Transportation and Jobs



Revitalizing Our Economy and Quality of Life

Alameda County's half-cent transportation sales tax creates local jobs. Over the past 10 years, the sales tax has generated over a billion dollars for transportation system improvements.1 More than \$495 million has been pumped back into the Alameda County economy through contracts with local (Alameda County-based) companies. Additionally, the transportation investments have supported local jobs such as drivers of accessible taxis for senior citizens and people with disabilities, construction workers to repair city streets, designers to create pedestrian-friendly sidewalks, and many others.

Alameda CTC invests in transportation systems to attract and retain businesses. Smooth-flowing, efficient transportation is a major factor in helping businesses better compete in today's challenging economy.

Efficient transportation systems seamlessly move people and goods and allow businesses to deliver services, which supports the economy. These major improvements to the county's streets and highways have reduced congestion, decreased commute times, and improved the movement of goods.

Alameda CTC fosters a vibrant and livable community by improving mobility and access to work, education, and recreation, and by supporting the economic wellbeing of the county's residents and businesses.

TRANSPORTATION IMPROVEMENTS CREATE LOCAL JOBS

Our country is facing the most challenging economic conditions since the Great Depression. In Alameda County alone, as of March 2012, 9.7 percent of the labor force — or 75,200 people — were unemployed.² The annual average unemployment rate in Alameda County in 2008 before the real estate market crash was 6.2 percent, or 46,700 people.³ Alameda County residents have lost 28,500 jobs.

Alameda CTC is doing its part to counteract this critical situation. Since 2002, Alameda CTC has contracted over \$495 million to local Alameda County businesses for valuable transportation projects and programs, creating jobs by infusing transportation dollars into local businesses.

Alameda CTC is doing its part to counteract the economic downturn by supporting local businesses with local contracting policies.

The Alameda CTC contributes to economic development by investing in transportation projects and programs to improve the quality of life for residents and travelers throughout Alameda County.

LOCAL MONEY, LOCAL JOBS

Alameda CTC allocates 40 percent of the half-cent transportation sales tax funds to capital (design and construction) projects such as rail extensions, highway improvements, local streets and roads enhancements, intermodal projects, and other local projects. The 27 capital improvement projects that voters approved in 2000 have an estimated cost of \$3.8 billion, with Alameda County's half-cent transportation sales tax funding \$756 million and other agencies and sources funding the rest through the leveraging power of the sales tax measure. The types of people who work on Alameda CTC's capital projects are a diverse group of engineers and designers, construction managers, contractors and builders, and laborers.

Alameda CTC allocates the remaining 60 percent of the half-cent transportation sales tax funds to local jurisdictions for transportation-related programs—including local streets and roads, mass transit, special transportation for seniors and people with disabilities, bicycle and pedestrian safety, and transit center development. The types of people who work on Alameda CTC funded local programs include transit operators and drivers, contractors and builders, program directors, and many others.

Alameda CTC also administers money from local, state, and federal funding sources for numerous other transportation projects and programs. Most of these projects and programs also create local jobs. Alameda CTC has cost caps for administration of the sales tax measure of 1 percent for staff costs and 4.5 percent for overall administration.



Jobs in Transit

Alameda CTC allocates approximately half of the county's half-cent transportation sales tax toward transit projects and programs. In FY 10-11, Alameda CTC funded \$26.8 million to support the operations of five transit agencies that serve Alameda County, including:6

- Alameda-Contra Costa Transit District (AC Transit)
- **Altamont Commuter Express** (ACE)
- Livermore Amador Valley Transit Authority (LAVTA)
- San Francisco Bay Ferry
- Union City Transit

With 200,000 riders per day, AC Transit serves the largest number of riders, and receives the largest percentage of funding to transit: \$21.6 million in FY10-117 Alameda County's half-cent sales tax comprises about 7 percent of AC Transit's total operating budget.8

In this era of increasing transit costs and decreasing ridership, the local transportation sales tax represents a stable and vital revenue source. In fact, AC Transit uses the moneys received to provide jobs to about 105 AC Transit bus drivers and mechanics.9

THE RIPPLE EFFECT

Recent studies have shown that in California, every \$1 billion invested in highway infrastructure creates about 38,000 direct jobs, and every \$1 billion invested in transit capital projects creates 9,600 jobs. Over the past 10 years, about half of Alameda County's \$756 million in capital project funds have been committed to road and highways projects, and half have been committed to transit infrastructure projects.

Transportation investments have a "ripple effect" on jobs and the economy throughout Alameda County. The ripple starts with the monies that the Alameda CTC contracts directly to Alameda County firms to plan, design, and construct transportation improvements. The \$756 million investment of local sales tax dollars for Alameda County's capital projects creates an estimated 5,100 jobs per year.

From there, the dollars spread out to Alameda County businesses—and their employees that supply goods and services on those contracts. For example, on Alameda County's transportation construction projects, many local materials—like concrete and asphalt, pipes, traffic signals, and landscape plantings—come from local businesses that employ local workers.

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And the ripples continue to spread out to other Alameda County businesses. Increases in income lead to increased spending by companies and workers, which creates even more jobs. For instance, local businesses also buy goods and services—such as cleaning services, insurance, and office support—from other Alameda County businesses. Their employees, in turn, buy goods and services such as food, health care, and car repair from local companies.

ATTRACTING AND RETAINING BUSINESSES

A strong transportation system attracts and retains businesses, strengthens tourism, and reduces congestion. Conversely, traffic congestion slows down the delivery of goods and services, making it more expensive to do business.

As a central hub between San Francisco, San Jose, and the Central Valley, Alameda County fulfills a special role in regional, statewide, and international transportation. Alameda County is home to six interstate freeways that transect the county, seven transit operators, hundreds of local lane miles, and an international gateway with the Port of Oakland and the Oakland International Airport.

The county's half-cent transportation sales tax has generated over a billion dollars for major improvements to the county's streets and highways to reduce congestion and decrease commute times, along with improvements to many other modes of travel. The sales tax in combination with other sources of funding-has funded transportation projects and programs that have made it easier to get to work, school, shopping, and recreation — and to arrive safely home again. The projects also help to move goods seamlessly, which increases the productivity of trucking operations and reduces shipping costs.

Alameda CTC's transportation investments are improving vital transportation networks that help businesses stay competitive.

The global economy has transformed the way many businesses operate. In a recent survey, "highway accessibility" ranked just below labor costs as the most important factor that businesses consider when selecting a place to do business.¹⁰

Some businesses are struggling in this challenging economy. Between 2007 and 2009, Alameda County lost nearly 1,300 businesses (decreasing from 37,626 to 36,360).11 Alameda CTC's transportation investments are improving vital transportation networks that help businesses stay competitive.

SMALL BUSINESS GROWTH

Small businesses are considered a key economic driver of job growth and economic development.¹² Most of the employment in Alameda County is created by small- to midsized businesses with three to 100 employees.13

Alameda CTC is committed to including small, local, and disadvantaged businesses in its contracting program. Alameda CTC has consistently met or exceeded its goals to offer 70 percent or more of its administrative and professional contracts to local businesses and 30 percent or more to small local businesses - and 60 percent or more of construction contracts to local businesses.

Of the total of over \$1 billion in revenue generated by the county's half-cent sales tax over the past 10 years, 40 percent has been allocated to capital projects. Through Alameda CTC's commitment, about\$495 million of transportation investments have been contracted to local businesses.

GETTING PEOPLE TO WORK

Commuters going from their homes to their jobs account for about 22 percent of the trips taken in the Bay Area. About 697,700 Alameda County residents are employed (as of March 2012)¹⁴—so job commutes represent about 153,000 two-way trips per day.

Most people (82 percent or about 125,900 trips) drive in cars, and 12 percent (about 18,400 trips) take transit¹⁵ twice every weekday. The rest of commuters walk or take other modes of transport.

A typical weekday in Alameda County sees 36 million vehicle miles of travel (2007 data)¹⁶ on the county's freeways. In 2008, people spent 53,000 hours every day delayed in Alameda County freeway traffic.

Traffic congestion costs people in both time and wasted fuel. The average annual cost per auto commuter in the San Francisco-Oakland area is \$1,019 in 2010, 17 not including the overall costs of owning a car. Traffic congestion, therefore, costs Alameda County's 125,900 auto commuters roughly \$128 million per year.

Continuing to solve these challenging transportation conditions is critically important to the quality of life and the economic vitality of Alameda County residents and businesses.



Small Business, Economic Driver

One small, local business of note that has received jobs from the Alameda CTC is Acumen Building Enterprise, Inc. In 1994, Walter E. Allen, a Navy veteran, founded Acumen to help finance his master's of science degree in civil engineering and project controls at UC Berkeley.

Allen and his staff of two employees started working with the Alameda CTC (and its predecessor organizations) in 1999. "Our project management, communications and administrative work—funded by the county's half-cent transportation sales tax continues to grow and evolve," savs Walter.

Acumen now employs 48 people - including engineers, project managers, schedulers, claims analysts, construction managers, and communications specialists throughout the United States, including 35 in Alameda County.

Six Acumen staff serve as an extension of Alameda CTC's staff. "Acumen's opportunities with the Alameda CTC have been a springboard for growth, enabling our firm to reach greater heights of productivity for Alameda County and other clients," says Allen. "Acumen's staff at Alameda CTC, led by project manager Tamara Halbritter, are deeply committed to improving the county's transportation systems—one project at a time."

About the Half-Cent Sales Tax

In 1986, Alameda County became one of the first counties in California to authorize a voter-approved sales tax, Measure B, for transportation improvements. In 2000, 81.5 percent of Alameda County voters supported transportation again, authorizing a second half-cent transportation sales tax. Through Measure B, Alameda CTC delivers a specific set of voter-approved transportation projects to improve mobility and enrich the lives of Alameda County residents.

About Alameda CTC

Alameda County Transportation
Commission was formed in 2010, the
result of a merger of the Alameda County
Congestion Management Agency
(ACCMA) and the Alameda County
Transportation Improvement Authority
(ACTIA). The resulting agency serves as
the county's transportation planning,
funding, and sales tax authority, providing
streamlined methods for project and
program delivery. As a result of the merger,
taxpayers saved over \$3 million in the
agency's first year.

Our mission is to plan, fund, and deliver a broad spectrum of transportation projects and programs that expand access and improve mobility to foster a vibrant and livable Alameda County. Alameda CTC is governed by a 22-member commission of elected officials: five members of the Alameda County Board of Supervisors, representatives from the 14 cities within Alameda County (including two from Oakland), as well as an AC Transit director, and a BART director.

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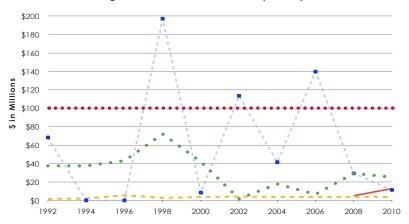
TRANSPORTATION IMPROVEMENTS STIMULATE ECONOMY

The nation's recent economic downturn has hindered Alameda County's and cities' ability to improve and maintain our core transportation infrastructure: highways, roads, bridges, transit, bike trails, and sidewalks. The county's half-cent sales tax is a reliable and consistent way for the county to continue to maintain and improve its transportation network, but it sunsets in 2022.

While the Alameda CTC has delivered almost all of the voter-approved capital improvement projects in half the time, more transportation investments are needed to support continued economic growth through efficient movement of people and goods.

A new measure to fund a Transportation Expenditure Plan will be on the November 6, 2012 ballot to infuse an additional \$7.8 billion to support jobs, expand mobility, and foster safe and healthy communities in Alameda County. We cannot lose sight of the critical importance of continuing to improve, maintain, and support our vital transportation networks.

Historical Funding Levels for Alameda County Transportation 18



Measure B (Alameda County Half-Cent Transportation Sales Tax)

STIP (State Transportation Improvement Program)

STP/CMAQ (Surface Transportation Program (STP) and the Congestion Mitigation & Air Quality Improvement Program (CMAQ)

Lifeline (Lifeline Transportation Program)

TFCA (Transportation Fund for Clean Air)

Alameda CTC has demonstrated that transportation can be improved – with efficiency, transparency, and accountability. In improving transportation, we improve the county's economic vitality and strength.

Endnotes

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- 18 Alameda CTC, Spreadsheet: "ACCMA Historical Programming Levels," CMA Programming History-update-Apr'11.xlsx.