


TEP PARAMETERS

Alameda Countywide Transportation Plan & Transportation Expenditure Plan

...The Conversation Continues

Presentation to CAWG and TAWG



July 2011

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

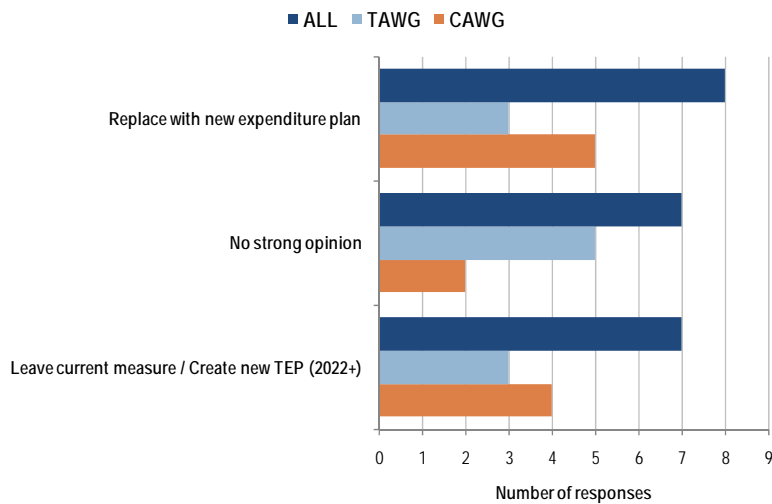
TEP Parameters:

- ❑ 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

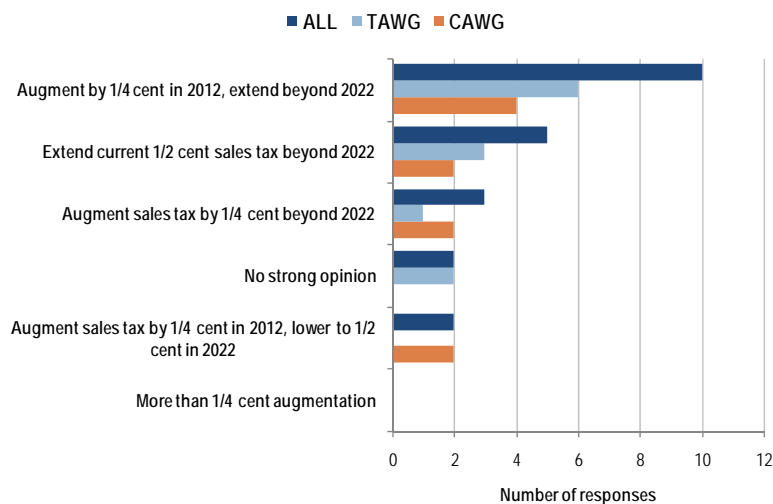
Recommend: Maintain Existing Plan and Augment/Extend with New Plan

- 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?

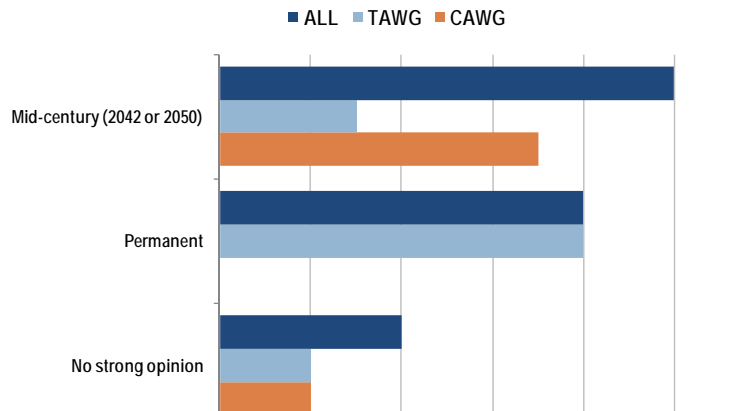
- Members want to augment and extend



Note: 3 skipped question

Duration of Sales Tax?

- CAWG prefers mid century; TAWG prefers permanent



Note: 3 skipped question

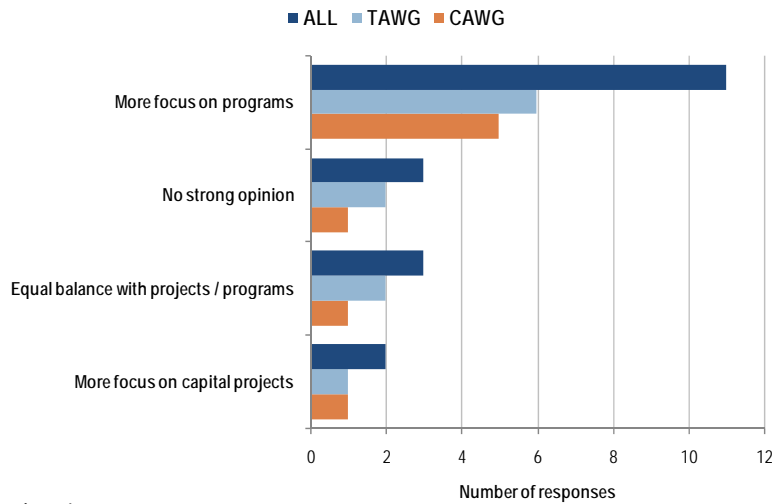
Recommend: Augment & Extend as Far as Possible

- 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 $\frac{1}{4}$ cent and extend beyond 2022
 3. Augment by $\frac{1}{2}$ 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



Recommend: $\geq 60\%$ 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



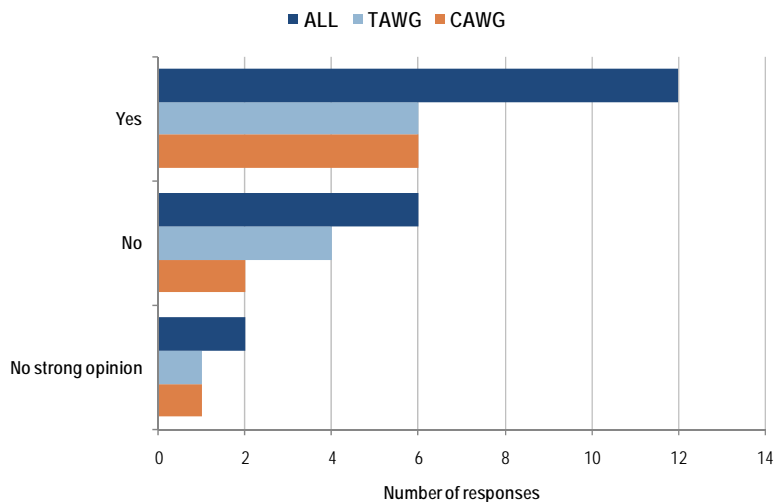
Selecting Projects: New Goals & Performance Measures?

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

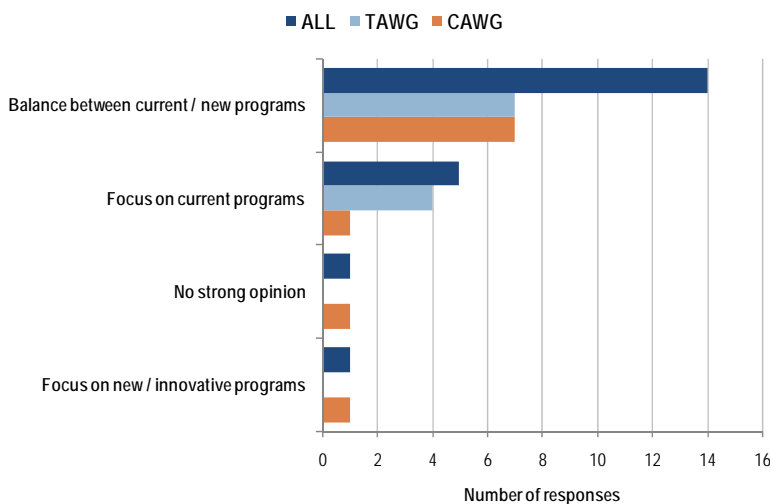
Recommend: Keep Consistent Goals & Add Additional TEP Specific Criteria

- 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

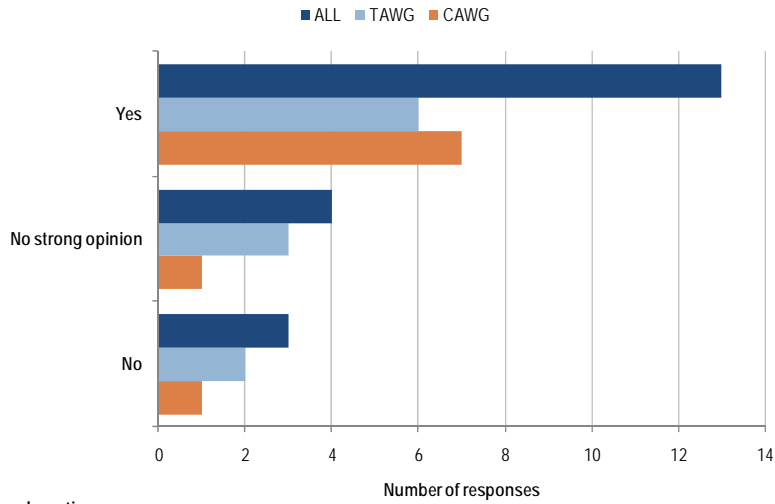
- Seek a balance between current and new TEP programs



Note: 4 skipped question

CAWG/TAWG: Maintain Flexibility

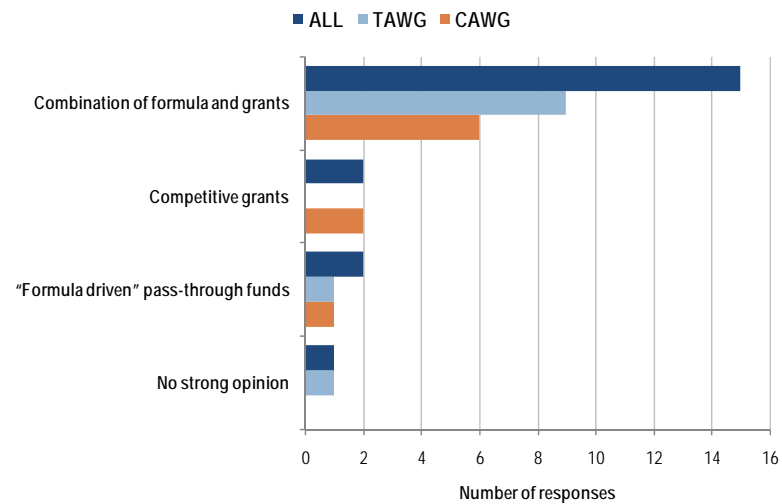
Members support additional flexibility within TEP



Note: 5 skipped question

CAWG/TAWG: Combine formula funds and grants

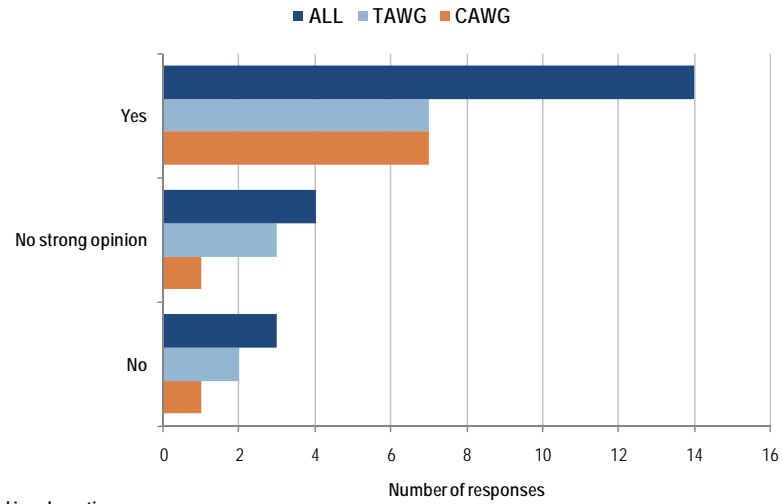
Utilize a combination of formula funds and competitive grants



Note: 5 skipped question

CAWG/TAWG: Support “Rainy Day” Fund

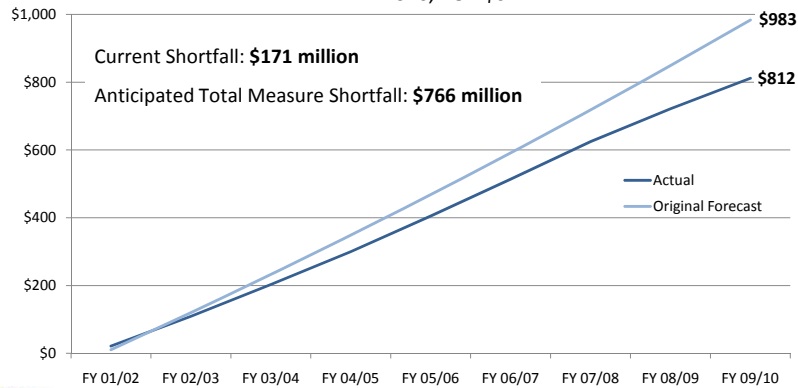
Members support creation of “rainy day” fund



Introduction: History

Current Measure B Cumulative Net Revenue FY 01/02- FY 09/10

In Millions, YOY \$s



Updated July 11, 2011

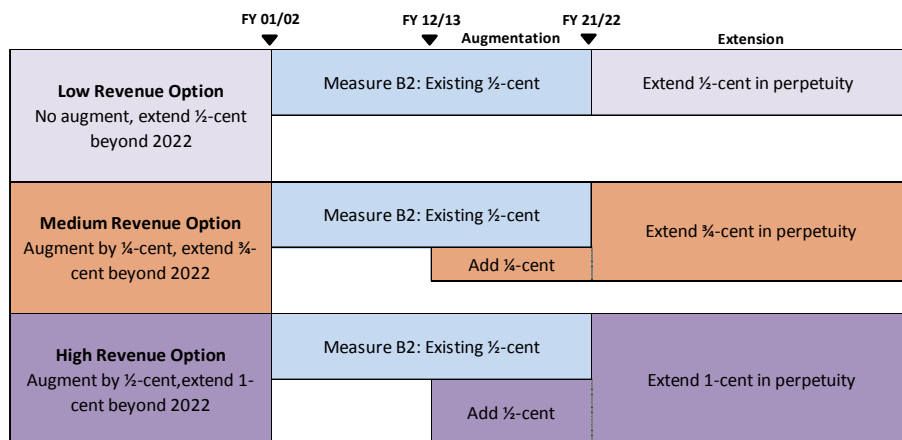
Source: Alameda CTC

Introduction: Issues

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



Three Sales Tax Rate Options

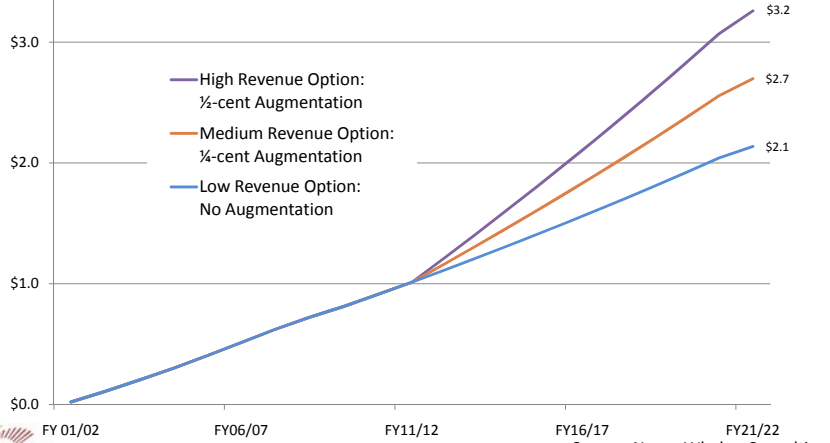


Updated July 11, 2011

Augmentation Options

Cumulative Net Revenue FY 01/02- FY 21/22

In Billions, YOE \$\$s



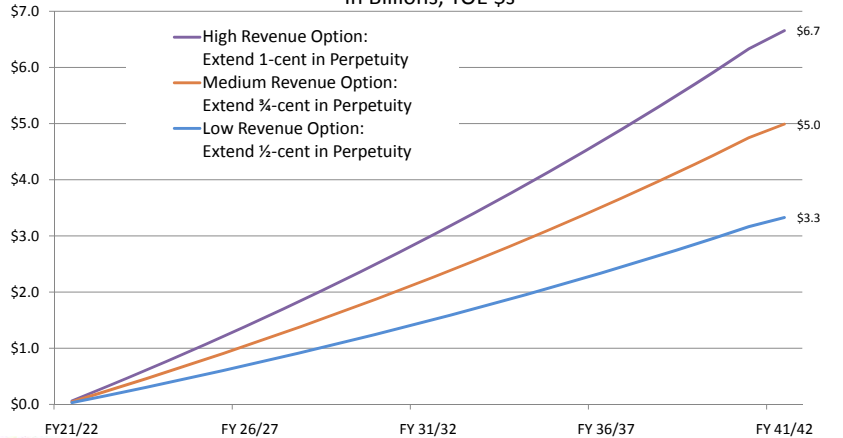
Updated July 11, 2011

Source: Nancy Whelan Consulting

Extension Options

Cumulative Net Revenue FY 21/22- FY 41/42

In Billions, YOE \$\$s



Updated July 11, 2011

Source: Nancy Whelan Consulting

Comparison of Total Revenue Yield

Net Revenue FY01/02-FY41/42

In Billions, YOE \$\$s

| | Augmentation FY01/02-FY21/22 | Extension FY21/22-FY41/42 | Total |
|---|---------------------------------|------------------------------|-------|
| Low Revenue Option No augment, extend ½-cent beyond 2022 | \$2.1 | \$3.3 | \$5.5 |
| Medium Revenue Option Augment by ¼-cent, extend ¾-cent beyond 2022 | \$2.7 | \$5.0 | \$7.7 |
| High Revenue Option Augment by ½-cent, extend 1-cent beyond 2022 | \$3.2 | \$6.7 | \$9.8 |



Source: Nancy Whelan Consulting

Comparison of New Revenue Yield

Net Revenue FY12/13-FY41/42

In Billions, YOE \$\$s

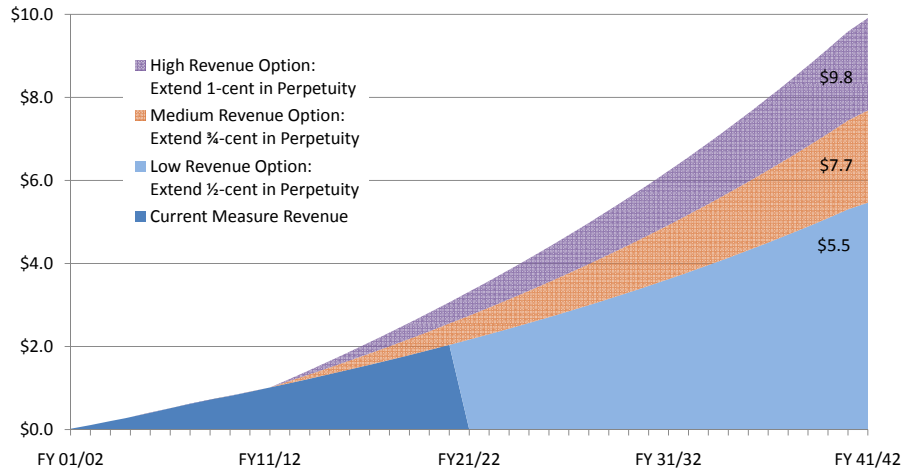
| | Augmentation FY12/13-FY21/22 | Extension FY21/22-FY41/42 | Total |
|---|---------------------------------|------------------------------|-------|
| Low Revenue Option No augment, extend ½-cent beyond 2022 | \$0.0 | \$3.3 | \$3.3 |
| Medium Revenue Option Augment by ¼-cent, extend ¾-cent beyond 2022 | \$0.5 | \$5.0 | \$5.5 |
| High Revenue Option Augment by ½-cent, extend 1-cent beyond 2022 | \$1.0 | \$6.7 | \$7.7 |



Source: Nancy Whelan Consulting

Revenue Options Summary

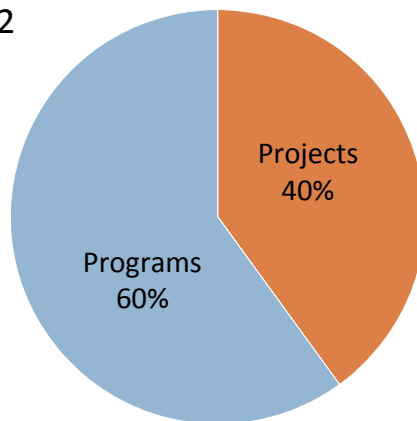
Cumulative Net Revenue FY01/02-FY41/42 in Billions, YOY \$s



Source: Nancy Whelan Consulting

Funding Splits – Current Measure

- 1/2-cent: FY 01/02-FY21/22
- Total estimated revenue: \$2.1 billion
- Funding Split:
 - 40% Projects
 - 60% Programs



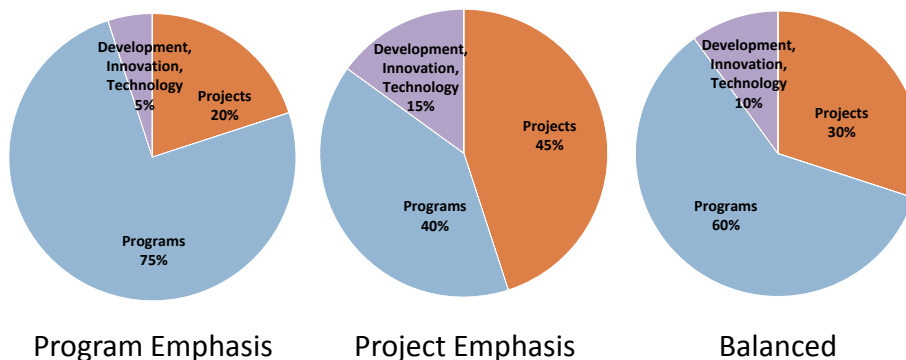
Funding Splits – New Measure

- 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

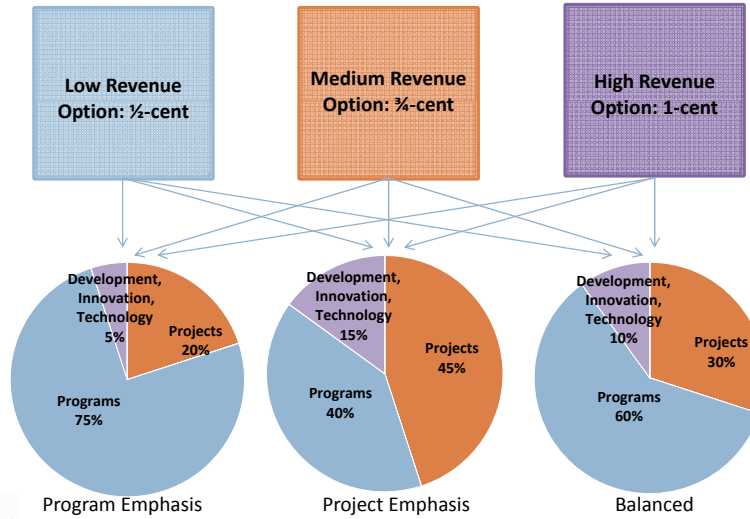


Funding Splits for All New Revenue

- There are three scenarios being considered for new revenues



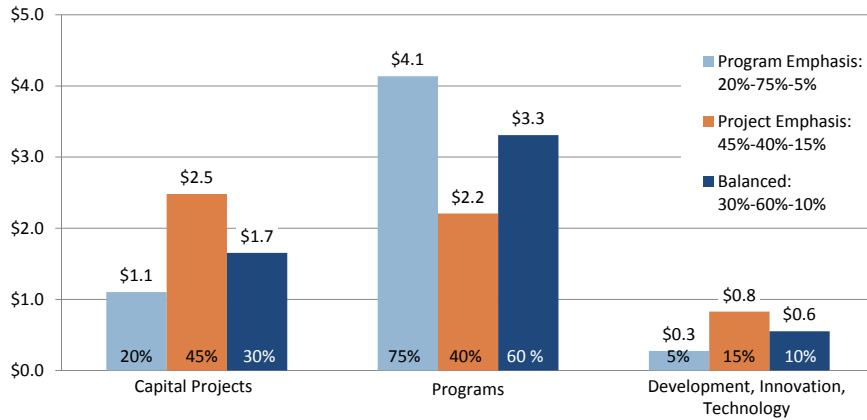
Options and Scenarios



Revenue by Expenditure Categories

Medium Revenue Option - ¾ cent option

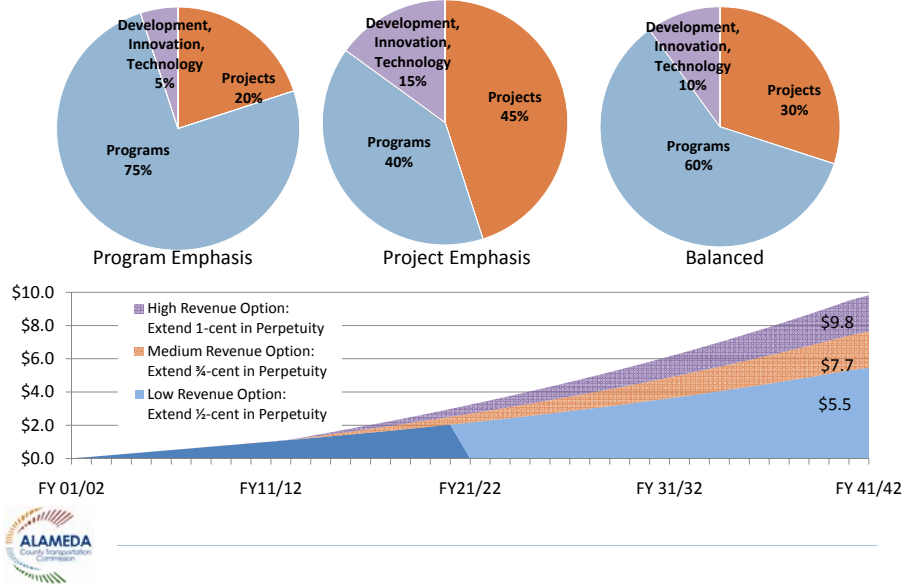
Net Revenue by Expenditure Category FY12/13-FY41/42 in Billions, YOY \$s



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?

