
Other Secured	\$	0
Need	\$	62,331



## Project Status/Schedule

The project, with the exception of the Capitola trestle, is in the environmental phase, which is expected to be completed in 2023. The final design phase is expected to begin in 2022 and be completed in 2024. The project is expected to go to construction in 2024 and be completed in 2025.



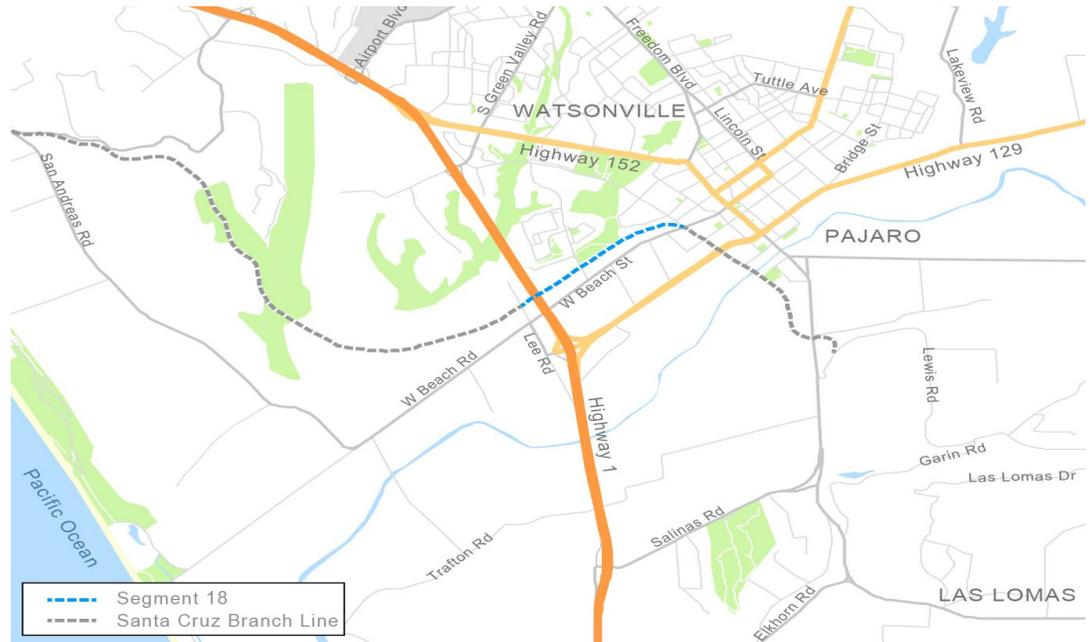


# Active Transportation: Coastal Rail Trail Segment 18

## Project Description

The Coastal Rail Trail Segment 18 (as defined in the Monterey Bay Sanctuary Scenic Trail {MBSST} Network Master Plan) proposes to construct 1.2 miles of the MBSST's rail trail spine from Lee Road to Walker Street in the City of Watsonville connecting the downtown to the existing trail network in the Watsonville Slough Wetlands. The existing facility is along the publicly-owned railroad right-of-way.

The goals of this project are to increase the number of people biking and walking, improve safety and mobility of non-motorized users, and provide high-quality connections to schools, parks, and community facilities. When constructed, this project will be part of a planned 32-mile rail trail network that parallels the entire coastline of the Santa Cruz County.



## Project Highlights

- ▶ Provides a dedicated bicycle and pedestrian trail, improving safety and connectivity to schools, residential areas, and employment centers
- ▶ 1.2-mile continuous paved bicycle and pedestrian trail connecting the City of Watsonville to the Watsonville Slough Wetlands trail network
- ▶ Connects to the Monterey County Monterey Bay Sanctuary Scenic Trail Network
- ▶ Over 22,000 residents live within one mile of the trail
- ▶ 12 schools and 12 parks are within one mile of the trail
- ▶ Enhances mobility and transportation for disadvantaged communities

## Project Delivery Strategy

The City of Watsonville is leading the project delivery. The City is delivering Segment 7 in stages due to funding availability and the time needed to get new crossing agreements approved by the California Public Utilities Commission (CPUC). Phase I, from Ohlone Parkway to the Watsonville Trail Network Trailhead, is fully funded. Phase II requires additional funds for construction. The City is targeting SB1-Active Transportation and federal grant opportunities to fully fund the construction of Phase II.



# Active Transportation: Coastal Rail Trail Segment 18

## Total Programming (in thousands)

<b>Estimated Total Cost</b>	<b>\$9,102</b>
<b>Funding Sources</b>	
Measure D (Active Transportation)	\$2,950
Other Secured*	\$1,101
Need	\$5,051

\*Includes STIP, Land Trust, ATP, City of Watsonville, and FORT funds.



## Project Status/Schedule

The environmental phase was completed in 2015. Phase I is expected to begin construction in 2020. Phase II is in the final design phase, which is expected to be completed in 2021. The project is expected to go to construction in 2021, depending on approval of CPUC crossing agreements and securing remaining funds needed to fully fund construction.



Preliminary project rendering



# Active Transportation: RTC PM and Maintenance

## Santa Cruz Branch Rail Line

The 32-mile Santa Cruz Branch Rail Line (SCBRL) is a continuous transportation corridor that spans the length of the county offering tremendous potential for new mobility options for residents and visitors alike. In 2013, the RTC adopted the Monterey Bay Sanctuary Scenic Trail Network Master Plan and certified a programmatic Environmental Impact Report. The Coastal Rail Trail, serving as the system's spine, is a result of a 20-year effort to purchase the SCBRL, which was first established in 1876. On October 12, 2012, the RTC successfully closed escrow, placing title of the branch line into public ownership with the commitment of facilitating passenger and freight service, as well as creating a multi-use bicycle and pedestrian trail.

This important transportation corridor is within one mile of more than 80 parks, 25 schools, approximately half of the county's population, provides access to the Monterey Bay National Marine Sanctuary at several key locations, and connects to regional and state rail lines.



## RTC Project Management and Maintenance

The RTC is responsible for managing the overall development of the Coastal Rail Trail corridor, including oversight, technical assistance, and implementing some of the project development work for segments of the trail.

The RTC is also responsible for maintaining the portion of the right-of-way outside of the railroad easement. The short-line railroad operator, Saint Paul & Pacific Railroad, is responsible for maintaining the infrastructure within the railroad easement.

It is important to maintain the corridor in order to:

- ▶ Retain the integrity of the land to support future increased transportation use
- ▶ Support existing storm water drainage systems that flow along and across the corridor
- ▶ Limit impacts to adjacent properties from trees or sediment

The RTC has a Preventative Maintenance Program that outlines procedures for RTC staff to carry out maintenance operations, with individual inquiries being tracked using ArcGIS, a mapping and analytics platform. Regular inspections and repair or cleanup work within the right-of-way will maintain the corridor for future use and limit impacts to adjacent jurisdictions and private property.

General property management of a railroad right-of-way must account for federal railroad law and oversee various activities, such as access for utility companies or local government jurisdictions.



# Active Transportation: RTC PM and Maintenance

## Program Highlights

### Maintenance

- ▶ Semiannual inspections of full corridor
- ▶ Track and process individual requests from neighbors or local jurisdictions for maintenance
- ▶ Future trail maintenance agreements for constructed segments
- ▶ Annual clearing of drainage facilities and grass mowing
- ▶ Removal of encampments, trash, or problem trees as needed
- ▶ Other vegetation control as needed

### Other Property Management

- ▶ Management of utility crossings and leases
- ▶ Processing of right-of-entry agreements
- ▶ Addressing illegal encroachments, altered drainage, and dumping of sediment and trash from adjacent property owners
- ▶ Trail Segment Maintenance



## Total Programming (in thousands)

<b>Total Funding Secured</b>	<b>\$</b>	<b>6,316</b>
<b>Funding Sources</b>		
Measure D (Active Transportation)	\$	6,316
Other	\$	0





# Rail Corridor: Analysis of Options

## Program Description

The 32-mile Santa Cruz Branch Rail Line is a continuous transportation corridor offering tremendous potential for new mobility options for residents and visitors alike. In October 2012, the RTC completed acquisition of this 135-year-old transportation resource bringing it into public ownership with the objective of increasing transportation options and opportunities. The rail corridor spans the county from Davenport to Watsonville, runs parallel to the Highway 1 corridor, and connects to regional and state rail lines at Pajaro Station. This important transportation corridor is within one mile of more than 80 parks, 25 schools, approximately half of the county’s population, and provides access to the Monterey Bay National Marine Sanctuary at several key locations. Freight rail service is currently provided by St. Paul & Pacific Railroad to a number of companies for commodities such as construction materials, agricultural products, beverages, and biofuels. Big Trees Railroad currently operates recreational rail service on the Santa Cruz Branch Rail Line. St. Paul & Pacific Railroad also plans to operate recreational rail service in the future.

Future uses may include the following:

- High-capacity public transit
- Freight rail service
- Recreational passenger rail service
- Bicycle & pedestrian trail

## Unified Corridor Investment Study

Recognizing the need to address both existing transportation problems and future needs of Santa Cruz County, a Unified Corridor Investment Study (UCS) was undertaken to consider transportation options between Santa Cruz and Watsonville along three of the most important north to south transportation routes in the county, including the Santa Cruz Branch Rail Line Right-of-Way. The study provides a rigorous analysis of how various groups of projects or scenarios advance the transportation goals of Santa Cruz County. In January 2019, the RTC accepted the Final UCS which includes protecting the rail corridor for high-capacity public transit and collaborating with Santa Cruz METRO to consider transit options along the rail right-of-way.



## Total Programming (in thousands)

Total Funding Secured	\$6,145
Funding Sources	
Measure D (Rail)	\$5,758
Other Secured*	\$387

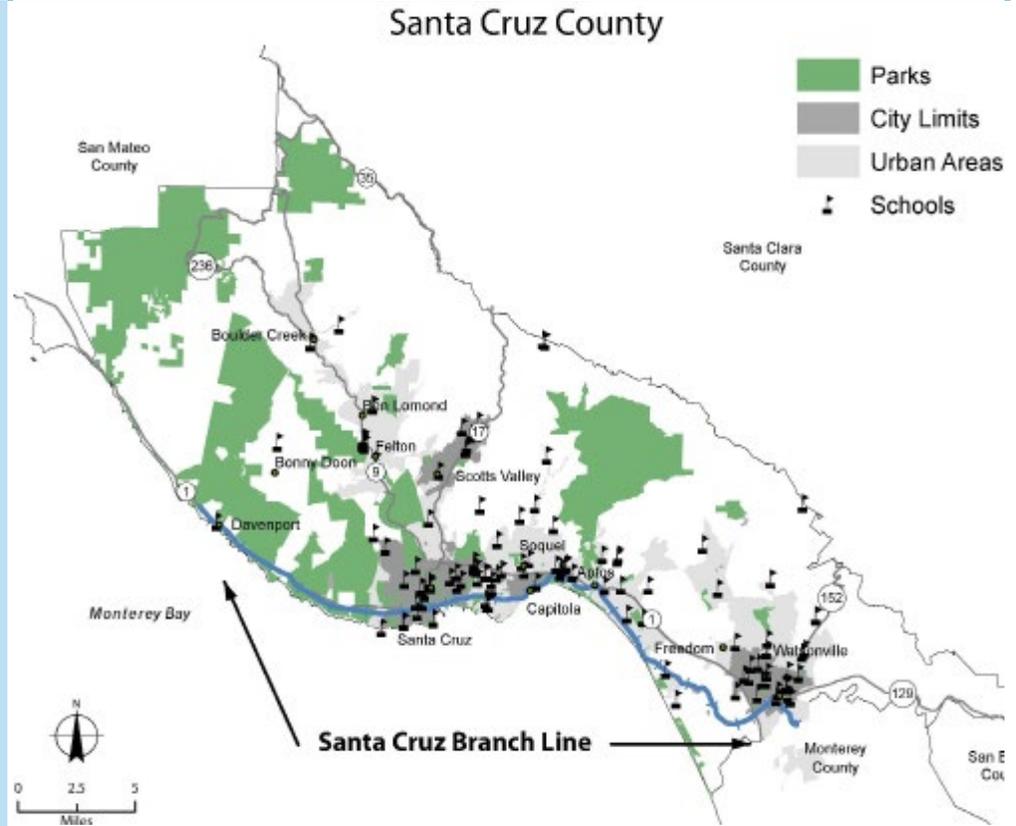
\*Includes FTA 5304-Sustainable Community Planning Grant, and State Highway Account Grant (Caltrans) funds.



# Rail Corridor: Analysis of Options

## Alternatives Analysis

The outcome from the 2019 Unified Corridor Investment Study was to reserve the Santa Cruz Branch Rail Line (SCBRL) for high-capacity public transit adjacent to a bicycle and pedestrian trail and to work with Santa Cruz METRO to perform an Alternatives Analysis. The Alternatives Analysis will evaluate public transit investment options that provide an integrated transit network for Santa Cruz County utilizing all or part of the length of the rail right-of-way between Pajaro Station and Shaffer Road as a dedicated transit facility, adjacent to the proposed Monterey Bay Sanctuary Scenic Trail.



The transit network along the SCBRL will link to proposed future interregional connections to the Bay Area, Monterey, Gilroy, and beyond. A performance-based planning approach based on a triple bottom line sustainability framework (balancing environmental, economic, and equitable factors) will be employed to compare transit alternatives and define a viable project that will deliver the greatest benefit to Santa Cruz County residents, businesses, and visitors. The Alternatives Analysis is expected to be completed in January 2021. The final deliverable from the Alternatives Analysis is a business plan for implementing public transit on the rail right-of-way.

### Next Steps

The next steps will be an analysis of the rail trestle crossing in Capitola and future environmental analysis of transit on the rail corridor. The RTC will use Measure D funds for feasibility and environmental work, depending on the final scope of the proposed project. Measure D-Rail Corridor funds may be used to serve as a match to leverage grants if additional funds are needed to conduct environmental analysis of rail and other option on the SCBRL.

## ALTERNATIVES ANALYSIS SCHEDULE

Consultant Contract Finalized	Nov. 2019
Outreach Plan	Dec. 2019
Goals & Performance Measures	Feb. 2020
Input on Alternatives	Jan. 2020
Draft Results	Sept. 2020
Final Alternatives Analysis Report	Jan. 2021



# Rail Corridor: Infrastructure Preservation

## Program Description

The Santa Cruz County Regional Transportation Commission (RTC) acquired the Santa Cruz Branch Line (SCBRL) in 2012 for \$14.2M to expand transportation options and alternatives to driving, and plan for the future mobility needs of Santa Cruz County residents and visitors. The 135-year-old rail corridor spans 32-miles from Davenport to Watsonville and connects to regional and state rail lines.

The short-line railroad operator, St. Paul & Pacific Railroad, currently provides freight rail service to a number of local construction, agricultural, beverage, and biofuel companies through an Administration, Coordination, and License Agreement with the RTC. Freight rail service helps to reduce traffic and greenhouse gases as one rail car load generally removes four truck trips from roadways and freeways. Big Trees & Pacific Railroad currently operates seasonal and special event recreational rail service on a portion of the Santa Cruz Branch Rail Line. St. Paul & Pacific Railroad also plans to operate some recreational rail service.

Measure D funds are used for inspections and repairs to the 29 railroad bridges, as well as repairs and upgrades to railroad signals, grade crossings, and the railbed to meet the Federal Railroad Administration (FRA) Requirements for a short-line railroad.

In 2017, severe winter storms damaged the line at several locations. The RTC is working on securing necessary permits for the repairs and expects construction to occur over two seasons. Phase I will start in 2020 and Phase II on the North Coast will start in 2021, as permits are received.



## Program Highlights

Rail Preservation Efforts:

- ▶ Inspections and repairs of railroad bridges on an ongoing basis
- ▶ Storm damage repairs and clean up resulting from the 2017 winter storms, the majority of which will be funded by state and federal disaster assistance relief funds
- ▶ Capital Maintenance efforts to comply with FRA requirements, including repair and rehabilitation of railroad track infrastructure, grade crossings, signals, and signage as needed

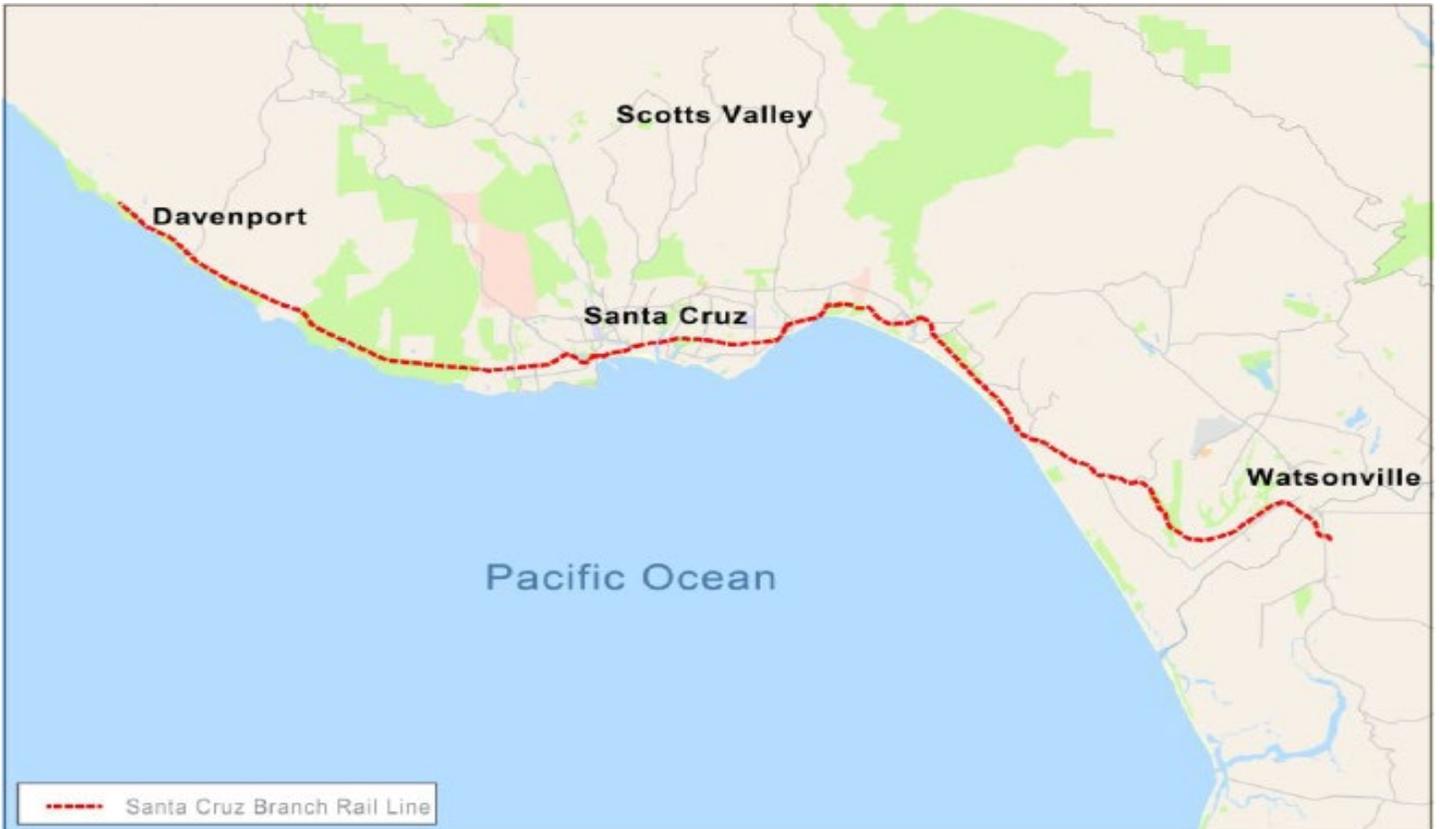
## Total Programming (in thousands)

<b>Total Funding Secured</b>	<b>\$</b>	<b>7,955</b>
<b>Funding Sources</b>		
Measure D (Rail)	\$	5,089
Other Sources*	\$	2,866

\*Includes RSTPX and FEMA funds.



# Rail Corridor: Infrastructure Preservation



# APPENDIX

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# Appendix 1 – Measure D Ordinance and Expenditure Plan

## ORDINANCE NO. 201601

### AN ORDINANCE OF THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION EN- ACTING A RETAIL TRANSACTIONS AND USE TAX, SUBJECT TO ADOPTION BY THE ELECTORATE, TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION

**WHEREAS**, the multimodal local transportation network is necessary for economic vitality; provides access to homes, schools, healthcare, and businesses; is utilized by drivers, buses, people walking, bicyclists, trains and trucks; and is important to the overall quality of life for all Santa Cruz County residents; and

**WHEREAS**, agencies in Santa Cruz County are working to reduce congestion, reduce greenhouse gas emissions and improve safety, access and mobility; and

**WHEREAS**, the County of Santa Cruz and the Cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville operate, maintain, and make improvements to the local street and road network, which includes over 1,800 lane miles of roads, traffic signals, sidewalks, bicycle paths, and other transportation facilities; and

**WHEREAS**, public transit and paratransit operators provide a lifeline for senior citizens and people with disabilities, who depend on these vital transportation services for independent living; and

**WHEREAS**, over 100,000 people travel each day on Highway 1 to access their homes, jobs, health care, and services; and

**WHEREAS**, the Santa Cruz Branch Rail Line was brought into public ownership in 2012 for the purpose of expanding transportation options along the most heavily traveled corridor in Santa Cruz County; and

**WHEREAS**, the Monterey Bay Sanctuary Scenic Trail Network, including the Rail Trail, is a planned multi-use bicycle and walking path that is separated from vehicular traffic and will span the length of Santa Cruz County connecting homes, schools, jobs, coastal and other key destinations; and

**WHEREAS**, State and Federal funding sources and programs that support transportation have been cut, are unreliable, can be diverted to other uses, and are insufficient to operate and maintain the local road, bicycle, pedestrian, transit, senior and disabled transportation networks in a state of good repair; and

**WHEREAS**, new local revenues that cannot be taken by the state are needed to prevent further deterioration of roads and maintain them in good condition; reduce traffic congestion; maintain public transportation and transportation services for seniors and people with disabilities;

reduce collisions and improve traffic flow on local highways; provide safe and accessible crosswalks, ramps, and sidewalks; and create safe bicycle routes; and

**WHEREAS**, there is strong recognition of need for infrastructure improvements and acknowledgement that the local multi-modal transportation network serves all sectors of our community; and

**WHEREAS**, after receiving feedback from residents throughout Santa Cruz County on their priorities for the multimodal transportation system, the Santa Cruz County Regional Transportation Commission has determined that the community places a high priority on preserving and maintaining existing infrastructure, maintaining public transit and transit service for seniors and people with disabilities, reducing traffic congestion, improving safety, and expanding options for traveling within Santa Cruz County; and

**WHEREAS**, the Local Transportation Authority and Improvement Act, California Public Utilities Code Section 180000 *et seq.* (“Act”), generally authorizes a local transportation authority to place a ballot measure before the voters of the county to authorize a retail transactions and use tax to fund transportation-related projects and programs (“Transportation Tax”), upon the approval of two-thirds of the electors voting upon the measure; and

**WHEREAS**, the Santa Cruz County Regional Transportation Commission is designated by California Government Code section 29532.1 as the transportation planning agency of the County of Santa Cruz; and

**WHEREAS**, Sections 180050 and 180201 of the Act provide that the County may designate a transportation planning agency to act as the local transportation authority for purposes of the Act including imposing a Transportation Tax; and

**WHEREAS**, a one-half cent sales tax established locally would generate approximately seventeen million dollars (\$17 million) per year solely for transportation projects in Santa Cruz County; and

**WHEREAS**, local funding measures for transportation strengthen our local economy by creating jobs and providing mobility and access for all transportation system users; and

**WHEREAS**, the Act states that the additional funds provided by the tax so adopted shall supplement existing local revenues being used for public transportation purposes; and

**WHEREAS**, the Act further provides that a county transportation expenditure plan shall be prepared for the expenditure of the revenues expected to be derived from the Transportation Tax; and

**WHEREAS**, the Santa Cruz County Regional Transportation Commission has conducted a noticed public hearing, as required by state law, on the question of whether or not to request voters to adopt an Ordinance to fund the programs identified in the Expenditure Plan; and

**WHEREAS**, funds generated by the Transportation Tax shall be used only for transportation purposes, including the administration of the Expenditure Plan, construction, acquisition, maintenance and operation of streets, roads, highways, public transit systems, including paratransit services, and related transportation purposes within the County of Santa Cruz,

**NOW, THEREFORE**, the people of the Santa Cruz County Regional Transportation Commission of the County of Santa Cruz do ordain as follows:

**Section 1. TITLE.** This Ordinance shall be known as the “Santa Cruz County Transportation Improvement Plan Measure.” The Santa Cruz County Regional Transportation Commission shall be referred to herein as the Local Transportation Authority (“Authority”). This Ordinance shall be applicable in the territory of the Santa Cruz County Regional Transportation Commission, which is all incorporated and unincorporated territory lying within the County of Santa Cruz.

**Section 2. SUMMARY.** This Ordinance provides for the adoption of a transportation Expenditure Plan for Santa Cruz County, the imposition of a Retail Transactions and Use Tax of one-half of one percent (0.5%) for a period of thirty (30) years, the authority to issue limited tax bonds secured by such taxes and the administration of the tax proceeds, with independent citizens oversight and annual audit reports for public review.

**Section 3. OPERATIVE DATE.** Subject to voter approval, this Ordinance shall be operative the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance. The anticipated Operative Date of this Ordinance will be as early as April 1, 2017, if approved by two-thirds of the voters voting on the measure at the November 8, 2016 Election.

**Section 4. DEFINITIONS.** The following definitions shall apply in this Ordinance:

- A. “Authority” means the Santa Cruz County Regional Transportation Commission (SCCRTC), previously created in Government Code 67940 and 67941 and designated as the transportation planning agency for Santa Cruz County in Government Code 29532.1 and designated as the Local Transportation Authority for Santa Cruz County pursuant to Division 19 (commencing with Section 180000) of the California Public Utilities Code, authorized to impose a Retail Transactions and Use Tax, subject to voter approval, in accordance with Chapter 5 (commencing with Section 180200) of Division 19 of the California Public Utilities Code, and with Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code.
- B. “Board of Supervisors” means the Santa Cruz County Board of Supervisors.
- C. “County” means Santa Cruz County and includes the incorporated and unincorporated territory of the county which makes up the boundaries of the Santa Cruz County Regional Transportation Commission territory.

- D. “State” means the State of California.
- E. “Measure Revenue” or “Transportation Tax Revenue” means the revenue generated by the one-half of one percent (0.5%) increase in the Retail Transactions and Use Tax imposed and as collected pursuant to this Ordinance, including any interest or other earnings thereon.
- F. “Retail Transactions and Use Tax” or “Transportation Tax” is to be identified as specified in Part 1.6 (commencing with section 7251) of Division 2 of the California Revenue and Taxation code.
- G. “Measure” or “Traffic Relief, Road Repair, Safety, Transit Improvement Measure” or “Transportation Improvement Plan (TRIP)” or “Santa Cruz County Transportation Tax Measure” means the Ordinance, including all provisions and Expenditure Plan incorporated herein.
- H. “Expenditure Plan” or “Plan” or “Investment Plan” means the 2016 Santa Cruz County Transportation Improvement Plan - Expenditure Plan attached to this Ordinance as Exhibit A and adopted as part of this Ordinance including any future amendments thereto. This is the plan for the expenditure of revenues expected to be derived from the tax imposed pursuant to this Ordinance, together with other federal, state, and local funds expected to be available for transportation projects and programs, for the period during which the tax is to be imposed.

**Section 5. PURPOSE.** This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose a Retail Transactions and Use Tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 180000 *et seq.* of the California Public Utilities Code, which authorize the Authority to adopt this Ordinance which shall be operative if a two-thirds (2/3) majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.
- B. To adopt a Retail Transactions and Use Tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- C. To adopt a Retail Transactions and Use Tax ordinance that imposes a countywide Transportation Tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

- D. To adopt a Retail Transactions and Use Tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code and Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.
- E. Measure Revenue, including any interest or other earnings thereon, may only be used for transportation purposes described in the Ordinance and Expenditure Plan (Exhibit A), including: the implementation and administration of all provisions and requirements of this Ordinance as amended; the construction, acquisition, maintenance, and operation of streets, roads, highways, including local roads, state highways and public transit systems; and for related transportation purposes consistent with the Expenditure Plan, including project management and oversight of the projects to be funded using the Transportation Tax, such as coordination with other responsible agencies as well as project delivery and negotiation of project agreements. These purposes include expenditures for planning, environmental reviews, engineering and design costs, and related right-of-way acquisition. Expenditures may also include, but are not limited to, payments to the County of Santa Cruz for any election costs as set forth in the Ordinance, required payments to the Board of Equalization, costs of program administration and oversight, defense or prosecution of legal actions related thereto, debt service on bonds or other indebtedness, and expenses and reserves in connection with the issuance of the same.

**Section 6. ADMINISTRATION OF PLANS.** The Authority shall impose the Transportation Tax and enter into an agreement with the State Board of Equalization to collect the funds, may at the discretion of the Authority's governing Board enter into agreement with the County Auditor-Controller to allocate revenues derived from the Transportation Tax consistent with the Ordinance and Expenditure Plan, and shall administer the Ordinance and Expenditure Plan included in this Ordinance, consistent with the provisions and priorities of the Ordinance and Expenditure Plan, consistent with the authority cited herein.

**Section 7. CREATION OF SPECIAL FUND.** The Authority shall establish a new fund entitled "Transportation Tax Regional Transportation Fund". All Transportation Tax Revenue, plus interest, will be deposited in the special fund. The fund authorized hereunder will be administered by the Authority pursuant to this Ordinance and the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code, and Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code.

**Section 8. IMPLEMENTATION.**

- A. Projects and programs funded in the Expenditure Plan will be implemented over the 30-year time horizon of the Transportation Tax. Three types of investments are funded by the Expenditure Plan: investment categories which are allocated a percentage of net revenues, capital investments which are allocated specific dollar amounts, and ongoing direct allocations of a percentage of net revenues to be distributed to cities, the County of Santa Cruz, and transit operators for capital projects and operations. Capital investments will be made based upon

clearly defined project descriptions and limits resulting from the outcomes of environmental analyses, as applicable. The Authority shall distribute revenues no less than quarterly to local jurisdictions, the Santa Cruz Metropolitan Transit District, and the Consolidated Transportation Service Agency based on the formulas set forth in the Expenditure Plan, in accordance with the Act and this Ordinance.

- B. The Santa Cruz County Regional Transportation Commission, which currently allocates, administers and oversees the expenditure of federal, state and Transportation Development Act funding for local and regional transportation projects and programs, in its role as the Authority shall allocate, administer and oversee the expenditure of all Measure Revenues which are not directly allocated by formula annually to other agencies, consistent with the Expenditure Plan, as it may be amended in accordance with the Act and this Ordinance through an Implementation Plan, which it will update at least every 5 years, following a public hearing. The purposes of the Implementation Plan are to define the scope, cost, and delivery schedule of each Expenditure Plan project or program, detail the revenue projections and possible financing tools needed to deliver the Expenditure Plan within the 30 years promised to voters, and describe the risks, critical issues and opportunities that the Authority should address to expeditiously deliver the Expenditure Plan. The Implementation Plan may be amended by a majority vote of the Authority, however, amendment of the Implementation Plan shall not serve to amend provisions of the Expenditure Plan.
- C. Agencies implementing the Expenditure Plan projects may accumulate revenue over multiple years so that sufficient funding is available for larger and long-term projects. Any interest income earned on funds allocated pursuant to this ordinance shall be expended only for the purposes for which the funds were allocated.

**Section 9. LEVERAGING FUNDS.** Leveraging or matching of outside funding sources is strongly encouraged. Any additional transportation revenues made available through their replacement by matching funds will be spent based on the principles outlined for fund allocations described in the Ordinance and Expenditure Plan.

**Section 10. BONDING AUTHORITY.** Pay-as-you-go financing is the preferred method of financing transportation improvements and programs under this Ordinance. However, if determined by the board of the Authority to be cost effective and to accelerate implementation of projects, the Authority may decide to use bond financing as an alternative method. Upon voter approval of this Ordinance, the Authority shall have the power to sell or issue, from time to time, on or before the collection of taxes, bonds, or other evidence of indebtedness, in an aggregate principal amount at any one time outstanding not to exceed the estimated proceeds of the Transportation Tax, and to secure such indebtedness solely by way of future collection of the Transportation Tax, for capital outlay expenditures for the purposes set forth in this Ordinance, including, but not limited to, carrying out the transportation projects described in the Expenditure Plan, consistent with the Section 180250 of the Public Utilities Code.

**Section 11. COOPERATIVE FUND AGREEMENTS.** To maximize the effective use of funds, revenues may be transferred or exchanged between or among jurisdictions receiving

funds from this measure. Jurisdictions receiving funds may, by annual or multi-year agreement, exchange funds provided that the percentage of funds allocated as provided in the Expenditure Plan is maintained over the duration of the period of time the tax is imposed. Agreements to exchange funds, including fund repayment provisions, must be approved by the Authority and shall be consistent with all rules adopted or approved by the Authority relating to such exchanges. The Authority may exchange revenues for State or federal funds allocated or granted to any public agency within or outside the area or jurisdiction of the Authority to maximize effectiveness in the use of the revenues. Such federal or State funds shall be distributed in the same manner as revenues derived from this ordinance. The Authority shall maintain for public review an accounting of all balances that are subject to cooperative agreements approved pursuant to this section.

**Section 12. ADMINISTRATIVE AND IMPLEMENTATION COSTS.**

A. The Authority shall expend only that amount of the Transportation Tax Revenue for staff support, audit, administrative expenses, and contract services that is necessary and reasonable to carry out its responsibilities pursuant to Division 2 of the Revenue and Taxation Code. Pursuant to Section 180109 of the Public Utilities Code, the Authority shall not expend more than one percent of the funds generated pursuant to Division 19 of the Code for administrative salaries and benefits net of the amount of fees paid to the State Board of Equalization for collection of the transactions and use tax and prior to the distribution of the Transportation Tax Revenue as provided in the Expenditure Plan (Exhibit A).

B. In order to ensure that the cost of administration, implementation and oversight this Measure are not borne by other programs and sources, such as Transportation Development Act-funded programs, any funds necessary for administrative, implementation and oversight of the Ordinance and Transportation Tax shall be paid by Measure Revenues. These functions include audits, programming processes, reporting, financial management, compiling and publishing an annual report, providing public information concerning the Ordinance, rent, supplies, consulting services, overhead, legal, other responsibilities as may be necessary to administer the Ordinance and Expenditure Plan. Costs of performing or contracting for project-related work shall be paid from the revenues of the Transportation Tax allocated to the appropriate purpose and project.

**Section 13. EXECUTION OF DUTIES.** The Authority may engage, contract with, employ and compensate any public or private agency, party, contractor or professional, in accordance with the Public Contract Code and/or any of the provisions for public employment of profession services for public agencies, for the planning, finance, approval, design, construction, acquisition of right of way, maintenance, operation, control and repair of any road, highway, bus, rail or other transportation facility. However, the Authority shall not be responsible for the maintenance or operation of any State highway facilities following construction contract completion.

**Section 14. ELECTION.** The Authority requests the Board of Supervisors to call an election for voter approval of this Ordinance, which election shall be held on November 8, 2016. The election shall be called and conducted in the same manner as provided by law for the conduct

of elections by a county. Pursuant to Section 180203 of the Public Utilities Code, the sample ballot to be mailed to the voters shall be the full proposition as set forth in this Ordinance, and the voter information handbook shall include the Expenditure Plan. Approval of this Ordinance, and imposition of the Transportation Tax, shall require the affirmative vote of a two-thirds (2/3) majority of the electors voting on this measure at the election described in this section. The proposition to be placed on the ballot shall read substantially as follows:

**“Safety, Pothole Repair, Traffic Relief, Transit Improvement Measure.** In order to: improve children’s safety around schools; repair potholes; repave streets; improve traffic flow on Highway 1; maintain senior/disabled transit; reduce global warming pollution by providing transportation options like sidewalks, buses, bike lanes, trails; preserve rail options; shall Santa Cruz County voters adopt an ordinance establishing a half-cent sales tax for 30 years, raising approximately \$17 million annually, requiring citizen oversight, independent audits, and funds spent locally?

YES \_\_\_\_ NO \_\_\_\_”

**Section 15. ELECTION COSTS.** The County of Santa Cruz shall be reimbursed for its cost in conducting the election if the measure is approved per Section 180203(a) of the Public Utilities Code. Election costs will be funded from Year 1 Measure Revenues before net proceeds are disbursed to the projects and programs in the Expenditure Plan. Reimbursement of the County of Santa Cruz for the costs of this election shall be deferred until it can be paid from the Measure Revenues collected when the Transportation Tax goes into effect.

**Section 16. CONTRACT WITH STATE.** Prior to the operative date of this Ordinance, the Authority shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the Authority shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

**Section 17. TRANSACTIONS TAX RATE.** For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the County at the rate of one-half of one percent (0.5%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Ordinance.

**Section 18. PLACE OF SALE.** For the purposes of this Ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail

sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

**Section 19. USE TAX RATE.** An excise tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.5%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

**Section 20. ADOPTION OF PROVISIONS OF STATE LAW.** Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code and Part 1.6 of Division 2 (commencing with Section 7251) of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Ordinance as though fully set forth herein.

**Section 21. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES.** In adopting the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code:

- A. Wherever the State of California is named or referred to as the taxing agency, the name of this Authority shall be substituted therefor. However, the substitution shall not be made when:
1. The word "State" is used as a part of the title of the State Controller, State Treasurer, Victim Compensation and Government Claims Board, State Board of Equalization, State Treasury, or the Constitution of the State of California;
  2. The result of that substitution would require action to be taken by or against this Authority or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.
  3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
    - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
    - b. Impose this tax with respect to certain sales, storage, use or other consumption of tan-

gible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word “County” shall be substituted for the word “State” in the phrase “retailer engaged in business in this State” in Section 6203 and in the definition of that phrase in Section 6203.

**Section 22. PERMIT NOT REQUIRED.** If a seller’s permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor’s permit shall not be required by this Ordinance.

**Section 23. EXEMPTIONS AND EXCLUSIONS.**

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
  4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.
  5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this County of tangible personal property:
1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
  2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
  3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
  4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
  5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
  6. Except as provided in subparagraph (7), a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County

under the authority of the retailer.

7. “A retailer engaged in business in the County” shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.

- D. Any person subject to the use tax under this Ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a County imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

**Section 24. AMENDMENTS.** All amendments subsequent to the effective date of this Ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance. Other amendments to this Ordinance shall require a two-thirds (2/3) vote of the total membership of the Authority.

**Section 25. EXPENDITURE PLAN UPDATES AND AMENDMENTS.**

- A. This Ordinance and Expenditure Plan may be amended to provide for the use of additional federal, state, and local revenues, to account for unexpected revenues, or to take into consideration unforeseen circumstances. Should a project implementing agency determine that a planned project has become undeliverable, infeasible or unfundable due to circumstances unforeseen at the time this Ordinance and Expenditure Plan were created, or should a project not require all funds programmed for that project or have excess funding, funding set forth at project termination will be reallocated to another project or program of the same type or otherwise serving the same objectives.
- B. The Ordinance and Expenditure Plan may only be amended, if required, by the following process set forth in Section 180207 of the Public Utilities Code: (1) Initiation of amendments by the Authority reciting findings of necessity; (2) Provision of notice and a copy of the amendments provided to the Board of Supervisors and the City Councils in Santa Cruz County; (3) The proposed amendments shall become effective 45 days after notice is given. Amendments shall require a two-thirds (2/3) vote of the total membership of the Authority.

**Section 26. MAINTENANCE OF EFFORT.** Pursuant to California Public Utilities Code 180001(e), it is the intent of this Ordinance that funds generated by the Transportation Tax be used to supplement and not replace existing revenues used for transportation purposes.

Existing funds, revenues and other resources being used for transportation purposes include but are not limited to federal and state funding, the collection of traffic impact mitigation fees, other local impact fees, and dedications of property. The funds generated by the Transportation Tax shall not be used to replace existing transportation funding or to replace requirements for new development to provide for its own transportation needs. The entities receiving Measure Revenues shall maintain their existing commitment of discretionary local transportation-related expenditures for transportation purposes pursuant to this ordinance, and the Authority shall enforce this Section by appropriate actions, including fiscal audits of the local agencies.

**Section 27. ENJOINING COLLECTION FORBIDDEN.** No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the Authority, or against any officer of the State or the Authority, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

**Section 28. ANNUAL APPROPRIATIONS LIMIT.** The annual appropriations limit of the Authority pursuant to Section 4 of Article XIII B of the California Constitution and Section 180202 of the Public Utilities Code shall be established at a sum equal to the amount of all proceeds of the Transportation Tax collected annually, and as defined by said Article XIII B. The appropriations limit shall be subject to adjustment as provided by law.

**Section 29. SEVERABILITY.** If any provision of this ordinance or the application thereof to any person or circumstance is held invalid or unenforceable by a court of competent jurisdiction, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby, and the Authority declares that it would have passed each part of this Ordinance irrespective of the validity of any other part.

**Section 30. CAPTIONS.** The titles and headings to the sections set forth in this ordinance are not part of this ordinance and shall have no effect upon the construction or interpretation of any part hereof.

**Section 31. ENVIRONMENTAL.** This Ordinance is not a project as defined in Section 15378 of the California Environmental Quality Act (CEQA) Guidelines and is therefore exempt from CEQA requirements. Approval of this Ordinance and Expenditure Plan does not commit to implementation of any specific project or activity listed herein. Prior to commencement of any specific project or activity identified in the Expenditure Plan, applicable provisions of the California Environmental Quality Act (CEQA) shall be completed.

**Section 32. TAXPAYER SAFEGUARDS, AUDITS, AND ACCOUNTABILITY.** Accountability is of utmost importance in delivering public investments with public dollars. In order to ensure accountability, transparency and public oversight of all funds collected and allocated under this Measure and to comply with state law, all of the following shall apply:

- A. Annual Report.** Each agency receiving Measure Revenue shall annually adopt, after holding a public hearing, an annual report which includes 1) a five-year program of projects including information about each of the projects to be funded with Measure Revenues allocated according to the Expenditure Plan. Local and regional agencies shall submit their program of projects to the Authority in a format that can be easily understood by members of the public. 2) Description of expenditures of Measure Revenues from the most recently completed fiscal year. The purpose of requiring the most recently completed fiscal year expenditures is to allow the Authority to prepare a comprehensive report to the public on the expenditure of funds generated by this Ordinance.
- B. Annual Audit.** No less than annually, an independent annual audit shall be conducted of the expenditure of all funds generated by the transportation tax. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with this Plan as adopted by the voters in approving the Ordinance on November 8, 2016. The Authority will also prepare a publicly available annual report on past and upcoming activities and publish an annual financial statement.
- C. Independent Oversight Committee.** An Independent Oversight Committee shall be formed by the Board of Directors of the Authority to review the annual independent fiscal audit of the expenditure of the Transportation Tax funds and issue an annual report on its findings regarding compliance with the requirements of the Expenditure Plan and the Ordinance to the Authority Board of Directors. The total membership of the Independent Oversight Committee shall not exceed five (5) members and any vacancy which may occur from time to time shall be filled by the Board of Directors of the Authority as soon as reasonably possible.

Members of the Independent Oversight Committee shall be residents of Santa Cruz County who are neither elected officials of any government, nor employees from any agency or organization that either oversees or implements projects funded from the proceeds of the sales tax. Members will fairly represent the geographical, social, cultural, and economic diversity of Santa Cruz County to ensure maximum benefit for transportation users. The Committee shall include at least one person with an accounting or fiscal management background.

Independent Oversight Committee meetings will be announced in advance and will be open to the general public. The Independent Oversight Committee shall meet at least once but no more than four times per year.

The responsibilities of this Committee include:

- Reviewing Expenditure Plan expenditures on an annual basis to ensure they conform to the Ordinance.
- Reviewing the annual audit and report prepared by an independent auditor, describing how funds were spent.
- Produce a publicly available Annual Report of Oversight Activities.

- D.** Decisions regarding implementation of this Ordinance will be made by the Authority in public

meetings, subject to the Brown Act.

**Section 33. EFFECTIVE DATE.** This Ordinance relates to the levying and collecting of the retail transactions and use tax and shall take effect immediately, subject only to the Operative Date set forth in this Ordinance.

**Section 34. TERMINATION DATE.** The authority to levy the tax imposed by this Ordinance shall expire thirty (30) years from the Operative Date of this ordinance (with the last operative date anticipated to be March 31, 2047).

The foregoing Ordinance was PASSED AND ADOPTED by the Santa Cruz County Regional Transportation Commission (SCCRTC), on June 16, 2016, by the following vote:

AYES: Don Lane, John Leopold, Ryan Coonerty, Ed Bottorff, Karina Cervantez, Cynthia Chase, Jimmy Dutra, Dennis Norton, Bruce McPherson

NOES: Randy Johnson, Greg Caput

ABSENT: Zach Friend



Don Lane, Chair

Attest:



George Dondero, Executive Director

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**Santa Cruz County**  
**2016 Measure D: Transportation Improvement Expenditure Plan**  
*- Approved by over 2/3 of Santa Cruz County voters on November 8, 2016 -*

**Overview**

Measure D, the 2016 Transportation Improvement Expenditure Plan for Santa Cruz County provides a balanced vision to improve, operate and maintain Santa Cruz County’s transportation network. Projects in the Expenditure Plan will provide safer routes to schools for local students; maintain mobility and independence for seniors and those with disabilities; invest in bicycle and pedestrian pathways and bridges on an unprecedented scale; repave roadways, repair potholes and improve safety on local streets; ease congestion on major roadways; and invest in transportation projects that reduce the pollution that causes global warming.

<b>SUMMARY OF TRANSPORTATION INVESTMENTS</b>	<b>% of Funds</b>
<b>Neighborhood Projects</b>	
<b>Direct Allocation to Cities and County</b>	<b>30%</b>
Local roadway pavement repair and operational improvements, school and neighborhood traffic safety projects, bicycle and pedestrian projects	
<b>San Lorenzo Valley Hwy 9 Corridor Improvements</b> - \$10 million	
<b>Highway 17 Wildlife Crossing</b> - \$5 million	
<b>Highway Corridors</b>	
<b>Highway 1 Corridor</b>	<b>25%</b>
Auxiliary lanes that separate entering and exiting traffic from through lanes to improve traffic flow and safety: 41st Ave-Soquel Dr; Bay/Porter-Park; State Park-Park	
Bicycle and pedestrian over-crossings	
<b>Traveler Information and Transportation Demand Management</b>	
<i>Example Programs:</i> Cruz511, Carpool/Vanpool Programs	
<b>Highway Safety and Congestion Reduction Programs</b>	
<i>Example Programs:</i> Freeway Service Patrol and Safe on 17 Enforcement	
<b>Transit for Seniors and People with Disabilities</b>	
<b>Direct Allocation to Service Providers</b>	<b>20%</b>
Santa Cruz METRO (16%)	
Community Bridges Lift Line Paratransit Service (4%)	
<b>Active Transportation</b>	
<b>Monterey Bay Sanctuary Scenic Trail (Coastal Rail Trail)</b>	<b>17%</b>
Bike and pedestrian trail construction; maintenance, management and drainage of rail and trail corridor; install conduit for internet and electrical services	
<b>Rail Corridor</b>	
<b>Infrastructure Preservation and Analysis of Options</b>	<b>8%</b>
<i>Example Projects:</i> Analysis (including environmental analysis) of both rail transit and non-rail options for the corridor; rail line maintenance and repairs	
<b>Total</b>	<b>100%</b>

## **DESCRIPTION OF PROJECTS AND PROGRAMS TO BE FUNDED**

The Expenditure Plan identifies transportation projects to be funded from a new one-half of one percent transactions and use tax, to be collected for thirty (30) years, if two-thirds of voters approve the ballot measure in 2016. The Expenditure Plan was approved by the voters of Santa Cruz County as a means to address insufficient funding to meet current and projected transportation needs in Santa Cruz County. Given current sales tax receipts, one-half of one percent transaction and use tax is expected to generate \$17 million a year in 2016 dollars, totaling approximately \$500 million for transportation investments. These local funds can be used to leverage state and federal transportation funds that would otherwise be unavailable. The investments described in the Expenditure Plan reflect the best efforts to achieve consensus among varied transportation needs of Santa Cruz County residents.

Three types of investments are funded in the Expenditure Plan: investment categories which are allocated a percentage of net revenues, capital investments which are allocated specific dollar amounts, and ongoing direct allocations of a percentage of net revenues to cities, the County of Santa Cruz, and transit operators for capital projects and operations. The following describes the investments funded by the 2016 Measure D: Transportation Improvement Expenditure Plan for Santa Cruz County.

### **Neighborhood Projects – 30% per year**

#### **Direct Allocation to Cities and County**

The existing local street and road, bicycle, and pedestrian systems are critical to the everyday movement of people within the county. Much of the local roadway system is aging, has potholes, and is in need of major repair. Continued deferred maintenance will result in an exponential increase in the cost of maintaining the roadway system. Additionally, many sections of the county currently have inadequate facilities for bicyclists and pedestrians to travel safely. Current resources, without generation of new revenues for transportation, cannot provide adequate funding to maintain the local roadway system at the level necessary to adequately serve the public or expand the bicycle and pedestrian system to encourage more users.

Approximately \$135 million (\$4.5 million per year) in Measure Revenues will be allocated to the cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville and the County of Santa Cruz for transportation projects. Projects to be funded with Measure Revenues may include: fixing potholes, local roadway repairs, rehabilitation, reconstruction and intersection improvements; new and improved sidewalks, crosswalks and bicycle lanes and paths, especially near schools; and other transportation projects as necessary for the benefit of residents in those jurisdictions. The County of Santa Cruz and the cities of Capitola, Santa Cruz, Scotts Valley and Watsonville, who are best able to determine their local transportation needs, shall each prepare an annual report through a public process to identify how they plan to spend their share of measure funds and how measure funds were spent in the prior year.

Funds will be distributed at least quarterly to cities and the County of Santa Cruz

based on each jurisdiction's proportional share of the countywide population (29%), lane miles of roadway (39%) and site where the Measure Revenue from the transaction and use tax is generated (32%). Population, road mile, and tax site generation figures will be updated each year based on the latest available data.

### **San Lorenzo Valley Highway 9 Corridor**

Ten (\$10) million in Measure Revenues is designated for transportation projects improving travel for residents of San Lorenzo Valley. Example projects may include:

- Safety projects for people walking, biking or driving in the Highway 9 corridor through San Lorenzo Valley
- Projects that provide safe access to schools along or near Highway 9
- Intersection and signal improvements
- Bicycle lanes, paths and/or signage
- Accessible pedestrian crosswalks and sidewalks, including lighting and flashing pedestrian beacons that increase visibility
- Improved access to bus stops and bus service

### **Highway 17 Wildlife Crossing**

Highway 17 is a major connection between the Monterey Bay Region and San Francisco Bay Area. The dense traffic, concrete median barriers, and lack of drainage culverts and/or bridge undercrossings makes Highway 17 a major barrier for wildlife moving through the Santa Cruz Mountains. Mountain lions, bobcats and deer have all been hit trying to cross Highway 17 which also makes it dangerous for the motorists. Five (\$5) million in Measure Revenues will be allocated for construction of a safe passage for wildlife to cross under Highway 17. This project will improve safety for both drivers and wildlife.

### **Highway Corridors – 25%**

Aging highway systems continue to operate under high traffic volumes as population, and thus demand for moving people and goods increases. State highways provide essential mobility for Santa Cruz County residents, businesses, and visitors. The highway corridors are the region's main thoroughfares with Highway 1 carrying over 100,000 people daily. Measure Revenues are needed to improve traffic flow and safety as state and federal formula funds do not fund most highway improvements in Santa Cruz County. Measure Revenues (25% or approximately \$125 million total) will be allocated to Highway 1 and Highway 17 corridor projects to increase the safety and efficiency of these corridors in Santa Cruz County.

### **Highway 1 Corridor**

Highway investments included in the Expenditure Plan, improve traffic flow and safety on Highway 1, especially for South County and Mid-County commuters, small businesses, bus riders and first responders (law enforcement, fire, medical) by adding auxiliary lanes between three interchanges: 41st Ave-Soquel Dr; Bay Ave/Porter St-Park Ave; and State Park Dr-Park Ave. Auxiliary lanes are lower cost highway projects that can improve flow by separating entering or exiting traffic from the through lanes. Approximately 10% of all of the injuries and fatalities in Santa Cruz County in 2013 occurred between Soquel Dr and Park Ave on Highway 1. Auxiliary lanes can help to improve safety on this high traffic volume corridor.

### **New bridges for cyclists and pedestrians**

Highways can separate neighborhoods and make it harder to ride a bike or walk to access locations of interest. In order to improve bicycle and pedestrian movement between neighborhoods, employment, retail, medical, and recreation sites on either side of Highway 1, Measure Revenues can be used to construct bicycle/pedestrian bridges crossing over Highway 1 including crossings in Live Oak near Chanticleer Avenue and in Aptos/Seacliff near Mar Vista Elementary School. Measure Revenues can also improve bicycle and pedestrian facilities on existing crossings.

### **Traveler Information and Transportation Demand Management**

The efficiency of the existing transportation system can be increased by promoting use of transit, carpooling, vanpooling, as well as bicycling and walking. Transportation demand management strategies can reduce the number of vehicles on our roadways especially during peak periods. Examples of transportation demand management programs that could be funded by this measure include "Cruz511", the traveler information service for Santa Cruz County, and carpool/vanpool programs.

### **Highway Safety and Congestion Reduction Programs**

Improving safety is a primary goal of this measure. Programs that reduce fatal and injury collisions on highways and reduce congestion are also funded by Measure Revenues. Examples of programs that improve safety and reduce congestion are the Safe on 17 Task Force and the Freeway Service Patrol (roving tow trucks that remove stalled or disabled vehicles, debris, and other obstructions that may cause backups).

### **Transportation for Seniors and People with Disabilities – 20% per year**

#### **Direct Allocation to Service Providers**

Seniors and disabled persons make up an increasing percentage of Santa Cruz County's population. For seniors and persons with disabilities, access to healthcare, social services, shopping, and recreation is key to quality of life. A number of specialized transportation programs have been implemented which meet specialized needs for transportation to medical services, social service programs, shopping and other purposes that cannot be met by conventional bus transit. An aging population will require maintenance and expansion of transit and paratransit services for elderly and disabled residents into the future.

Measure Revenues (16% or approximately \$2.75 million per year) will be distributed to Santa Cruz Metropolitan Transit District (METRO) to provide transit and paratransit service for seniors and people with disabilities. Measure Revenues (4% or approximately \$680,000 per year) will be allocated to the Consolidated Transportation Services Agency for Santa Cruz County (Community Bridges-Lift Line) for paratransit service. Paratransit works with social service agencies to increase transportation options for seniors, individuals with disabilities, and persons with low incomes. Funds will be distributed at least quarterly.

### **Active Transportation – 17%**

### **Monterey Bay Sanctuary Scenic Trail (Coastal Rail Trail)**

Measure Revenues (17% or approximately \$85 million total) will be allocated for the Monterey Bay Sanctuary Scenic Trail Network, otherwise known as the Coastal Rail Trail, for people walking and bicycling along the coast in Santa Cruz County. The coastal rail and trail corridor connects Watsonville, Aptos, Capitola, Live Oak, Santa Cruz, and Davenport and links to trails in Monterey County. The trail offers spectacular views of the Monterey Bay, historic trestles, and a flat surface free of automobile traffic. This trail will provide kids, commuters and recreational bicyclists and walkers a safe and enjoyable way to travel. Funds will be used for trail construction, maintenance, operation, management and drainage of the rail and trail corridor and will leverage other state and federal grants for completion of the trail network.

### **Rail Corridor – 8%**

#### **Infrastructure Preservation and Analysis of Options**

Eight percent of Measure Revenues (approximately \$40 million total) will be used for preservation of the Rail Corridor infrastructure and analysis of its future potential use to better serve Santa Cruz County residents and visitors. Projects include analysis (including environmental and economic analysis) to answer important community questions about possible future transit and other transportation uses of the corridor through an open, transparent public process; and maintaining and repairing the publicly-owned Santa Cruz Branch Rail Line. The Measure Revenues do not include funding for any new train/rail service. If the Regional Transportation Commission determines that the best use of the corridor is an option other than rail transit, funds may be utilized for other transportation improvements along and near the corridor.

#### **Notes**

*(1) Estimated revenues from a ½-cent transaction and use tax are \$17 million per year (in 2016 dollars) for 30 years. The present value (i.e., present day purchasing power) of the Measure Revenues is forecasted to be approximately \$500 Million. The actual revenues to be received over the 30-year life of the tax will be affected by various economic factors, such as inflation and economic growth or decline. The estimated amounts for each category reflect the allocation of approximately \$500 Million. The estimated amounts for each category, divided by \$500 Million, establishes ratios for the allocation among the categories. While total revenues will vary, the net percentages to each investment category will remain constant over the 30-year life of the tax.*

*(2) Percentages are net after costs required for administration, implementation and oversight of the measure -- including annual independent fiscal audits, reports to the public, preparation and implementation of state-mandated reports, oversight committee, and other administration, implementation and oversight responsibilities as may be necessary to administer and implement the Ordinance and the Expenditure Plan. Administrative salaries and benefits shall not exceed 1% of total Measure Revenues.*

*(3) If bonding is used to advance implementation of any of these projects, finance costs will be paid from the percent of funds designated for the associated investment category.*

*(4) It is anticipated that a portion of the total costs of the projects included in the Expenditure Plan will also be funded from federal, state, and local sources, as described in the*

*Regional Transportation Plan (RTP).*

*(5) Outside of the funds to local jurisdictions and transit agencies which will be allocated on an ongoing basis, based on revenues generated, the Santa Cruz County Regional Transportation Commission shall allocate Measure Revenues to all other categories of transportation projects and specific capital projects. Capital investments will be made based upon clearly defined project descriptions and limits resulting from the outcomes of environmental analyses, design engineering, and public input, as applicable.*

*(6) In the event that any agency that is designated funds through the Expenditure Plan is dissolved, the redistribution of funds will be based on the same formulas minus the dissolved agency. New or successor entities that come into existence in Santa Cruz County during the life of the Expenditure Plan, such as incorporation of a new city, merging of agencies, or designation of a new agency as the county Consolidated Transportation Services Agency or transit agency, may be considered as eligible recipients of funds through the amendment process as set forth in the Ordinance.*

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## Appendix 2 – Five Year Plans for Regional Programs and Projects

### Measure D: 5-Year Program of Projects (FY19/20-23/24)

*Approved 6/6/19; Amended 11/7/19*

Category: **Neighborhood Projects: San Lorenzo Valley (SLV)/Highway 9 Corridor (\$10 million over 30 years)**

	Name/Road/Limits	Description	Planned Use					Total Measure D	2019 Updates	
			Prior Years	FY19/20	FY20/21	FY21/22	FY22/23			FY23/24
1	San Lorenzo Valley (SLV) Safe Routes to Schools -Pre-construction & grant match	Add pathways to SLV tri-school campus entrance south to at least Fall Creek Rd)	\$0		\$1,000,000				\$1,000,000	<i>Increase from \$750k to \$1 million and shift funds to FY20/21 to match anticipated grant application timing.</i>
2	Preliminary scope and engineering documents for near term projects	Develop engineers estimates, prelim. designs, and initial screening, implementation documents needed to secure funds for priority projects; may include engineering needed to integrate complete streets components into SHOPP projects.	\$0	\$250,000					\$250,000	<i>NEW. Needed for programming documents and to prepare grant applications for priority projects identified in the SLV Complete Streets Plan</i>
3	Hwy 9 Pedestrian Crosswalks and Enhancements	Stripe new crosswalks and add RRFBs, ladder striping, etc to several existing crosswalks	\$0	\$30,000					\$30,000	<i>New project. \$250,000 HSIP grant secured, with Measure D expected to cover balance of costs.</i>
4	Hwy 9/SLV Corridor Plan - Completion of plan	Community-based comprehensive corridor plan, identifying priority transportation projects.	\$50,000						\$50,000	<i>No change</i>
5	Farmer St. Road Repair (alternate ped/bike route to Hwy 9)	Resurfacing Farmer Street, a pedestrian bypass to access SLV Schools Campus	\$0	\$15,000					\$15,000	<i>Added 11/7/19</i>
<b>Estimated Annual Measure D Expenditures</b>			<b>\$50,000</b>	<b>\$295,000</b>	<b>\$1,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		

**Measure D: 5-Year Program of Projects (FY19/20-FY23/24)**

*Approved 6/6/19*

Category: **Highway 17 Wildlife Corridor (\$5 million over 30 years)**

	Name/Road/Limits	Description	Planned Use						Future Debt Service*	Total Measure D	2019 Updates
			Prior Years	FY19/20	FY20/21	FY21/22*	FY22/23*	FY23/24			
1	Highway 17 Wildlife Crossing near Laurel Curve	Construct wildlife undercrossing to connect habitat on either side of the highway. Creates a wildlife corridor enabling animals to safely cross the highway. Includes \$15k/year RTC costs associated with oversight, agreements, financing, coordination, and public engagement.	\$0	\$15,000	\$15,000	\$2,015,000	\$2,015,000	Debt service payments TBD	\$946,090	\$5,006,090	<i>No expenditures pre-FY19/20. Includes placeholder for financing to advance project delivery. Updated interest estimates.</i>
<b>Estimated Annual Measure D Expenditures</b>			<b>\$0</b>	<b>\$15,000</b>	<b>\$15,000</b>	<b>\$2,015,000</b>	<b>\$2,015,000</b>	<b>\$0</b>			

**Measure D: 5-Year Program of Projects (FY19/20-FY23/24)**

*Approved 6/6/19. Amended 6/27/19. PROPOSED CHANGES underlined, and will be taken for board approval on 3/5/20*

Category: **Highway Corridors (25% of Measure D Revenues)**

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			Planned Use					Total Measure D	2020 Updates	2019 Updates	
	Name/Road/Limits	Description	Prior Years	FY19/20	FY20/21	FY21/22	FY22/23				FY23/24
1	Highway 1: Auxiliary Lanes and Bus on Shoulder from 41st to Soquel; Chanticleer Bike/Pedestrian Overcrossing (1)	Freeway operational improvement, bus on shoulder improvements, rehab roadway and drainage, improve bicycle/pedestrian access over freeway.	\$600,000	\$350,000	<u>\$4,350,000</u>	\$350,000	<u>\$100,000</u>	\$0	<u>\$5,006,090</u>	<i>Additional \$4million for construction grant match; added \$100k for PM in 22/23.</i>	<i>No expenditures pre-FY19/20. Includes placeholder for financing to advance project delivery. Updated interest estimates.</i>
2	Highway 1: Auxiliary Lanes & Bus on Shoulder from State Park to Bay-Porter, and Reconstruction of Capitola Avenue Overcrossing (2)	Freeway operational improvement, bus on shoulder improvements, soundwalls and retaining walls, reconstruct Capitola Ave. overcrossing with sidewalks and bike lanes	\$60,000	<u>\$693,168</u>	<u>\$2,510,000</u>	<u>\$2,330,000</u>	\$400,000	\$0	<u>\$5,993,168</u>	<i>Updated cost estimates.</i>	<i>Shifted funds for PA/ED to FY19/20 &amp; reduced amount based on cost savings; PS&amp;E phase into FY20/21. Added funds in 21/22 for ROW (\$1.8M capital + \$180k support). Added funds in 22/23 for DSDC &amp; PM. Will seek SB1 SCCP and LPP cycle 2 funds for construction.</i>
3	<u>Highway 1: Auxiliary Lanes &amp; Bus on Shoulder from Freedom to State Park, and Reconstruction of two railroad bridges, and widening of the bridge over Aptos Creek/Spreckles Drive (2)</u>	Freeway operational improvement, bus on shoulder improvements, soundwalls and retaining walls, reconstruct 2 railroad bridges and widen bridge over Aptos Creek/Spreckles Drive	\$0	<u>\$4,300,000</u>	<u>\$5,730,000</u>	<u>\$824,000</u>	<u>\$3,660,000</u>	\$0	<u>\$14,514,000</u>	<i>Program funds for pre-construction phases. Will seek competitive grants for future phases.</i>	
4	Highway 1 Bicycle/Pedestrian Overcrossing at Mar Vista Drive (3)	Implementation \$48.5k. RTC oversight and assistance to address restricted bike/ped access by building new overcrossing with lighting, traffic calming, and moderate aesthetic treatments	\$0	\$148,500	\$100,000	\$100,000			\$348,500	<i>No change</i>	<i>\$300k for RTC oversight and assistance., previously programmed for CON. Will seek SB1 SCCP, LPP, and/or ATP funds for construction. Additional \$48,500 approved 6/27/19.</i>
5	Santa Cruz County Regional Conservation Investment Strategy - Grant match	Match to Wildlife Conservation Board grant for early mitigation planning for transportation projects.	\$0	\$25,500					\$25,500	<i>No change</i>	<i>Approved by RTC May 2, 2019</i>
6	Cruz 511-Traveler Information and Commute Manager	Ongoing system & demand management (TDM), includes Cruz511.org traveler information, carpool and other TDM programs	\$200,000	\$250,000	\$250,000	\$200,000	\$200,000	\$200,000	\$1,300,000	<i>No change</i>	<i>Funds added in FY19/20 and FY20/21; may issue "call for projects/RFP" for assistance growing TDM employer participation using new Trip Planner. FY23/24 added.</i>

Category: **Highway Corridors (25% of Measure D Revenues - CONTINUED)**

			Planned Use						Total Measure D	2020 Updates	2019 Updates
	Name/Road/Limits	Description	Prior Years	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24			
7	Safe on 17	Ongoing system management program, involves increased CHP enforcement on Highway 17	\$25,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$275,000	No change	Increased from \$25k to \$50k per year.
8	Unified Corridor Investment Study	Analysis of Highway 1 corridor projects	\$200,000	\$0	\$0	\$0	\$0	\$0	\$200,000	No change	No change. Project completed in FY18/19
9	Freeway Service Patrol <sup>(4)</sup>	Ongoing system management and congestion reducing program. Roving tow trucks removing incidents and obstructions during peak travel periods on Hwy 1 and Hwy 17	\$118,813	\$122,213	\$150,000	\$165,000	\$181,500	\$199,650	\$937,176	No change	Funds for FY23/24 added; lower amounts used/budgeted-anticipated FY17/18 - FY19/20 --- SB1 providing additional funds.
<b>Estimated Annual Measure D Expenditures</b>			<b>\$1,303,813</b>	<b>\$7,772,549</b>	<b>\$17,440,000</b>	<b>\$6,499,000</b>	<b>\$4,991,500</b>	<b>\$449,650</b>	<b>\$29,343,344</b>		

**Notes:**

- Hwy 1 41st/Soquel Aux Lane and Chanticleer B/P Overcrossing:** Previously programmed funds used for preliminary and final engineering design and right-of-way phases over the period FY 17/18-through-FY 19/20. Measure D funds for PS&E and Project Management activities. RTC will target SCCP and LPP Cycle 2 or could decide at future date whether to utilize bond or other financing.
- Hwy 1 Auxiliary Lanes from State Park Drive to Bay/Porter Project:** Measure D funding for preliminary design and environmental documentation (FY 18/19- FY 19/20) assumes PS&E will be advanced in FY 20/21, and right-of-way acquisition occurring in FY 21/22. RTC will target SCCP and LPP Cycle 2 or could decide at future date whether to utilize bond or other financing.
- Mar Vista Bicycle/Pedestrian Overcrossing:** Previously programmed funds used for project development and construction activities. \$300k Measure D funds to supplement project management and public outreach support activities as needed. \$48,500 replaces RSTPX previously programmed, that was shifted to Scott Creek. RTC will target SCCP and LPP Cycle 2 or could decide at future date whether to utilize bond or other financing.
- Freeway Service Patrol:** Through state budget/SB1 more Caltrans funds became available reducing Measure D needed

**Measure D: 5-Year Program of Projects (FY19/20-FY23/24)**

*Approved 6/6/19. Amended 12/5/19.*

Category: **Active Transportation/MBSST-Rail Trail (17% of Measure D Revenues)**

	Name/Road/Limits	Description	Planned Use					Total Measure D	2019 Updates	
			Prior Years	FY19/20	FY20/21	FY21/22	FY22/23			FY23/24
1	Segment 7: Natural Bridges to Bay/California (Phase I), Bay/Californiat to Wharf (Phase II), City of Santa Cruz (SC) lead	Allocation to City of Santa Cruz for Segment 7 rail trail	--->	\$2,100,000	\$0	\$0	\$0	\$0	\$2,100,000	<i>Shift \$1.1M for ph. 1 to FY19/20 &amp; add \$1 million per City of SC request for Phase 2 for construction, contingent on city securing other funds for balance of Ph. 2. Shift capital funds to FY19/20 based on updated schedule.</i>
1A	Segment 7: Natural Bridges to Bay/California (Phase I), Bay/Californiat to Wharf (Phase II), City of Santa Cruz (SC) lead	RTC project management, oversight, outreach and technical assistance (consultants, legal, Environmnetal Health Services & ROW)	\$91,972	\$100,000	\$50,000	\$0	\$0	\$0	\$241,972	<i>Update RTC and technical assistance costs (previously \$245k).</i>
2	Seg 8: San Lorenzo River trestle widening, City of Santa Cruz	Allocation to City of SC for widening of existing walkway on the existing railroad bridge over San Lorenzo River near Boardwalk	\$500,000	\$0	\$0	\$0	\$0	\$0	\$500,000	<i>No change</i>
2A	Seg 8: San Lorenzo River trestle widening, City of Santa Cruz	RTC project management, oversight, outreach and technical assistance (consultants, legal, Environmnetal Health Services & ROW)	\$12,500	\$10,000	\$0	\$0	\$0	\$0	\$22,500	<i>Updates RTC and technical assistance costs (previously \$15k)</i>
3	Seg 8/9: SC Wharf to 17th Ave., City of SC lead (partnership with County)	Allocation to City of SC: \$2M set aside to serve as match for construction grants. Joint project with County.	\$0	-	--->	--->	\$2,000,000	\$0	\$2,000,000	<i>Shifted funds from FY 20/21</i>
3A	Seg 8/9: SC Wharf to 17th Ave., City of SC lead (partnership with County)	RTC project management, oversight, outreach and technical assistance (consultants, legal, Environmnetal Health Services & ROW)	\$0	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000	<i>Add FY22/23 and FY23/24 estimates.</i>
4	City of SC trail maintenance and operations	Ongoing maintenance. Includes restriping, sweeping, vegetation management, mitgations, and periodic repaving.	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000	<i>Add FY23/24 at same level; add \$25K to FY19/20</i>
5	Segment 18: Lee Rd-Walker, Watsonville	Allocation to City of Watsonville for trail construction.	\$0	\$150,000	\$0	\$2,800,000	\$0	\$0	\$2,950,000	<i>Shift funds to match current schedule and add \$2.8M of city's \$3.8M request, contingent on city securing other funds for balance of construction cost.</i>
5A	Segment 18: Lee Rd-Walker, Watsonville	RTC project management, oversight, outreach and technical assistance (consultants, legal, Environmnetal Health Services & ROW)	\$62,775	\$20,000	\$20,000	\$20,000	\$0	\$0	\$122,775	<i>Updates RTC and technical assistance costs, adding funds in FY20/21-21/22.</i>

Category: **Active Transportation/MBSST-Rail Trail (25% of Measure D Revenues) - CONTINUED**

			Planned Use							
	Name/Road/Limits	Description	Prior Years	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	Total Measure D	2019 Updates
6	City of Watsonville trail maintenance and operations	Ongoing maintenance. Includes restriping, sweeping, vegetation management, mitigations, and periodic repaving.	\$0	\$0	\$10,000	\$11,000	\$11,000	\$11,000	\$43,000	Add funds for FY23/24 maintenance.
7	North Coast Segment 5	RTC project mgmt, oversight, outreach and technical assistance (EIR consultants, legal, Environmental Health Services & ROW)	\$1,216,939	\$240,000	\$160,000	\$150,000	\$0	\$0	\$1,766,939	Updated costs
8	North Coast Segment 5: trail maintenance and operations	Ongoing maintenance of sections of trail once constructed. Includes restriping, sweeping, vegetation management, mitigations, and periodic repaving.	\$0	-	---	\$100,000	\$125,000	\$125,000	\$350,000	Deleted FY21/22 funds, adds funds for FY23/24.
9	North Coast Seg 5: Trail construction and reserve to match grants	Funds to serve as match to grant application(s)	\$0	\$0	\$3,825,000	-	-	\$0	\$3,825,000	12/5/19-RTC added \$125,000 for Davenport crosswalk
10	Segment 10-12: Segment 10 (17th-47th/Jade St. park), Seg 11 (Monterey to St. Park Dr), & Seg 12 (St Park to Aptos Creek Rd) PA/ED	Allocation to County DPW: Environmental Review and Preliminary design, right of way research/surveys, assessments, and grant writing services. County DPW-Capitola project.	\$0	\$1,333,333	\$1,333,333	\$1,333,333	\$0	\$0	\$4,000,000	Expand scope. Increase from \$200K previously allocated to Seg 10 to \$4M total for expanded project length and level of analysis.
10	Segment 10-12 Oversight and technical assistance	RTC project mgmt, oversight, outreach and technical assistance (consultants, legal, Environmental Health Services & ROW)	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000	Increased funds due to expanded scope; added FY23/24
11	Capitola Trail: City Hall to Monterey Ave	RTC project management, oversight, outreach and technical assistance (consultants, legal, Environmental Health Services & ROW)	\$0	\$15,000	\$0	\$0	\$0	\$0	\$15,000	Costs prior to FY19/20 shown in overall program management below
12	Ongoing RTC oversight, coordination, and assistance, including on development of future trail sections.	RTC: Surveys, Environmental Health (EHS), legal, stakeholder coordination, response to public comments, and development of future projects/grant applications	\$304,767	\$235,000	\$210,000	\$285,000	\$345,000	\$345,000	\$1,724,767	Updated estimated costs, adds FY23/24
13	Santa Cruz County Regional Conservation Investment Strategy - Grant match	Match to Wildlife Conservation Board grant for early mitigation planning for transportation projects.	\$0	\$17,340					\$17,340	New - approved by RTC May 2, 2019
14	Corridor encroachments & maintenance	Ongoing corridor maintenance, including vegetation, tree removal, trash, graffiti, drainage, encroachments, storm damage repairs outside of what is required for railroad operations	\$502,724	\$499,250	\$519,250	\$519,250	\$519,250	\$519,250	\$3,078,974	Updated estimated costs FY17/18-19/20 (slightly lower), adds FY23/24
<b>Estimated Annual Measure D Expenditures</b>			<b>\$2,691,677</b>	<b>\$4,859,923</b>	<b>\$6,267,583</b>	<b>\$5,358,583</b>	<b>\$3,140,250</b>	<b>\$1,140,250</b>	<b>\$23,458,267</b>	

**Measure D: 5-Year Program of Projects (FY19/20-FY23/24)**

*Approved 6/6/19. Amended 6/27/19. Amended 10/3/19*

Category: **Rail Corridor (8% of Measure D Revenues)**

			Planned Use					Total Measure D	2019 Updates	
	Name/Road/Limits	Description	Prior Years	FY19/20	FY20/21	FY21/22	FY22/23			FY23/24
1	Unified Corridor Investment Study	Analysis of rail corridor usage options	\$775,000						\$775,000	<i>Adds \$150k in FY18/19 based on actual costs.</i>
1a	Alternatives Analysis	Analysis of high-capacity transit uses on rail corridor.	\$13,000	\$920,000					\$933,000	<i>10/19: Add \$370,000 (previously \$550,000). Includes consultant and staff time, and \$13k match to grant. Identified from the UCS as the next step for the rail corridor.</i>
2	2017 Storm Damage Repair & Cleanup	Repair and cleanup of damage resulting from the 2017 winter storms including one washout, minor slides and various downed or compromised trees	\$400,000	\$150,000					\$550,000	<i>Some work not covered by FEMA. Increased from \$400k.</i>
3	Railroad Bridge analysis	Updated engineering analysis of railroad bridges to complete bridge rehabilitation work outlined in engineering analysis completed in 2012	\$450,000						\$450,000	<i>No change. Bridge inspections completed in FY 18/19</i>
3a	Capitola Trestle Railroad Bridge analysis	Analysis of feasibility for building a trail on the bridge through Capitola Village and over Soquel Creek.	---	---	\$50,000				\$50,000	<i>Funds shifted to FY20/21 6/27/19</i>
4	Railroad Bridge Rehabilitation	Rehabilitation of railroad bridges consistent with analysis completed in 2012 and updated analysis proposed for 2018	---	\$500,000	\$1,700,000				\$2,200,000	<i>Funds respread to reflect current schedule.</i>
5	Track infrastructure and signage maintenance and repairs	On-going maintenance, repair and rehabilitation of railroad track infrastructure and signage	\$100,000	\$800,000	\$166,841	\$169,010	\$171,207	\$173,433	\$1,580,491	<i>Carryover unspent FY18/19 funds, add anticipated 19/20 repairs, &amp; 23/24 ongoing est.</i>
6	Rail Transit or Other Projects Environmental Document	Preparation of environmental documents for projects on rail corridor resulting from the Unified Corridor Study	\$0		\$650,000	\$1,150,000	\$1,450,000	\$750,000	\$4,000,000	<i>Shifted to reflect current schedule, after alternatives analysis; serve as match for future grants.</i>
7	Santa Cruz County Regional Conservation Investment Strategy - Grant match	Match to Wildlife Conservation Board grant for early mitigation planning for transportation projects.	\$0	\$8,160					\$8,160	<i>Shifted to reflect current schedule, after alternatives analysis; serve as match for future grants.</i>
8	Rail Agreement Lawsuit	Defense against CEQA lawsuit regarding the rail operator agreement	\$200,000	\$100,000					\$300,000	<i>Shifted to reflect current schedule, after alternatives analysis; serve as match for future grants.</i>
<b>Estimated Annual Measure D Expenditures</b>			<b>\$1,938,000</b>	<b>\$2,478,160</b>	<b>\$2,566,841</b>	<b>\$1,319,010</b>	<b>\$1,621,207</b>	<b>\$923,433</b>	<b>\$10,846,651</b>	

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# Appendix 3 – Request for Cooperative Agreement for Measure D Regional Projects

## Request for Cooperative Agreement (RCA)

The purpose of this Request for Cooperative Agreement (RCA) is to gather necessary information to prepare a Cooperative Agreement for Measure D regional programs or for projects to construct, maintain or provide artwork for a portion of the Monterey Bay Sanctuary Scenic Trail (MBSST), along the Santa Cruz Branch Rail corridor.

Is there an existing agreement for this project?       YES       NO

### Project Information

Project Location (City/County): \_\_\_\_\_  
MBSST Segment(s) \_\_\_\_\_  
Milepost Begin \_\_\_\_\_  
Nearest Grade Crossing \_\_\_\_\_  
Milepost End \_\_\_\_\_  
Nearest Grade Crossing \_\_\_\_\_

Project Description:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Will a telecommunication conduit be installed by either or both parties?

RTC       Local Agency

### Agreement Type

- |  |   |
|--|---|
| <input type="checkbox"/> Preliminary Engineering/Environmental Clearance | <input type="checkbox"/> Construction         |
| <input type="checkbox"/> Plans, Specification, and Estimate              | <input type="checkbox"/> Maintenance          |
| <input type="checkbox"/> Right of Way                                    | <input type="checkbox"/> Artwork Installation |

### RTC Information

Project Manager Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Office & Direct Phone: \_\_\_\_\_

Mobile (Optional): \_\_\_\_\_ Email: \_\_\_\_\_

*Signatory for RTC –*  
Name: \_\_\_\_\_ Title: \_\_\_\_\_

**Local Agency Information**

Is there more than one Local Agency involved with the project?

YES                       NO

Complete the below information for each Local Agency and attach to this RCA

Local Agency Name: \_\_\_\_\_

Project Manager Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Office Phone: \_\_\_\_\_ Direct: \_\_\_\_\_

Mobile (Optional): \_\_\_\_\_ Email: \_\_\_\_\_

*Billing Contact Information (if different from above)*

Billing Manager Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Office Phone: \_\_\_\_\_ Direct: \_\_\_\_\_

Mobile (Optional): \_\_\_\_\_ Email: \_\_\_\_\_

*Signatory for Local Agency –*

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*Attest for Local Agency –*

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*Attorney for Local Agency –*

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## Responsibilities

Sponsor(s) – Responsible for fully funding all commitments under this agreement. If there are cost overruns, sponsor(s) will be responsible for seeking additional funding or to reduce the scope of the project.

If more than one sponsor, indicate the percent distribution. The total sum must equal 100%.

RTC \_\_\_\_\_% Local Agency 1 \_\_\_\_\_% Local Agency 2 \_\_\_\_\_%

Implementing Agency – Responsible for managing the scope, cost, and schedule.

	RTC	Local Agency 1	Local Agency 2
Preliminary Engineering/Environmental Clearance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plans, Specification, and Estimate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Right of Way	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Construction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maintenance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Art Installation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Environmental and Permits

Environmental Clearance:

CEQA Lead \_\_\_\_\_

Type of document anticipated  CE  IS  EIR

NEPA Lead \_\_\_\_\_

Type of document anticipated  CE  EA  EIS

Which resource agency permits are anticipated for the project?

- |   |  |
|---|--|
| <input type="checkbox"/> U.S. Army Corps of Engineers 404                 | <input type="checkbox"/> NOAA/NMFS (Section 7 BO)            |
| <input type="checkbox"/> Regional Water Quality Control Board 401         | <input type="checkbox"/> U.S. Coast Guard Permit             |
| <input type="checkbox"/> Regional Water Quality Control Board             | <input type="checkbox"/> Coastal Development Permit          |
| <input type="checkbox"/> State Waste Discharge Requirements (PC)          | <input type="checkbox"/> Local Agency Concurrence/Permit     |
| <input type="checkbox"/> Waste Discharge (NPDES)                          | <input type="checkbox"/> Department of Fish and Game 1602    |
| <input type="checkbox"/> U.S. Fish and Wildlife Service (Section 10 FESA) | <input type="checkbox"/> Department of Fish and Game 2080.1  |
| <input type="checkbox"/> U.S. Fish and Wildlife Service (Section 7 FESA)  | <input type="checkbox"/> Department of Fish and Game 2080(B) |
| <input type="checkbox"/> U.S. Fish and Wildlife Service (Section 7 BO)    | <input type="checkbox"/> Air Quality Permit                  |
| <input type="checkbox"/> NOAA/NMFS (EFH)                                  |  |
| <input type="checkbox"/> NOAA/NMFS (Section 7 FESA)                       |  |
| <input type="checkbox"/> Other Permits _____                              |  |

## Maintenance

Describe the maintenance arrangement required as a result of the project:

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## Scope Summary

What work will be done and in this agreement and who will be doing it?  
Check boxes below.

If any activities are shared, check all appropriate parties and define the arrangement in the notes section below.

	<b>Project Delivery Activity Description</b>	<b>RTC</b>	<b>Local Agency 1</b>	<b>Local Agency 2</b>	<b>N/A</b>
PRELIM ENGR/ ENVIRONMENTAL CLEARANCE	PERFORM PRELIMINARY ENGINEERING STUDIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PERFORM ENVIRONMENTAL STUDIES AND PREPARE DRAFT ENVIRONMENTAL DOCUMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	CIRCULATE DRAFT ENVIRONMENTAL DOCUMENT AND SELECT PREFERRED PROJECT ALTERNATIVE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FINAL DESIGN (PS&E)	PREPARE BASE MAPS AND PLAN SHEETS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	STRUCTURES GENERAL PLANS AND PRELIMINARY DESIGN DATA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PREPARE DRAFT PS&E	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	OBTAIN PERMITS FROM RESOURCE AGENCIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	MITIGATE ENVIRONMENTAL IMPACTS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PERFORM SOIL ASSESSMENT WORK	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	NOTIFY COUNTY ENVIRONMENTAL HEALTH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	REVIEW DRAFT AND FINAL PS&E PACKAGE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PREPARE FINAL PS&E PACKAGE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIGHT OF WAY PROPERTY MANAGEMENT - INCLUDES ENCROACHMENTS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RIGHT OF WAY	PERFORM RIGHT OF WAY BOUNDARY SURVEY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PREPARE PLAT MAPS & LEGAL DESCRIPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	UTILITY RELOCATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	OBTAIN CALIFORNIA PUBLIC UTILITY COMMISSION (CPUC) APPROVALS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PERFORM APPRAISALS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PREPARE ACQUISITION DOCUMENTS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	ACQUIRE RIGHT OF WAY - INCLUDES CONDEMNATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CONSTRUCTION	ADVERTISE CONTRACT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	AWARD CONTRACT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	CONTRACT ADMINISTRATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	NOTIFY COUNTY ENVIRONMENTAL HEALTH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	CLEANUP HAZARDOUS WASTE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	CHANGE ORDER INSPECTIONS AND REVIEW	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RESOLVE DISPUTES AND CLAIMS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PREPARE AS-BUILT PLANS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PREPARE PROJECT HISTORY FILE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	MITIGATION MONITORING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MAINTENANCE	PAVEMENT SWEEPING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	PAVEMENT SEALING, REPAVING, REPAIR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	VEGETATION CONTROL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	IRRIGATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	LIGHTING REPLACEMENT/REPAIR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	BRIDGE INSPECTION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	DRAINAGE SYSTEM CLEANING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	ANNUAL MONITORING/REPORTING FOR IMPACTS to ENVIRONMENTAL HEALTH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RESTROOM CLEANING/MAINTENANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	FENCE REPAIR/REPLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	SIGN REPLACEMENT/REPAIR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	OTHER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	OTHER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ARTWORK INSTALL	APPROVAL FROM ART COMMISSION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	APPROVAL FROM RTC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	SPECIFICATION DRAWING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	SOIL DISTURBANCE REQUIREMENTS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	MAINTENANCE OF ARTWORK	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Notes: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Scheduling

What, if any, schedule restraints are there for the work in this agreement?

---

What is the milestone schedule for the work subject to this agreement?

Milestone	Date
Environmental Clearance	_____
Ready to List (Final PS&E)	_____
Construction Complete	_____
Other	_____

## Funding Information

What is the funding plan for the project?

Fund Type	Fund Source	Prelim. Engr/ Env.	PS&E	Right of way Capital	Right of way Support	Construct. Capital	Construct. Support	Total
Measure D	Regional							
Measure D	Local							
STIP	State							
ATP	State							
RSTPX	State							
TDA	State							
LPP	State							
CA Coastal Conserv	Local							
Land Trust	Local							
Other								

## Billing Arrangements

Is the local agency approved for Electronic Fund Transfer?  YES  NO

Will funds be spent proportionally or sequentially? \_\_\_\_\_

Payments of Measure D Regional funds shall be made on a reimbursement bases for all project phases unless advance payments are authorized by the RTC Executive Director.

**Other**

What other issues/arrangements should be addressed in this agreement?

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## Appendix 4 – Measure D Annual Reporting Template

### General Compliance Reporting:

Confirm completion of the following Measure D Agreement requirements during the reporting year. The RTC shall utilize information from Recipient on expenditures to prepare a comprehensive report to the public on the expenditure of Measure D revenues.

*Recipient - Update all highlighted fields on 3 tabs. Reporting Requirements (Articles from the Master Fund Agreement are referenced as comments)*

**REPORTING YEAR:** **FY18/19**

**Recipient Agency**

*enter agency name*

<b>Public Information/ Outreach</b>	<b>Date</b>	<b>Documentation (ex. copy of resolution, minutes, notices, articles, webpage, signage, etc) - please attach.</b>	<b>Comments, additional info. If applicable, briefly explain why publicity requirement was not completed</b>
-------------------------------------	-------------	---	--

<b>Date 5-Year Plan Adopted</b>	5/1/2018	Resolution	part of overall budget
<b>Date of 5-Year Plan Public Hearing</b>	5/1/2018	Staff report	part of overall budget
<b>Date of annual audit of Measure D Expenditures</b>	8/1/2019	audit	attached
<b>News Article</b>	2/1/2018	copy of article	
<b>Website with info on Meas. D projects</b>	ongoing	webpage sample	<i>web address</i>
<b>Map of Measure D-funded Projects</b>	ongoing	copy of map or webpage	
<b>Photos (before/after)</b>	ongoing	Document with photos, captions	
<b>Signage</b>	ongoing	photo of signs	
<b>Describe any other public outreach conducted during the reporting year about Measure D</b>			

## Maintenance of Effort

<b>Maintenance of Effort BASELINE</b> (should match MOE report submitted to RTC in 2017)	\$ 750,000	Pre-Measure D Baseline of average of locally-generated revenues (ex. general funds, sales and property taxes and other fees) and expenditures for transportation purposes in the three to five fiscal years prior to 2017 (the start of Measure D allocations to recipient agencies) = FY16/17, FY15/16, FY14/15, and optionally FY13/14 and FY12/13.
<b>FY17/18 LOCAL funds spent on multimodal local road repairs &amp; maintenance</b> (exclude HUTA, formula state & fed funds, special grants)	\$ 1,000,000	Locally-generated funds beyond HUTA or Measure D (ex. general funds, city tax, developer fees, etc)
<b>FY18/19 LOCAL funds spent on multimodal local road repairs &amp; maintenance</b> (exclude HUTA, formula state & fed funds)	\$ 1,000,000	Locally-generated funds beyond HUTA or Measure D (ex. general funds, city tax, developer fees, etc)
<b>If the most recent fiscal year's expenditures of local funds were lower than the baseline amount, explain why.</b> (e.g. emergencies, extraordinary event - fires, etc) Recipient agencies have up to three fiscal years to meet the adjusted minimum local revenue expenditure requirement.	NA or Local revenues spent on transportation this year were lower than pre-Measure D averages because....	
<b>Does your agency have an indirect cost allocation plan?</b>	Yes/No	If "no", Measure D funds cannot be used for indirect costs.
<b>Cities/County Only: Does your agency have an adopted Complete Streets policy?</b>	Yes/No	If "yes" - when was it adopted? If "no", agency is required to immediately adopt one in order to continue to receive Measure D funds.

## Contacts

Administrative officer or designated staff available to report on or answer any and all inquiries in regard to Recipient's receipt, usage, and/or compliance audit findings regarding Measure D funds before the RTC and/or the Independent Oversight Committee or RTC advisory committees, as applicable.

Name	Title/Measure D tasks	Phone/email

## MEASURE D EXPENDITURE REPORT

List how Measure D funds were expended. While backup documentation (e.g. invoices from contractors, payroll, etc) do not need to be submitted with this report, all Measure D funds must included in recipient agency's fiscal audit and projects will be randomly selected for more detailed review. Agencies should retain records documenting Measure D expenditures for at least 3 years on each project.

Agency	<i>Beginning of Year Fund Balance</i>	FY 16/17-18/19 Measure D Received <small>(4/1/17-6/30/19)</small>	FY 19/20 Measure D Received <small>(7/1/19-6/30/20)</small>	Interest Earned on Measure D funds FY16/17-FY19/20	Measure D Expended <small>(7/1/19-6/30/20)</small>	End of Year Fund Balance/ Carryover to be Spent in Future Years
Agency Name	<i>NA in first report</i>	\$ 500,000	\$ 500,000	\$ 9,850	\$ 400,000	\$ 100,000

Agency	<i>Beginning of Year Fund Balance</i>	FY 16/17-18/19 Measure D Received <small>(4/1/17-6/30/19)</small>	FY 19/20 Measure D Received <small>(7/1/19-6/30/20)</small>	Interest Earned on Measure D funds FY16/17-FY19/20	Measure D Expended <small>(7/1/19-6/30/20)</small>	End of Year Fund Balance/ Carryover to be Spent in Future Years
Agency Name	<i>NA in first report</i>	\$ 500,000	\$ 500,000	\$ 9,850	\$ 400,000	\$ 100,000

DETAILED SUMMARY OF EXPENDITURES AND ACCOMPLISHMENTS.					<i>(expenditures -FY16/17-19/20)</i>			
#	Project Name	Total Project Cost	Prior year(s) Measure D Expenditures on this project	FY18/19 Measure D Expenditures (actual spent)	(Est) Future Year(s) Measure D Expenditures	<i>Measure D-funded Capital Costs (expenditures-FY16/17-19/20)</i>	<i>Measure D-funded Non-capital (non-infrastructure, outreach, admin, etc) -</i>	<i>Measure D-funded indirect costs</i>
1	<i>Sample Project X - phase</i>	\$ 500,000	\$ -	\$ 200,000	\$ 100,000	\$ 150,000	\$ 50,000	\$ 15,000
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
<b>Total</b>		\$ -	\$ 200,000	\$ 100,000	\$ 150,000	\$ 50,000	\$ 15,000	







**Measure D: Neighborhood Projects Program** (Funds to Cities and County for Local Streets and Roads - LSR)

**Performance Measures**

AGENCY:

Measure D recipients are to document the performance and benefits of the projects and programs funded with Measure D funds. The following performance measures are a selection of performance standards to be documented by the recipients, as applicable. Additional or alternate performance measures may be provided or requested by the RTC or recipients.

Submittal date

Performance Measure	Performance Metric and Standard		Corrective Action
	Baseline/Prior Year	Current	
<b>Pavement State of Repair</b>	<i>Track city/countywide Pavement Condition Index (PCI), which rates the "surface condition" of local streets from 1 to 100, at least every three years.</i>		<i>Any agency with a falling PCI must provide an explanation. If the PCI drops, specify what funding amounts, policies, or other needs are required to enable increasing the PCI to 60 (fair) or above.</i>
Average Network PCI (0-100)*			
Date of PCI Analysis (month/year)			
Miles repaved in FY17/18 (using all funds, not just Measure D)			
Miles agency plans to repave in FY18/19 (using all funds, not just Measure D)			
Total centerline miles in jurisdiction			
<b>Complete Streets Implementation</b>			<i>Provide an explanation if less than 20% of Measure D funds are spent on bicycle and pedestrian facilities.</i>
Percent of annual Measure D funds used to support bicycling and walking.			
Number of linear feet or lane miles of bicycle facilities built or maintained (bike lanes, bike routes, multi-use pathways) w/Meas D			
Number of pedestrian projects completed (linear feet of sidewalks, number of crossing improvements/stripping, quantify traffic calming items, lighting, landscaping/streetscape, number of curb/ADA ramps, linear feet of trail/pathway built or maintained) w/Meas D			
Describe how school access was improved for children bicycling and walking, which may include collision data w/Meas D			
<b>Capital Project and Program Investment</b>	<i>investment into capital projects and programs greater than funding program administration (outreach, staffing, administrative support)</i>		<i>Any agency expending less on capital investments compared to other activities must explain how capital investments will increase in</i>

Performance Measure	Performance Metric and Standard	Baseline - FY16/17	Current Numbers
<b>Ridership/Service Utilization</b>	Change in annual ridership and passenger trips per revenue vehicle hour and mile and qualitative explanation for possible reasons.		
<ul style="list-style-type: none"> <li>▪ Annual Ridership</li> <li>▪ Passenger trips per revenue vehicle service hour</li> </ul>			

## General Compliance Reporting:

Confirm completion of the following Measure D Agreement requirements during the reporting year. The RTC shall utilize information from Recipient on expenditures to prepare a comprehensive report to the public on the expenditure of Measure D revenues.

*Recipient - Update all highlighted fields on 3 tabs. Reporting Requirements (Articles from the Master Fund Agreement are referenced as comments)*

**REPORTING YEAR:** **FY18/19**

**Recipient Agency** *enter agency name*

<b>Public Information/ Outreach</b>	<b>Date</b>	<b>Documentation (ex. copy of resolution, minutes, notices, articles, webpage, signage, etc) - please attach.</b>	<b>Comments, additional info. If applicable, briefly explain why publicity requirement was not completed</b>
<b>Date 5-Year Plan Adopted</b>	5/1/2018	Resolution	part of overall budget
<b>Date of 5-Year Plan Public Hearing</b>	5/1/2018	Staff report	part of overall budget
<b>Date of annual audit of Measure D Expenditures</b>	8/1/2019	audit	attached
<b>News Article</b>	2/1/2018	copy of article	
<b>Website with info on Meas. D projects</b>	ongoing	webpage sample	<i>web address</i>
<b>Map of Measure D-funded Projects</b>	ongoing	copy of map or webpage	
<b>Photos (before/after)</b>	ongoing	Document with photos, captions	
<b>Signage</b>	ongoing	photo of signs	
<b>Describe any other public outreach conducted during the reporting year about Measure D</b>			

# Appendix 5 – Master Funding Agreement

**MEASURE D  
MASTER FUNDING AGREEMENT  
between the  
SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION  
and the  
[INSERT RECIPIENT]**

This Master Funding Agreement (“AGREEMENT”), effective the 30th of June, 2017, is entered into by and between the Santa Cruz County Regional Transportation Commission (“RTC”) and the [Insert Recipient] (“RECIPIENT”).

## RECITALS

A. On November 8, 2016, the voters of Santa Cruz County, pursuant to the provisions of the Local Transportation Authority and Improvement Act, California Public Utilities Code, Division 19, Section 180000 et seq. (the “Act”), adopted an ordinance approving the Santa Cruz County Transportation Improvement Plan Measure (“Measure D”), thereby authorizing Santa Cruz County Regional Transportation Commission (“RTC”) to administer the proceeds from a retail transaction and use tax of one-half of one-percent (0.5%).

B. The duration of the Measure D sales tax will be 30 years from the initial date of collection, which is April 1, 2017, with said tax to terminate/expire on March 31, 2047. The tax proceeds will be used to pay for the programs and projects outlined in the Measure D Expenditure Plan and Ordinance, as it may be amended.

C. The Measure D Ordinance authorizes the RTC to allocate, administer, and oversee the expenditure of all Measure D revenues and to distribute revenues no less than quarterly to local jurisdictions, Santa Cruz Metropolitan Transit District (METRO), and the Consolidated Transportation Service Agency (CTSA): Community Bridges Lift Line, consistent with the formulas and provisions set forth in the Expenditure Plan;

D. This Agreement delineates the requirements of the Measure D funds that are directly allocated to local jurisdictions, METRO and Community Bridges, as authorized by the Measure D Expenditure Plan. Funds for projects identified in the expenditure plan to be funded from the highway corridors, rail corridor, and/or Monterey Bay Sanctuary Scenic Trail (Coastal Rail Trail) categories are not the subject of this AGREEMENT, and RECIPIENT will be required to enter into a separate agreement for any funds from those investment categories.

E. This AGREEMENT was approved by the governing body of the RTC on May 18, 2017.

**NOW, THEREFORE, it is mutually agreed by and between the parties as follows:**

## ARTICLE I: FUNDING ALLOCATIONS

1. This AGREEMENT authorizes the RTC to allocate the direct allocation funds derived from Measure D receipts as described in the voter-approved Ordinance and Expenditure Plan for the following:

- Neighborhood Projects: Direct Allocation to Cities and County
- Transportation for Seniors and People with Disabilities: Direct Allocation to Service Providers

2. All Measure D distributions pursuant to this AGREEMENT shall be effective as of July 1, 2017.

**A. Neighborhood Projects Program: Direct Allocation to Local Jurisdictions**

1. Consistent with the Measure D Expenditure Plan, RTC will distribute Measure D Neighborhood Projects direct allocation funds at least quarterly to incorporated cities and the County of Santa Cruz pursuant to a formula weighted based on each jurisdiction’s proportional share of the countywide population (29%), lane miles of roadway (39%) and site in Santa Cruz County where revenue from the Measure D transaction and use tax is generated (32%). RECIPIENT’s allocations are subject to change based on variations in annual population, road mile, and tax site generation figures. Data will be updated each year based on the latest available data.

2. The *Measure D: Guidelines for Direct Allocations* (“Guidelines”) provide program eligibility and fund usage guidelines, definitions, additional requirements, and guideline adoption details. Said guidelines are hereby incorporated into this AGREEMENT by reference.

3. Neighborhood Projects to be funded with Measure Revenues may include: fixing potholes, local roadway repairs, rehabilitation, reconstruction and intersection improvements; new and improved sidewalks, crosswalks and bicycle lanes and paths, especially near schools; and other transportation projects as necessary for the benefit of residents in those jurisdictions. The County of Santa Cruz and the cities of Capitola, Santa Cruz, Scotts Valley and Watsonville, who are best able to determine their current and future local transportation needs, shall each prepare an annual report through a public process, in accordance with the requirements of this AGREEMENT, to identify how they plan to spend their share of measure funds and how measure funds were spent in the prior year.

**B. Transportation for Seniors and People with Disabilities Program: Direct Allocation to METRO and Community Bridges**

1. RTC will distribute Measure D direct allocation funds pursuant to set percentages detailed in the Measure D Expenditure Plan.

2. As noted in the Measure D Expenditure Plan: 16% of net Measure Revenues will be distributed to Santa Cruz Metropolitan Transit District (METRO) to provide transit and paratransit service for Seniors and people with disabilities. 4% of net Measure Revenues will be allocated to the Consolidated Transportation Services Agency for Santa Cruz County (Community Bridges-Lift Line) for paratransit service. Paratransit works with social service agencies to increase transportation options for Seniors, individuals with disabilities, and persons with low incomes.

3. The *Measure D: Guidelines for Direct Allocations* (“Guidelines”) provide program eligibility and fund usage guidelines, definitions, additional requirements, and guideline adoption details. Said guidelines are hereby incorporated into this AGREEMENT by reference.

**ARTICLE II: PAYMENTS AND EXPENDITURES**

**A. RTC’S DUTIES AND OBLIGATIONS**

1. Within thirty working days of actual receipt of the Measure D sales tax revenues from the State Board of Equalization (“BOE”) RTC shall remit to the RECIPIENT its designated amount of available direct allocation funds. Funds shall be disbursed on a no less than quarterly basis by the formulas described in Article I Section A or B, as applicable, above. As noted in the Measure D Expenditure Plan: distribution percentages are net after costs required for administration, implementation and oversight of the measure, including RTC administrative salaries and benefits (*limited to 1% of total measure*

revenues), annual independent fiscal audits, reports to the public, preparation and implementation of state-mandated reports, oversight committee, Board of Equalization fees, and other administration, implementation and oversight responsibilities as may be necessary to administer and implement the Ordinance and the Expenditure Plan. These costs are estimated in the RTC's annual budget.

2. RTC shall annually update the Measure D fund revenue projections and the resulting fund allocation formulas to reflect the most current data available. RTC shall use the updated Measure D program allocation formulas in the allocations beginning July 1 of each new fiscal year, which is from July 1 to June 30.

3. RTC shall report quarterly to the public the amount of Measure D revenues distributed to RECIPIENT quarterly and for the fiscal year.

4. RTC shall provide for an independent annual audit of its financial statements including revenues and expenditures and also of its calculation of the allocation formula for distributing Measure D revenues to various recipients and render an annual report to the RTC within 180 days following the close of the fiscal year. The RTC may consider extensions to this deadline on a case-by-case basis.

5. RTC shall provide at least 45 days' notice to RECIPIENT prior to conducting an audit of expenditures made by RECIPIENT to ensure that expenditures are in compliance with this AGREEMENT and the Measure D Ordinance and Expenditure Plan.

## **B. RECIPIENT'S DUTIES AND OBLIGATIONS**

1. RECIPIENT shall expend all Measure D funds received in compliance with applicable policies, guidelines and plans, including the Guidelines, the Measure D Ordinance, Expenditure Plan, 30-year Implementation Plan, and consistency with the Regional Transportation Plan and performance measures, as they may be adopted or amended by RTC from time to time.

2. RECIPIENT shall set up and maintain an appropriate system of accounts to report on Measure D funds received. RECIPIENT must account for Measure D funds, including any interest received or accrued, separately for each program, and from any other funds received from the RTC. The accounting system shall provide adequate internal controls and audit trails to facilitate an annual compliance audit for Measure D funds and the respective usage and application of said funds. RTC and its representatives, agents and nominees shall have the absolute right at any reasonable time to inspect and copy any accounting records related to such funds, except to the extent specifically prohibited by applicable law.

3. RECIPIENT shall expend Measure D allocations as quickly as possible for cost-effective eligible projects, but may reserve annual allocations for a maximum of no more than five fiscal years for larger projects that are identified in the Five-Year Program of Projects. If funds are not obligated and expended within five years, funds may be redirected after sixty (60) days of the end of the fifth fiscal year, at RTC's discretion, to other Measure D recipient agencies for projects that can be immediately implemented, unless a corrective action plan has been submitted to and approved by the RTC, an exception due to extenuating circumstances has been approved by the RTC board, or a "cooperative fund agreement" (described in Section II.C) has been approved by the RTC.

4. RECIPIENT hereby agrees to and accepts the formulas used in the allocation of Measure D revenues as reflected in the voter-approved Measure D Ordinance and Expenditure Plan, as it may be amended as provided therein, and agrees to accept the annual update of the sales tax allocation formulas, as reported by the RTC in its annual budget.

5. RECIPIENT hereby agrees that prior to commencement of any specific project or activity which will be funded with Measure D revenues, requirements of the California Environmental Quality Act (CEQA) and/or the National Environmental Policy Act (NEPA) shall be met, if applicable. The RTC shall not be the lead agency for any project or activity undertaken by RECIPIENT using Measure D revenues.

6. RECIPIENT hereby agrees to actively work to leverage or secure matching outside funding sources. Any additional Measure D revenues made available through their replacement by matching funds will be spent based on the principles outlined for fund allocations described in the Ordinance and Expenditure Plan.

### C. OTHER EXPENDITURE CONDITIONS AND RESTRICTIONS

1. **Transportation Purposes Only:** RECIPIENT shall use all Measure D funds solely for transportation purposes as defined by the authorizing ballot measure. If RECIPIENT violates this provision, all further allocations shall be suspended until RECIPIENT fully reimburses all misspent funds, including all interest which would have been earned thereon. If RECIPIENT does not reimburse misspent funds, further allocations will be redistributed to other projects in the Neighborhood Projects or Transit categories of Measure D.

2. **Interest Earnings:** As set forth in the Measure D Ordinance, agencies implementing the Expenditure Plan projects may accumulate revenue over multiple years so that sufficient funding is available for larger and long-term projects. Any interest income earned on funds allocated pursuant to the Measure D ordinance or this AGREEMENT shall be expended only for the purposes for which the funds were allocated.

- a. Interest earnings on must be spent on the eligible uses defined in the Measure D Expenditure Plan, Ordinance, and “Guidelines.”
- b. Beginning in FY 18/19, each recipient agency shall estimate annual interest earnings and reflect these earnings in their 5-Year Program of Projects.
- c. The expenditure of interest earnings according to this policy will be included in the annual audit required by the Measure D Ordinance.

3. **Maintenance of Effort/Non-Substitution of Funds:** Pursuant to California Public Utilities Code Section 180001(e), RECIPIENT shall use Measure D funds to supplement and not replace existing local revenues used for transportation purposes. Measure D revenues also shall not be used to replace revenues used for existing agency indirect costs or overhead. As set forth in the Measure D Ordinance: Existing funds, revenues and other resources being used for transportation purposes include but are not limited to federal and state funding, the collection of traffic impact mitigation fees, other local impact fees, and dedications of property. The funds generated by the Transportation Tax shall not be used to replace existing transportation funding or to replace requirements for new development to provide for its own transportation needs. The entities receiving Measure D Revenues shall maintain their existing commitment of discretionary local transportation-related expenditures for transportation purposes pursuant to the ordinance, and the RTC shall enforce this requirement by appropriate actions, including fiscal audits of the local agencies. RECIPIENTS shall report on their compliance in the annual report. The *Measure D: Guidelines for Direct Allocations* (“Guidelines”) provide additional guidance.

4. **Cooperative Fund Agreements:** To maximize the effective use of funds, revenues may be transferred or exchanged between or among jurisdictions receiving funds from this measure. Jurisdictions receiving funds may, by annual or multi-year agreement, exchange funds provided that the percentage of funds allocated as provided in the Expenditure Plan is maintained over the duration of the period of time the tax is imposed. Agreements to exchange funds, including fund repayment provisions, must be approved by the RTC and shall be consistent with all rules adopted or approved by the RTC relating to

such exchanges. Subject to concurrence of RECIPIENT, the RTC may exchange Measure D revenues for State or federal funds allocated or granted to any public agency within or outside the area or jurisdiction of the RTC to maximize effectiveness in the use of the Measure D revenues. Such federal or State funds shall be distributed in the same manner as Measure D revenues. The RTC shall maintain for public review an accounting of all balances that are subject to cooperative agreements approved pursuant to this section.

5. **Staff Cost Limitations:** Direct costs associated with the delivery of programs and projects associated with Measure D programs, including direct staff costs and consultant costs, are eligible uses of Measure D funds. The intent of the measure is to expand and improve the transportation network through the construction, maintenance and operation of transportation projects and services. RTC does not allow indirect costs, unless the RECIPIENT submits an independently audited/approved Indirect Cost Allocation Plan (ICAP). This may include, but not be limited to, the ICAP prepared for other state or federal programs.

### ARTICLE III: REPORTING REQUIREMENTS

#### A. REQUIREMENTS AND WITHHOLDING

1. RECIPIENT shall comply with each of the reporting requirements set forth below. If RECIPIENT fails to comply with one or more of these requirements, RTC may withhold payment of further Measure D funds to RECIPIENT until full compliance is achieved.

2. RECIPIENT shall, by December 31st of each year, submit to RTC separate independently audited financial statements for the prior fiscal year ending June 30 of Measure D funds received and used. The RTC may consider extensions of the due date on a case-by-case basis. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with the Expenditure Plan adopted by the voters. The RTC will prepare a publicly available annual report on past and upcoming activities and publish an annual financial statement on the RTC website.

3. RECIPIENT shall actively conduct public outreach, in partnership with RTC and/or its advisory committees, as a means of ensuring that the public has the ability to access information about which projects and programs are funded with Measure D funds.

4. RECIPIENT shall, by December 31st of each year, submit to RTC an annual report (covering the prior fiscal year) regarding programs and projects on which RECIPIENT expended Measure D funds. The RECIPIENT agency board shall annually adopt the annual report, after holding a public hearing. The annual report shall include 1) a five-year program of projects including information about each of the projects to be funded with Measure D revenues. RECIPIENT shall submit the program of projects to the RTC in a format that can be easily understood by members of the public; and 2) Description of expenditures of Measure Revenues from the most recently completed fiscal year. Some agencies may adopt the five-year program of projects as part of their annual budget, capital improvement programs, or other process earlier in the year, but must submit the list no later than December 31.

5. RECIPIENT shall document expenditure activities and report on the performance of Measure D funded activities through the annual report process, or through other RTC performance and reporting processes as they may be requested, including but not limited to the annual Five-Year Program of Projects, planning and monitoring reports. The RTC shall utilize information from RECIPIENT on expenditures to prepare a comprehensive report to the public on the expenditure of Measure D revenues.

6. RECIPIENT shall install or mount signage adjacent to Measure D funded construction projects and/or on vehicles funded with Measure D funds where practical, so Santa Cruz County taxpayers are

informed as to how RECIPIENT is using Measure D funds. See separate “*Measure D: Sign Specifications*” [under development] for additional signage guidance.

7. RECIPIENT shall provide current and accurate information on RECIPIENT’s website, to inform the public about how RECIPIENT plans to use and is using Measure D funds. RECIPIENT shall notify RTC staff once the draft 5-year program of projects is available for public review and at least two weeks in advance of the anticipated date of the public hearing and board action on the annual 5-Year Program of Projects.

8. RECIPIENT shall, at least annually, publish an article highlighting a project or program funded by Measure D funds. This could be in a local newspaper, agency newsletters, or via internet-based platforms, including but not limited to blogs, websites, and social media sites.

9. RECIPIENT shall make its administrative officer or designated staff available upon request to render a report or answer any and all inquiries in regard to RECIPIENT’s receipt, usage, and/or compliance audit findings regarding Measure D funds before the RTC and/or the Independent Oversight Committee or RTC advisory committees, as applicable.

10. RECIPIENT agrees that RTC may review and/or evaluate all project(s) or program(s) funded pursuant to this AGREEMENT. This may include visits by representatives, agents or nominees of RTC to observe RECIPIENT’s project or program operations, to review project or program data and financial records, and to discuss the project with RECIPIENT’s staff or governing board.

#### **ARTICLE IV: OTHER PROVISIONS**

##### **A. INDEMNITY BY RECIPIENT**

1. Neither RTC, nor its governing body, elected officials, any officer, consultant, agent, or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by RECIPIENT in connection with the Measure D funds distributed to RECIPIENT pursuant to this AGREEMENT. It is also understood and agreed, pursuant to Government Code Section 895.4, RECIPIENT shall fully defend, indemnify and hold harmless RTC, its governing body, and all its officers, agents, and employees, from any claims or liability imposed on RTC for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by RECIPIENT in connection with the Measure D funds distributed to RECIPIENT pursuant to this AGREEMENT.

##### **B. INDEMNITY BY RTC**

1. Neither RECIPIENT, nor its governing body, elected officials, any officer, consultant, agent, or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by RTC under or in connection with any work, authority or jurisdiction delegated to RTC under this AGREEMENT. It is also understood and agreed, pursuant to Government Code Section 895.4, RTC shall fully defend, indemnify, and hold harmless RECIPIENT, and its governing body, elected officials, all its officers, agents, and employees from any claims or liability imposed on RECIPIENT for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by RTC under or in connection with any work, authority or jurisdiction delegated to RTC under this AGREEMENT.

##### **C. JURISDICTION AND VENUE**

1. The laws of the State of California will govern the validity of this AGREEMENT, its interpretation and performance, and any other claims to which it relates. All legal actions arising out of this AGREEMENT shall be brought in a court of competent jurisdiction in Santa Cruz County, California and the parties hereto hereby waive inconvenience of forum as an objection or defense to such venue.

**D. TERM**

1. The term of this AGREEMENT shall be from April 1, 2017 to June 30, 2022, unless amended in writing or a new Master Funding Agreement is executed between RTC and RECIPIENT for Measure D revenues.

**E. SEVERABILITY**

1. If any provision of this AGREEMENT is found by a court of competent jurisdiction or, if applicable, an arbitrator, to be unenforceable, such provision shall not affect the other provisions of the AGREEMENT, but such unenforceable provisions shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this AGREEMENT.

**F. MODIFICATION**

1. This AGREEMENT, as well as the referenced Guidelines, Measure D Ordinance and Expenditure Plan, constitutes the entire AGREEMENT, supersedes all prior written or oral understandings regarding Measure D program funds (but not project funding agreements). This AGREEMENT may only be changed by a written amendment executed by both parties. Notwithstanding the foregoing, the Guidelines, performance measures, and other policies related to Measure D funds may be changed from time to time by the RTC, and any such changes shall be incorporated herein to the same extent as the underlying policy so amended.

**IN WITNESS WHEREOF**, the parties have executed this AGREEMENT by their duly authorized officers as of the date first written below.

**ENTER NAME (RECIPIENT)**

**SANTA CRUZ COUNTY REGIONAL  
TRANSPORTATION COMMISSION (RTC)**

\_\_\_\_\_  
Name Date  
Title

\_\_\_\_\_  
George Dondero Date  
Executive Director

Approved as to Form:

Approved as to Form:

By: \_\_\_\_\_  
Name Date

By: \_\_\_\_\_  
Legal Counsel to SCCRTC Date

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**Measure D: Guidelines for Direct Allocations for  
Neighborhood Projects and Transportation for Seniors and People with Disabilities  
ATTACHMENT A: 5-YEAR PROGRAM OF PROJECTS CONTENT**

All recipient agencies that use Measure D “Neighborhood Projects” and “Transportation for Seniors and People with Disabilities” direct allocation funds must receive approval of a 5-year program of projects, in accordance with the requirements of this Attachment A, from their governing board prior to the jurisdiction expending Measure D funding on any project/program. This approval allows the opportunity for the public to provide input on planning for local streets and roads and transit projects and programs.

**Contents of 5-year Program of Projects**, which must be adopted by the jurisdiction’s governing board, following a public hearing (which may be done as part of agency’s overall budget or Capital Improvement Program adoption):

1) **5-year Project List:** List of projects on which to specifically spend Measure D funds. All projects must be consistent with the Measure D Ordinance/Expenditure Plan and Implementation Guidelines. They should be focused on addressing the promises made to voters.

a. **Grouped Project List:** List in spreadsheet how you anticipate using Measure D allocations. For example this may be shown as follows:

\$\$\$ of Measure D to be used each year  
(update to match upcoming 5 years)

Project Name, Road, limits	Description of project and complete streets components	Total Spent in prior years	\$\$\$ of Measure D to be used each year (update to match upcoming 5 years)					Total Measure D Revenues	Other fund Info (describe additional funds)	Total Project Cost	Project schedule
			FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24				

b. **Major Projects** – In addition to including in one row of grouped list, please include following basic info on each major project/program (Next page includes sample template for this information or project sponsors can use their own template/fact sheet that includes this information.)

- i. Project name
- ii. Description: Brief description of work to be done and project location
- iii. Project benefits/purpose
- iv. Complete Streets consistency
- v. Cost/Funding: cost by phase, and other funds (secured or anticipated) - local, grants using by Measure D funds to leverage, etc.
- vi. Schedule – timing of environmental review, design, right-of-way, and construction

2) **Future Funds (if applicable):** General description of anticipated use of Measure D funds through 2047 if known (e.g. priority future projects, if there is a large project you may be saving funds up for, or general ongoing roadway rehab, paratransit service, Active Transportation Plan implementation)

3) **Public Process:** Describe public input process used to develop your 5-year plan and individual projects; public process must include at least one public hearing and approval of recipient’s governing board. In the case of CTSA, the 5-Year Program of Projects must be reviewed by the RTC’s Elderly and Disabled Transportation Advisory Committee (E&D TAC) and approved by the RTC, following a public hearing at an RTC board meeting. Also explain how were these projects were prioritized – e.g. evaluation criteria used.

4) **Maintenance of effort:** Attach documentation of other revenues spent in past 3 years on transportation and amount budgeted in current/upcoming fiscal year. Provide justification of any reduction in local funds designated for operations and/or projects.

*Text from Measure D Ordinance related to 5-year Program of Projects – Section 32.A.1): Each agency receiving Measure Revenue shall annually adopt, after holding a public hearing, an annual report which includes 1)a five-year program of projects including information about each of the projects to be funded with Measure Revenues allocated according to the Expenditure Plan. Local and regional agencies shall submit their program of projects to the Authority in a format that can be easily understood by members of the public.*

**MEASURE D: MAJOR PROJECT INVESTMENTS**

**Category: (list one-Neighborhood Projects, Highway Corridors, Transportation for People with Disabilities, Active Transportation/MBSST. Rail Corridor)**

**PROJECT NAME/TITLE**

**Implementing Agency:**

Agency name

**Description/Scope:**

Brief description of work to be done and project location (plus graphics, photos, etc if available/appropriate)

**Project Location/Limits:**

Describe project location, include map if appropriate

**Project Purpose/Need/Benefits:**

Description of benefits, reasons for project. Help the public understand what they are getting from the Measure D funding for your project/program. Include 5 main bullet points that are easy to understand, remember, repeat, etc. It can also include more detail in paragraph form.

**Complete Streets consistency:**

Description of complete streets components of project; ensure consistency with [Complete Streets Guidebook](#) (see: check list too - <https://www.sccrtc.org/wp-content/uploads/2013/08/ChecklistFinal.pdf>)

**If applicable:**

Miles of New Bike Lanes/trails:

Miles of New Pedestrian Walkways/sidewalks:

**Cost/Funding/Schedule Information:**

Cost by phase, and other funds (secured or anticipated) - local, grants using by Measure D funds to leverage, etc. UPDATE with what makes sense for your project. This is a SAMPLE.

	Cost by phase				
	Environmental (PA/ED)	Design (PS&E)	Right-of-Way (ROW)	Construction	Other
<b>Timing of work (start/end month/yr)</b>					
<b>Measure D</b>					
List Other Sources (as applicable)					
HUTA					
Grant x					
METRO sales tax					
Developer Fee					
TBD-additional need					
<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**Public Outreach**

List public outreach that has been done or will be done for project. (e.g. past plans, committee review, public hearings, etc.)

**Project Contact:** Project Manager Name/contact info/project website info (if applicable)

