Presentation Overview

- Schedule for TEP Development
- TEP Parameter Survey Results
- Financial Parameters
  - Amount
  - Duration
  - Split Programs/Projects
- Discussion: Financial Parameters & Programs
- Small Group Break-out Groups
Schedule for TEP Development

2011
- **May:** Introduce TEP Parameters
- **July:** Continue discussion of TEP Parameters
  - Begin discussion of financial parameters & programs
- **September:**
  - Adopt TEP Parameters
  - Discuss draft projects/programs
- **October:** Public Workshops and Poll #2
- **November:** Draft TEP projects/programs and guidelines
- **December:** Draft TEP (Discussion at Commission Retreat)

Schedule for TEP Development

2012
- **January:** Adopt TEP
- **February-April:** Local jurisdiction endorsements
- **May:** Adopt Final TEP
- **June:** Board of Supervisors place TEP on ballot
- **November 6, 2012:** Election
Questions to Consider

TEP Parameters:
- Replace the Current Measure?
- Amount?
- Duration?
- Split Projects/Programs?
- Goals/Performance Measures?
- New vs. Current Programs?
- Method/criteria for allocating funds to programs and projects?
  - Leveraging, phasing, flexibility, performance
- Dealing with Revenue Fluctuations?

Replace Current Measure with New TEP?

No overwhelming consensus on configuration

Note: 3 skipped question
Recommend: Maintain Existing Plan and Augment/Extend with New Plan

- Remaining 10 years of revenue is needed to pay for projects that are already underway or financed.
- Existing funds are part of committed funding plans.
- Existing programs depend on continued revenue.
- A new plan should “augment and extend” the priorities of the current Measure B.

Amount of Sales Tax?

- Members want to augment and extend

Note: 3 skipped question
Duration of Sales Tax?

- CAWG prefers mid century; TAWG prefers permanent

Bar chart showing preferences:
- Mid-century (2042 or 2050)
- Permanent
- No strong opinion

Note: 3 skipped question

Recommend: Augment & Extend as Far as Possible

- Needs clearly do exceed revenue in perpetuity.
- Recommend carrying 3 options for now with preference for the largest increase and the longest time frame possible.
  1. Extend existing half cent
  2. Augment by ¼ cent and extend beyond 2022
  3. Augment by ½ cent and extend beyond 2022
- Go back to the voters to ratify an updated expenditure plan (50% vote) every 20 years.
Split between Projects & Programs?

CAWG/TAWG: More Focus on Programs in TEP

- More focus on programs
- No strong opinion
- Equal balance with projects / programs
- More focus on capital projects

Number of responses

Note: 6 skipped question

Recommend: ≥ 60% for Programs, Add New Category

- New Category: Project Development/Innovation/Technology (PDIT)
- Options for consideration:
  - Balanced: 30% capital projects; 60% programs; 10% development/innovation/technology
  - Programs Emphasis: 20% capital projects; 75% programs; 5% project development/innovation/technology
  - Projects Emphasis: 45% capital projects; 40% programs; 15% project development/innovation/technology
Selecting Projects: New Goals & Performance Measures?

CAWG/TAWG want to maintain CWTP goals but with some additional emphasis

- Reduce VMT
- Support infill/TOD development
- Equity
- Public health and safety
- Reducing GHGe
- Support mode shifts
- Affordability
- Leveraging of funds
- Pavement condition

- Disclosure of full ops. costs for projects
- Congestion relief
- Geographic equity, but not only pop.-based
- Goods movement
- Fix-it-first
- Projects w/ existing public process
- Cost effectiveness

Leverage is Important

- Ability to leverage other funds is a key consideration

Note: 5 skipped question
Recommend: Keep Consistent Goals & Add Additional TEP Specific Criteria

- Project Readiness
- Constructability
- Leverage (both $$ and outcomes)
- Public Support/Polling
- Maximum Support for Goals Adopted in January 2011
  - Multimodal
  - Accessible, Affordable and Equitable for people of all ages, incomes, abilities and geographies
  - Integrated with land use patterns and local decision making
  - Connected across the county, within and across the network of streets, highways, transit, bicycle and pedestrian routes.
  - Reliable and Efficient
  - Cost Effective
  - Well Maintained
  - Safe
  - Supportive of a Healthy and Clean Environment

CAWG/TAWG: Keep current programs & add new

- Seek a balance between current and new TEP programs

Note: 4 skipped question
CAWG/TAWG: Maintain Flexibility

- Members support additional flexibility within TEP

- Yes
- No strong opinion
- No

CAWG/TAWG: Combine formula funds and grants

- Utilize a combination of formula funds and competitive grants

- Combination of formula and grants
- Competitive grants
- "Formula driven" pass-through funds
- No strong opinion

Note: 5 skipped question
CAWG/TAWG: Support “Rainy Day” Fund

- Members support creation of “rainy day” fund

- Yes: ALL = TAWG ≠ CAWG

- No strong opinion

- No: ALL = TAWG ≠ CAWG

Number of responses

Note: 4 skipped question

Introduction: History

Current Measure B
Cumulative Net Revenue FY 01/02- FY 09/10
In Millions, YOE $s

- Current Shortfall: $171 million
- Anticipated Total Measure Shortfall: $766 million

Source: Alameda CTC

Updated July 11, 2011
Introduction: Issues

- Sales Tax Rate
- Duration of Sales Tax
- Funding Split:
  - Projects/Programs
  - New/Current

Three Sales Tax Rate Options

<table>
<thead>
<tr>
<th>Low Revenue Option</th>
<th>Medium Revenue Option</th>
<th>High Revenue Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>No augment, extend ½-cent beyond 2022</td>
<td>Augment by ¼-cent, extend ¾-cent beyond 2022</td>
<td>Augment by ½-cent, extend 1-cent beyond 2022</td>
</tr>
<tr>
<td>Extend ½-cent in perpetuity</td>
<td>Add ¾-cent</td>
<td>Extend 1-cent in perpetuity</td>
</tr>
</tbody>
</table>

Updated July 11, 2011
Augmentation Options

Cumulative Net Revenue FY 01/02 - FY 21/22
In Billions, YOE $s

- High Revenue Option: ½-cent Augmentation
- Medium Revenue Option: ¼-cent Augmentation
- Low Revenue Option: No Augmentation

Source: Nancy Whelan Consulting

Extension Options

Cumulative Net Revenue FY 21/22 - FY 41/42
In Billions, YOE $s

- High Revenue Option: Extend 1-cent in Perpetuity
- Medium Revenue Option: Extend ¾-cent in Perpetuity
- Low Revenue Option: Extend ½-cent in Perpetuity

Source: Nancy Whelan Consulting

Updated July 11, 2011
## Comparison of Total Revenue Yield

### Net Revenue FY01/02-FY41/42

*In Billions, YOE $s*

<table>
<thead>
<tr>
<th>Low Revenue Option</th>
<th>Augmentation FY01/02-FY21/22</th>
<th>Extension FY21/22-FY41/42</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No augment, extend ½-cent beyond 2022</td>
<td>$2.1</td>
<td>$3.3</td>
<td>$5.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Medium Revenue Option</th>
<th>Augmentation FY01/02-FY21/22</th>
<th>Extension FY21/22-FY41/42</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Augment by ¼-cent, extend ¾-cent beyond 2022</td>
<td>$2.7</td>
<td>$5.0</td>
<td>$7.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>High Revenue Option</th>
<th>Augmentation FY01/02-FY21/22</th>
<th>Extension FY21/22-FY41/42</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Augment by ½-cent, extend 1-cent beyond 2022</td>
<td>$3.2</td>
<td>$6.7</td>
<td>$9.8</td>
</tr>
</tbody>
</table>

Source: Nancy Whelan Consulting

## Comparison of New Revenue Yield

### Net Revenue FY12/13-FY41/42

*In Billions, YOE $s*

<table>
<thead>
<tr>
<th>Low Revenue Option</th>
<th>Augmentation FY12/13-FY21/22</th>
<th>Extension FY21/22-FY41/42</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No augment, extend ½-cent beyond 2022</td>
<td>$0.0</td>
<td>$3.3</td>
<td>$3.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Medium Revenue Option</th>
<th>Augmentation FY12/13-FY21/22</th>
<th>Extension FY21/22-FY41/42</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Augment by ¼-cent, extend ¾-cent beyond 2022</td>
<td>$0.5</td>
<td>$5.0</td>
<td>$5.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>High Revenue Option</th>
<th>Augmentation FY12/13-FY21/22</th>
<th>Extension FY21/22-FY41/42</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Augment by ½-cent, extend 1-cent beyond 2022</td>
<td>$1.0</td>
<td>$6.7</td>
<td>$7.7</td>
</tr>
</tbody>
</table>

Source: Nancy Whelan Consulting
Revenue Options Summary

Cumulative Net Revenue FY01/02-FY41/42 in Billions, YOE $s

- High Revenue Option: Extend 1-cent in Perpetuity
  - FY01/02: $4.0
  - FY41/42: $9.8

- Medium Revenue Option: Extend ¾-cent in Perpetuity
  - FY01/02: $5.5
  - FY41/42: $7.7

- Low Revenue Option: Extend ½-cent in Perpetuity
  - FY01/02: $0.0
  - FY41/42: $5.5

Current Measure Revenue:
- FY01/02: $5.5 billion

Source: Nancy Whelan Consulting

Funding Splits – Current Measure

- ½-cent: FY 01/02-FY21/22
- Total estimated revenue: $2.1 billion
- Funding Split:
  - 40% Projects
  - 60% Programs
Funding Splits – New Measure

- **Continue existing categories**
  - Projects: Capital projects that are “shovel ready”
  - Programs: Grant and formula funding for operations and maintenance of local transportation, mass transit, paratransit, bike/ped

- **Introduce new funding category:** Development, Innovation, Technology
  - Creates support for:
    - New technology that emerges after adoption of TEP
    - Application of innovations not yet available
    - Projects: Supports maintenance of shelf list of ready-to-go projects
    - Programs: Create programs to respond to future needs

Funding Splits for All New Revenue

- **There are three scenarios being considered for new revenues**

<table>
<thead>
<tr>
<th>Program Emphasis</th>
<th>Project Emphasis</th>
<th>Balanced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development, Innovation, Technology</td>
<td>5%</td>
<td>15%</td>
</tr>
<tr>
<td>Projects</td>
<td>20%</td>
<td>45%</td>
</tr>
<tr>
<td>Programs</td>
<td>75%</td>
<td>40%</td>
</tr>
</tbody>
</table>
Options and Scenarios

Low Revenue Option: ¼-cent

- Program Emphasis: Programs 75%
- Project Emphasis: Projects 20%
- Development, Innovation, Technology: 5%

Medium Revenue Option: ¾-cent

- Program Emphasis: Programs 40%
- Project Emphasis: Projects 45%
- Development, Innovation, Technology: 15%

High Revenue Option: 1-cent

- Program Emphasis: Programs 60%
- Project Emphasis: Projects 30%
- Development, Innovation, Technology: 10%

Revenue by Expenditure Categories

Medium Revenue Option - ¾ cent option

Net Revenue by Expenditure Category FY12/13-FY41/42 in Billions, YOE $s

- Program Emphasis: 20%-75%-5%
- Project Emphasis: 45%-40%-15%
- Balanced: 30%-60%-10%

Capital Projects
- 20%: $1.1
- 45%: $2.5
- 30%: $1.7

Programs
- 75%: $4.1
- 40%: $2.2
- 60%: $3.3

Development, Innovation, Technology
- 5%: $0.3
- 15%: $0.8
- 10%: $0.6

Source: Nancy Whelan Consulting

Updated July 11, 2011
Decisions needed: Revenue Options and Funding Splits

Questions for Small Groups

- Feedback on Recommendations:
  - Revenue: Augment and Extend to extent possible
  - Split between Projects/Programs/Development
  - Maintain CWTP Goals with additional performance criteria
    - Are there other goals/measures?
  - Maintain or expand program support

- What Programs/Projects are most important to you?
- What are the criteria that should be used to select projects and programs from the CWTP for the TEP?