

**TRANSPORTATION AUTHORITY OF MARIN**

**MEASURE B**

**VEHICLE REGISTRATION FEE (VRF)**

**STRATEGIC PLAN**

Adopted July 28, 2011

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## Executive Summary

The Marin County Vehicle Registration Fee (VRF) Expenditure Plan, approved by voters as Measure B in November 2010, dedicates an estimated \$2 million annually in VRF revenues to the transportation projects and programs needs in Marin. The VRF was approved at a time when formerly reliable state and federal sources of transportation funding were sorely lacking and Marin residents expressed a strong desire to reduce traffic congestion and vehicle-related pollution. A number of transportation options in Marin would be implemented if the VRF revenues were not available.

The VRF Expenditure Plan approved by voters lists projects and programs that are eligible for VRF funds and establishes the maximum percentage of funds that can be allocated to each element. It did not establish exactly when allocations will be made. The Transportation Authority of Marin (TAM) has developed this Strategic Plan to establish the timing of allocations and address funding priorities among the projects. The Strategic Plan reconciles the timing of expected revenues with the schedule for when those revenues are needed in order for sponsors to deliver projects and services. It provides the best available understanding of when revenue will be available and how that revenue will be spent. The resulting assignment of dollars to programs and projects is a commitment to sponsors that the funds will be available. The Strategic Plan itself does not constitute the final granting of funding. Commitments to individual projects and programs are secured through actual allocation actions by the TAM Board.

The 2011 Strategic Plan is particularly important because it is the inaugural Strategic Plan for Measure B and establishes the tone and precedent on VRF funds. The Strategic Plan is expected to be updated every other year, with the first updated targeted for 2013. The updates are intended to present to the financial community and the Authority's stakeholders at large a clear sense of the agency's strategy in managing its revenues and expenditures responsibly and cost effectively. In short, the Strategic Plan provides the overall roadmap for the programming of VRF funds consistent with sponsor's expectations. The Revenues and Programming Summary Sheet of the Strategic Plan will be updated annually to indicate the funds are readily available for the years ahead, funds needed to accommodate project delivery.

As outlined in the Expenditure Plan, the revenues generated by VRF are programmed to the following three Elements:

### **Element 1: Maintain Local Streets and Pathways**

- 1.1. Maintain Local Streets
- 1.2. Maintain Class I Bike/Ped Pathways

### **Element 2: Improve Transit for Seniors and Persons with Disabilities**

- 2.1. Paratransit Plus
- 2.2. Volunteer Driver Program Support
- 2.3. Low Income Rider Scholarships
- 2.4. Gap-Grant Program
- 2.5. Mobility Management Staffing

### **Element 3: Reduce Congestion and Pollution**

- 3.1. School Safety and Congestion Reduction
- 3.2. Local Marin County Commute Alternatives
- 3.3. Alternative Fuels Infrastructure and Promotion

A number of policies are outlined or included in this Strategic Plan to make clear the actions, intentions and expectations of TAM. The policy elements discussed in this document include: the Separation of Elements, Reserves, Debt, Investments, Fund Swaps, Strategic Plan Amendments, CEQA, and Annual Reporting. These policies are part of the structure and guidelines for prudent administration of the Measure B program.

Of paramount interest to local sponsors due to receive a portion of the VRF revenues are the implementation guidelines; how sponsors, or claimants, receive and utilize the funds. This Strategic Plan provides various claimant policies, including: Eligibility for Funding, the Application Process, Allocations and Disbursement of Funds, Monitoring and Reporting Requirements, and Eligible and Ineligible Costs.

This Strategic Plan programming roadmap will serve as the starting line for VRF usage. TAM will assess progress and eligibility, assuring that sponsor reporting requirements are met. The incremental allocation of funds along with regular monitoring done by TAM staff will provide additional assurance that the goals of the Expenditure Plan, the strong message from voters, are being met.

This assignment of the estimated annual \$2 million in VRF revenue to the voter approved projects and programs will assure that the primary goal of Measure B for transportation is being met:

**Support transportation investments in a way that sustains Marin County's transportation network and reduces traffic congestion and vehicle-related pollution.**

## I. Introduction

The Expenditure Plan for the \$10 vehicle registration fee increase, approved by voters as Measure B in November 2010, dedicates an estimated \$2 million annually in vehicle registration fee revenues to transportation needs in Marin County.

The Strategic Plan implements the primary goal of the Measure B, as set forth in the Expenditure Plan:

**Support transportation investments in a way that sustains Marin County’s transportation network and reduces traffic congestion and vehicle-related pollution.**

The Expenditure Plan lists transportation projects and programs that are eligible for VRF funds and establishes the maximum percentage of VRF funds that can be allocated to each element. The Expenditure Plan provided minimal guidance on the timing of allocation of the VRF tax revenue to each Element. TAM has developed the Strategic Plan to establish the timing of allocation amounts, addressing funding priorities among the projects. The Strategic Plan reconciles the timing of expected revenues with the schedule for when those revenues are needed in order for sponsors to deliver projects and services. It takes into consideration the schedule of availability of federal, state, Measure A, and other funds beyond Measure B and an assessment of the reasonableness of project and program schedules.

The Strategic Plan makes provisions for project management administration consistent with the voter-approved Expenditure Plan and overhead necessary to oversee a program of this complexity. The Strategic Plan provides the overall structure for the management of the VRF revenues. Finally, guidance is provided to sponsors on requesting, utilizing, and reporting on the results of the VRF allocated.

The Strategic Plan roadmap will serve as the starting line for VRF usage. Each time a sponsor requests the next phase of funding for a project or program, TAM will assess progress and eligibility, assuring that sponsor reporting requirements are met. The incremental allocation of funds along with regular monitoring done by TAM staff will provide additional assurance that the goals of the Expenditure Plan—a strong message from voters—are being met.

### ***A. The Transportation Authority of Marin***

TAM was created in 2004 by the Marin County Board of Supervisors to develop and administer the Measure A (Transportation Sales Tax) Expenditure Plan. With the passage of Measure B, TAM now manages the implementation of the transportation programs financed by Measure A and Measure B. TAM also serves as the designated Congestion Management Agency (CMA) for the County, providing countywide planning and programming for transportation related needs. TAM plays a leading role in the planning, financing and implementation of transportation projects and programs in the County.

The TAM sixteen member governing board comprises representatives from each of the cities and towns in Marin County, and all five members of the County Board of Supervisors. A twelve member Citizens’ Oversight Committee, made up of five representatives from the five planning areas and seven representatives from diverse interest groups in the County, will report directly to the public on expenditures related to the Measure A and Measure B Expenditure Plans.

### ***B. The Citizens' Oversight Committee (COC)***

The existing Citizens' Oversight Committee (COC), created by the TAM Board with the assistance of the League of Women Voters to provide oversight for the half-cent transportation sales tax (Measure A), will provide oversight of the vehicle registration fee as well. The COC reports directly to the public and will be responsible for reviewing all revenues and expenditures related to the Fee. The responsibilities of the Committee are:

- The Committee must hold public meetings to inform Marin County residents how funds collected from the Fee are being spent. The Meetings will be open to the public and must be held in compliance with the Brown Act, California's open meeting law. Information announcing the meetings must be well publicized and posted in advance.
- The Committee must publish information on the use of the Fee in an annual report. This report can be included as part of the annual report currently published by the COC related to the half-cent transportation sales tax. Copies of these documents must be made widely available to the public at large.

Members of the COC will be private citizens who are neither elected officials of any government nor public employees from any agency that either oversees or benefits from the proceeds of the Fee. Membership will be restricted to individuals who live in Marin County. Membership is restricted to individuals without personal economic interest in any of TAM's projects. A single Citizen's Oversight Committee will oversee both the Measure A half-cent sales tax and the Vehicle Registration Fee. Membership in the COC is outlined in Appendix A.

### ***C. Overview of the Elements***

The development of the Measure B Expenditure Plan was the result of a comprehensive planning process supplemented by extensive input from the public and from the cities/towns/county of Marin. The Expenditure Plan was developed with the assistance of the Expenditure Plan Advisory Committee, with members representing diverse interests, including environmental, business and advocates for every travel mode and advocates for underserved populations including seniors and persons with disabilities.

The goal of the Plan is to support transportation investments in a way that sustains the County's transportation network and reduces traffic congestion and vehicle-related pollution. The VRF is a key part of an overall goal to develop a balanced, well-conceived program that improves transportation of all types – automobile, transit, bicycle, walking and specialized transportation services.

As of October 2010, there were approximately 207,000 registered vehicles in Marin County. A \$10 annual fee on each vehicle registered in the County would generate approximately \$2,070,000 annually. Actual available revenues would be reduced by the amount withheld by the State for collecting and distributing the funds, and up to 5 percent allowed for local administration costs. About \$2 million should be available for programming annually.

#### **1. Element 1: Maintain Local Streets and Pathways**

**Forty percent (40%)** of the VRF will be used for this Element, which is intended to maintain and improve Marin County's local streets for motorists, pedestrians, bicyclists, and transit users, of

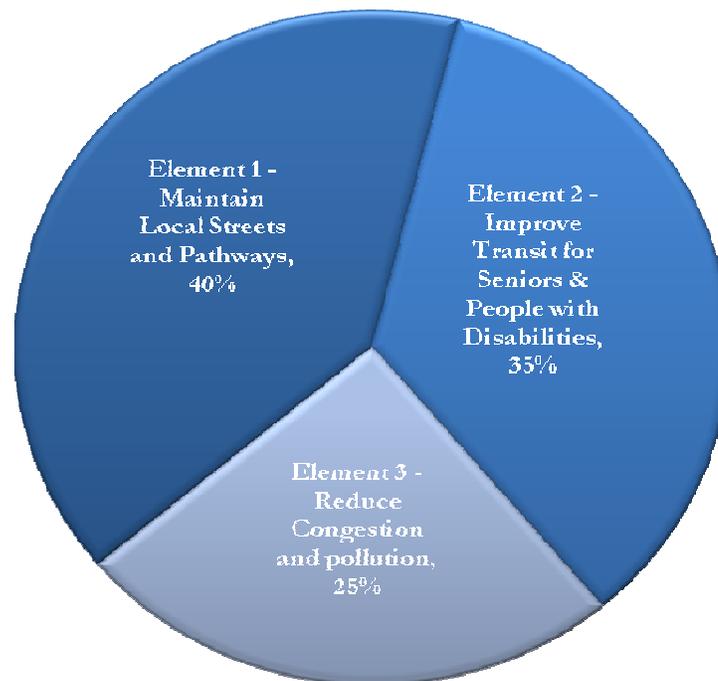
which 35% will be used to maintain local streets and 5% will be used to maintain Class I bike/ped pathways constructed after January 1, 2008.

## 2. Element 2: Improve Transit for Seniors and Persons with Disabilities

**Third-five percent (35%)** of the VRF will be distributed to Marin Transit for use on Mobility Management programs and enhancements to the specialized transportation system for people with disabilities (sometimes called paratransit) to include older adults regardless of disability status.

## 3. Element 3: Reduce Congestion and Pollution

**Twenty-five percent (25%)** of the VRF will be dedicated to fund projects/programs that can reduce congestion and pollution in Marin, including School Safety and Congestion Reduction; Local Marin County Commute Alternatives; and Alternative Fuels Infrastructure and Promotion.



### *D. Strategic Plan Purpose & Guiding Principles*

This Strategic Plan serves as the programming document for the programs and projects that are contained in the three elements defined in the Expenditure Plan. In the development of the Expenditure Plan, a number of goals on how the VRF funds should be spent emerged. The Strategic Plan codifies these goals as guiding principles. These principles guide the Strategic Plan policies and the specific programming recommendations, including Strategic Plan updates:

1. Reduce greenhouse gases and vehicle miles traveled, while supporting healthy living
2. Satisfy SB 83's requirement that the fee have a relationship to, or benefit, the rate payer

3. Select projects that are part of an approved plan and have a strong history of community input
4. Improve mobility options and reduce congestion
5. Benefit local residents
6. Enable TAM and other agencies to leverage transportation funds coming from state and federal sources
7. Be cost effective
8. Ensure that benefits are easily measurable and quantifiable

## II. Policy Elements

The Strategic Plan sets policy and provides guidance for the administration of the Measure B program, ensuring prudent stewardship of the funds. Policies considered by the TAM Board and incorporated into this document not only guide the financial decisions TAM expects to make but also will determine how vehicle registration revenues are allocated to specific projects and programs.

### *A. Separation of Elements & Sub-elements Policy*

The Strategic Plan captures the intent of the Expenditure Plan in assigning funding commitments to the three key elements. The Expenditure Plan is organized around three elements designed to protect the environment and quality of life enjoyed in Marin County. Each element is supported by specific but flexible programs that have been designed to “provide a high degree of accountability to the voters.” In the Strategic Plan, a percentage share of Measure B revenues is programmed to each element or sub-element within the three elements. As vehicle registration fee revenues increase or decrease, the dollar amounts programmed to each element and sub-element may fluctuate accordingly, but the overall percentage will be maintained.

For purposes of developing the Revenue and Programming section of the Strategic Plan, financial assumptions concerning how Measure B revenues would be programmed, interest earned, and funds borrowed between elements were developed. These assumptions have guided the development of the fund tracking and monitoring systems, which track what levels of vehicle registration revenues will be expended for each element and sub-element over time. In general, for tracking purposes, each element or sub-element is considered as a discreet and separate “fund” that is eligible for its percentage share of revenues annually. Revenue may be allocated for eligible projects and programs within the element or sub-element annually or they may be accumulated and allocated at a later time.

Interest earnings on Measure B fund balance will be allocated to any Measure B eligible projects and programs as determined by the TAM Board.

Over the life of the plan, all direct Measure B revenues will be programmed according to the percentage distributions identified in the Expenditure Plan.

Specific policies related to programming VRF revenue to elements and sub-elements are discussed in the Revenue and Programming section of the Strategic Plan.

### *B. Debt Policy*

The Vehicle Registration Fee Expenditure Plan acknowledges and allows for debt to be issued for expediting the delivery of transportation projects. The bonds, along with any issuance costs, will be paid using the proceeds of the VRF. The costs associated with bonding will be borne only by those elements in the Plan utilizing the bond proceeds. The costs and risks associated with bonding will be presented in TAM’s Annual Budget and will be subject to public comment before approving a bond sale.

The debt policy that the TAM Board adopted in July 2007 and being review annually since provides a framework for issuing debt, addressing restrictions on the amount and type of debt to be issued, the issuance process, and the management of the debt portfolio.

### ***C. Investment Policy***

The TAM Administrative Code Article VI, Section 106.8 states that “all funds of the Authority will be invested in the manner and upon the conditions set forth in Government Code 53601, and the receipt, transfer or disbursement of such funds during the term of the Agreement shall be accounted for in accordance with generally accepted accounting principles applicable to governmental entities.” Currently, the Marin County’s Director of Finance is appointed as TAM’s Treasurer by the Board and invests all TAM’s funds in the Marin County Investment Pool. TAM’s new VRF revenue stream will be included in the county investment pool under the same framework as transportation sales tax funds, unless otherwise designated by the TAM Board.

The Investment Policy that TAM adopted in April 2007 and being reviewed annually since then provides detail guidelines in term of how TAM’s investment should be handled.

### ***D. Fund Swap Policy***

The Expenditure Plan envisioned the role of other fund sources to help meet Marin’s transportation needs. It recognized that the vehicle registration revenue open up new opportunities to compete for state and federal grants that require a local match. Leveraging funds through a “fund swap,” i.e., exchanging Measure B funds for an equivalent or greater amount of state or federal dollars is one mechanism that TAM will utilize in the delivery of the Measure B projects/programs. In its role as the Congestion Management Agency for Marin, TAM has the responsibility for programming the majority of state and federal funds that come to the county. TAM is therefore well-situated to identify opportunities where such an exchange would be appropriate. Note that VRF funds are not meant to replace other funds that are available to TAM or its member agencies.

### ***E. Compliance Audit Policy***

TAM reserves the right at any time to conduct or require a financial or performance audit of the recipient’s compliance with the required usage of Measure B revenue. TAM will give advance notice of the requirement. The recipient shall permit TAM, or any of its duly authorized representatives, to inspect all work, materials, payrolls, and other data and records with regard to the project(s), and to audit the books, records, and accounts of the recipient and its contractors with regard to those project(s).

### ***F. Strategic Plan Amendment Policy***

The Strategic Plan is the programming document that directs the use of the vehicle registration fee revenue over the next 10 years. The fee will be continually collected. The Strategic Plan provides the intent of the Board and resultant assurance to sponsors. While the programming is a statement of intent, the Board must approve individual allocations before the vehicle registration fee funds can be used.

It is envisioned that the Measure B Strategic Plan will be updated every other year. These are envisioned to occur at the change of the Fiscal Year in June/July. For any other adjustments in the revenue and expenditure element that occur prior to the bi-annual update, and which result in a increased or a reduced use of vehicle registration fee, the change will be noted in the allocation action of the Board, but an amendment to the Strategic Plan’s revenue and expenditure element will not required. Note that the Board will have the authority to program funds from prior year(s) that were

not allocated and/or un-programmed carryover funds without formally amending the Strategic Plan. All TAM allocation actions will continue to be done at regularly scheduled and noticed TAM board meetings, allowing public comment and input.

### ***G. California Environmental Quality Act (CEQA) Compliance Policy***

Environmental review of the Expenditure Plan is not required under the rationale stated in Sustainable Transportation Advocates of Santa Barbara v. Santa Barbara County Association of Governments (2009) 179 Cal.App.4th 113. None of the programs in the Expenditure Plan rises to the level of specification that would create a project under the California Environmental Quality Act (CEQA). Many of the programs would be categorized as exempt. If a project to be funded by one of the Programs listed in this Expenditure Plan requires an analysis under CEQA, an independent project level CEQA analysis will be completed prior to implementation of the project. No fund allocations for implementing the improvement will be made until the requisite analysis has been completed.

### ***H. Annual Reporting Policy***

TAM will prepare an Annual Report which will be made available to the public and will summarize revenues collected and distributed each year. Before adopting the Annual Report, comments from the public will be invited at a publicly noticed regular meeting of the TAM Board.

### ***I. Local Business Emphasis***

Every effort shall be made to enable the expenditure of this vehicle registration fee on local business enterprises and with an emphasis on local employees. This will help assure the vitality of Marin's businesses community.

### III. Revenues & Programming

The Measure B – Vehicle Registration Fee Strategic Plan provides a 10-year outlook for how the local vehicle registration fee revenue will be spent. The Strategic Plan will present to the financial community and TAM's stakeholders at large a clear sense of the agency's commitment in managing its vehicle registration fee revenues and programming responsibly and cost effectively. The Revenue and Programming Section of the Plan is crucial to that goal. It provides the best available understanding of when revenue will be available and how that revenue will be programmed. The resulting assignment of dollars to projects/programs does not constitute a final funding commitment. Commitments are secured through actual allocations actions by the TAM Board to individual projects/programs.

#### *A. Vehicle Registration Fee Revenue Estimate Assumptions*

As of October 2010, there were approximately 207,000 registered vehicles in Marin County. A \$10 annual fee on each vehicle registered in the County would generate approximately \$2,070,000 annually. Actual available revenues would be reduced by the amount withheld by the State for collecting and distributing the funds, and up to 5 percent allowed for local administration costs. About \$2 million should be available for programming annually.

It is anticipated that VRF revenues will not fluctuate as much as sales tax revenue. VRF revenue estimates will be updated annually as part of the Revenue and Programming update process. Actual revenue and programming data will be added to the forecast.

#### *B. Revenue & Programming Plan by Element/Sub-element*

The Expenditure Plan dedicated funding to each element and sub-element by percentage share. The three elements and associated sub-elements are progressing at slightly different paces, given the nature of the project or program.

Detailed annual programming activities for each element and sub-element are shown in Attachment 1 of the Plan: VRF Revenues and Assignment to Strategies. The attachment exhibits in tabular format the revenue available by element/sub-element in each of 10 years of the Strategic Plan.

Methodology and assumptions for how funds are programmed for each element and sub-element are described in Section III. D Programming Methodology and Assumptions. Note that many of the elements include agency support costs related to managing the direct delivery of the element. For purposes of establishing vehicle registration fee availability targets for each element/sub-element, direct project management costs were included as a cost to each strategy.

#### *C. Fund Leveraging*

As discussed previously in this document, as well as in the Expenditure Plan, one of the important principles that guides the implementation of Measure B is the commitment to leverage VRF revenues to help attract other regional, state and federal funds to transportation needs in Marin County. While the timing and availability of such funds is not always easy to predict, TAM has already proven successful at capturing federal, state, and regional funds. TAM staff will continue to work to identify potential funding sources that can likely be captured by leveraging the vehicle registration fee revenues. TAM will continue to seek and secure additional funding from regional, state and federal sources on an ongoing basis.

**D. Programming Methodology & Assumptions**

**1. Element 1: Maintain Local Streets and Pathways**

<b>Element 1</b>		
<ul style="list-style-type: none"> <li>a) <b>Maintain and Improve Marin County’s Local Streets for All Users Including Motorists, Pedestrians, Bicyclists, and Transit Riders</b></li> <li>b) <b>Maintain Class I Bicycle/Pedestrian Pathways</b></li> </ul>		
	<b>%</b>	<b>Est. 10 year revenue</b>
<b>What can local streets and pathways maintenance funds be used for?</b>		
<ul style="list-style-type: none"> <li>• Road maintenance, rehabilitation and congestion relief on local and residential streets. New facilities are also eligible for maintenance funds</li> <li>• Safety improvements for all modes</li> <li>• Emergency pothole repair on residential streets, sidewalks and pathways</li> <li>• Crosswalk and accessibility enhancements</li> <li>• Intersection control, pavement, and drainage improvements</li> <li>• Streetscape improvements to better manage stormwater runoff</li> <li>• Maintenance and improvement of Class I (exclusively) bicycle and pedestrian pathways, including new facilities</li> </ul>	40%	\$8.24 M
<b>How will the funds be spent?</b>		
<ul style="list-style-type: none"> <li>• TAM will distribute 35% of available funds to the Cities, Towns and County of Marin based on a formula which combines population (50%) and lane miles (50%). Funding priorities will be determined by local public works directors working in concert with local residents and councils. Funds will be made available only to municipalities that have adopted a Complete Streets policy.</li> </ul>	35%	\$7.21 M
<ul style="list-style-type: none"> <li>• Funding for Class I pathway maintenance will be distributed by TAM annually to the agencies and jurisdictions who own, operate, or maintain eligible Class I pathways in Marin County. The distribution of funds will be based on a publicly available, published inventory, adopted by TAM, of pathways constructed after January 1, 2008. This inventory will be updated every two (2) years to account for newly constructed Class I facilities throughout Marin County. In no case will funds allocated to an agency or jurisdiction exceed their actual expenses for Class I pathway maintenance.</li> <li>• Class I maintenance funds will be made available only to municipalities that have adopted a Complete Streets policy.</li> </ul>	5%	\$1.03 M

### 1.1 Local Streets for All Users

Funds will be distributed triennially to the Department of Public Works in each of the jurisdictions in the County using the existing, well-accepted Measure A formula that is based 50 percent on local population and 50 percent on number of lane miles. Annual collection of Measure B funds for local streets is insufficient for the smaller jurisdictions to complete the typical street projects. Three years of revenue collection for Measure B for local streets is equivalent to one year of revenue collection for Measure A. The Marin Public Works Association (MPWA) discussed and concurred with the notion that Measure B funds for local streets projects should be distributed triennially. However, TAM will consider, on a case-by-case basis, allocating funds sooner if a sponsor demonstrates a critical need.

Formulas used to allocate local road maintenance funds will be revised every 2 years, consistent with the local infrastructure distribution of Measure A transportation sales tax funds as outlined in TAM's Strategic Plan, to reflect changes in population and/or lane miles. This update shall not be considered an amendment to the plan. Public Works Directors would have the discretion to prioritize projects in their jurisdictions in collaboration with their councils and local constituents.

### 1.2 Class I Bicycle/Pedestrian Pathways

Funds will be made available annually to local agencies and jurisdictions in Marin County exclusively for the maintenance of Class I bicycle and pedestrian pathways. The distribution of funds will be based on a publicly available, published inventory, adopted by TAM, of pathways opened for public use after January 1, 2008. This inventory will be updated whenever a new pathway is opened for public use to account for newly constructed Class I facilities throughout Marin County. In no case will funds allocated to an agency or jurisdiction exceed their actual expenses for Class I pathway maintenance. This update shall not constitute an amendment to the plan.

Measure B funds will be applied first to the total costs of the maintenance of the pathways. The remaining costs will be subject to TAM's Measure A Pathway Maintenance Policy, should the pathway be eligible for Measure A interest funds. That policy requires a 50% contribution from local agencies as a condition for the Measure A interest funds.

Finally, this funding will be made available only to municipalities that have adopted a local Complete Streets policy either by a directive of the Public Works Department, Council Resolution, within the Bicycle and Pedestrian Master Plan, or within the Transportation Element of the General Plan.<sup>1</sup>

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<sup>1</sup> AB 1358 (Leno), the "Complete Streets Act of 2008," requires that all municipalities incorporate Complete Streets provisions in the Transportation Element of their General Plans beginning in 2011.

**2. Element 2: Improve Transit for Seniors and Persons with Disabilities**

Element 2		
Improve Transit for Seniors and Persons with Disabilities		
	%	Est. 10 year revenue
<b>What can these transit funds be used for?</b>		
<ul style="list-style-type: none"> <li>Implementing a Mobility Management Program that identifies and implements mobility options for Seniors and Persons with Disabilities</li> <li>Support and Enhance paratransit (e.g. Whistlestop Wheels) and other local services focused on this population</li> <li>Create a “Paratransit Plus” program to serve older seniors who may not qualify for service under the Americans With Disabilities Act</li> <li>Implement other innovative programs to provide mobility to seniors as an alternative to driving</li> </ul>	35%	\$7.21 M
<b>How will the funds be spent?</b>		
TAM will distribute these funds to Marin Transit. Marin Transit will report on the usage and effectiveness of these funds with an annual report presented to the TAM board in a publicly noticed meeting.		

Below is a list of the projects and programs submitted by Marin Transit which are eligible for the fund allocated to Element 2:

1. “Paratransit Plus” Subsidized Program for Older Seniors  
Initial Program Focus: Individuals 80 years and older to provide a new mobility option for those who may no longer be safe drivers, have difficulty accessing transit, and may not qualify for ADA paratransit.

Secondary Program Focus: ADA Eligible riders of any age as a supplement or alternative to ADA paratransit. This component would be added at a later date subject to an evaluation of the Initial Program from operational and funding/budget perspectives. Since this component is designed to stabilize or reduce demand on the ADA paratransit service, supplemental funding could be added from the paratransit operations budget if warranted.

2. Volunteer Driver Programs Support  
Program Focus: Ongoing funding of volunteer driver programs for frail home-bound seniors that will soon be implemented with a one-year New Freedom grant funding.
3. Low Income Rider Scholarships  
Program Focus: To serve as “seed money” to fund rides for low-income seniors and persons with disabilities through the Marin Access Mobility Management Center’s Ride Credit Bank and to help attract donated funds for this purpose.

4. “Gap-Grant” Program  
Program Focus: Provide a small source of competitive funding for local agencies to expand or implement new transportation services that meet the requirements of Measure B.
  
5. Mobility Management Staffing- limited to \$100,000 annually  
Program Focus: Provide sufficient program staff to design, implement, and manage Marin Transit’s mobility management efforts including:
  - Oversight of the Marin Access Mobility Management Center;
  - Leadership and support of the Marin Mobility Consortium and its various subcommittees;
  - Operation of the agency’s travel training programs;
  - Technical assistance in the areas of transportation operations, and coordination of transportation of resources to Marin’s community transportation providers;
  - On-going outreach on transportation resources and issues to Marin residents and stakeholder agencies; and
  - Represent Marin Transit and Marin Access at various meetings.

**3. Element 3: Reduce Congestion and Pollution**

Element 3		
Reduce Congestion and Pollution		
	%	Est. 10 year revenue
<b>What can congestion and pollution reduction funds be used for?</b>		
<p>Eligible activities are limited to 3 core strategies and programs:</p> <ul style="list-style-type: none"> <li>• School Safety and Congestion Reduction:                             <ul style="list-style-type: none"> <li>○ Maintain and expand the School Crossing Guard program</li> <li>○ Provide matching funds for Safe Routes to Schools programs</li> <li>○ Enhance/expand programs designed to reduce congestion and improve safety around schools including Street Smarts and School Pool programs</li> </ul> </li> <li>• Local Marin County Commute Alternatives: Enhance/expand existing alternative programs in Marin County designed to reduce single occupancy commuting, including:                             <ul style="list-style-type: none"> <li>○ Carpool and vanpool information and incentive programs,</li> <li>○ Emergency Ride Home, and</li> <li>○ Transit information and promotion</li> <li>○ Driving management programs such as telecommuting</li> <li>○ Support efforts to bring a carsharing program to Marin County</li> </ul> </li> <li>• Alternative Fuel Infrastructure and Promotion: Support the development of alternative fuel infrastructure (such as electric</li> </ul>	25%	\$5.15 M

<p>vehicle fueling stations) and education programs; support alternative fuel vehicle programs.</p> <ul style="list-style-type: none"> <li>• Install alternative fuel infrastructure such as electric vehicle fueling stations</li> <li>• Provide matching funds to leverage grant opportunities to projects and programs</li> <li>• Develop strategies and support projects and program</li> </ul>		
<b>How will the funds be spent?</b>		
<p>TAM will be responsible for distributing school safety funds to sustain or grow existing programs.</p> <p>TAM will administer the Commute Alternatives program as part of its existing commuter program. All transit programs will be coordinated through Marin Transit and/or Golden Gate Transit</p> <p>TAM will assign funds for alternative fuel programs, as a match to other fund sources or through competitive grant programs. TAM will manage an alternative fuel education program in collaboration with stakeholders such as the Marin Climate and Energy Partnership.</p> <p>The distribution of funds among the three eligible expenditures for this element will be determined every two years based on grant opportunities and funding needs.</p> <p>The goal is to be flexible and maximize the value of these funds by targeting matching grant opportunities, pilot programs and other timely revenue opportunities.</p>		

### 3.1 School Safety and Congestion Reduction

#### Crossing Guards

VRF funds will be used to supplement the successful Measure A transportation sales tax Crossing Guard Program utilizing the same contracts and agreements. In accordance with the Transportation Sales Tax Expenditure Plan, the crossing guards are provided by a professional company that specializes in crossing guard programs in order to “eliminate liability concerns and to ensure that well trained crossing guards with back-ups are available for every critical intersection.”

The Transportation Sales Tax Expenditure Plan determined that 63 guards are sustainable for the life of the program based on current sales tax projections. In the Spring of 2010 a complete re-evaluation of intersections recommended by Public Works Directors throughout the County was performed. In all, 122 sites were evaluated utilizing criteria approved by the TAM Board and ranked in priority order. Input from staff of various agencies plus community involvement indicated great support for several sites below the 63<sup>rd</sup> rank on the approved list. Starting with the 2010/2011 school year, the TAM Board approved using sales tax funds for 75 locations in anticipation of future VRF funding to accommodate the extra 12 sites.

The additional guards deployed during this 2010-2011 school year will be lost if VRF funds are not applied. The use of the VRF funds will allow 12 guards to be funded that would not otherwise be funded. Given that Safe Routes grant programs at the federal, state, and regional level are unlikely sources for crossing guard implementation funding, it is likely that VRF funds will continue to be assigned to meet crossing guard program demands.

The Transportation Sales Tax Expenditure Plan requires the Crossing Guard program to be assessed by the TAC, through a public process involving parents, school officials and students throughout the County. Crossing guard program locations will undergo a re-certification process on a three to six year cycle. The process will be conducted with the Public Works Directors and TAC determining priority of crossing guard locations based on updated traffic and school pedestrian data. The same process will be followed and be coincidental for crossing guards funded under the VRF.

Recommended programming in the Strategic Plan will coincide with the funding levels available each year for this sub-element.

### 3.2 Local Marin County Commute Alternatives

The Expenditure Plan calls for the enhancement or expansion of existing alternative transportation programs, also known as Transportation Demand Management (TDM), to reduce single occupancy commuting. TDM includes strategies to modify travel behavior in order to reduce vehicle trips and emissions, and mitigate traffic congestion. TDM strategies often include local employer and employee outreach, education, rewards and incentives. TDM programs are considered to be among the most cost effective ways to reduce trips and congestion, and have proven to be successful for many years throughout the San Francisco Bay Area. Programs under consideration include:

- Emergency Ride Home (ERH) Program - An ERH program offers free or subsidized rides to commuters who use alternative commute modes to accommodate their occasional, unexpected trip, such as a family medical emergency or unexpected need to work late, eliminating the concern about being stranded at work without an automobile. ERH programs typically pay for taxi rides and/or contracted car rentals for participating employees of registered employers.

With earlier support from the Bay Area Air Quality Management District's (BAAQMD's) Transportation Fund for Clean Air, TAM has developed an ERH Program website and information hotline to minimize the staffing needs for this program. Program policies and procedures are in place. Measure B support will be used to launch this effort and aggressively promote it to Marin employers and employees as well as manage the ongoing implementation. Marketing and outreach will be coordinated with 511 Rideshare and other existing programs. Other grant funds will be pursued to minimize the amount of Measure B funding for this effort.

- Ridesharing Promotion and Employer Support - Measure B funds will support the continued implementation of an enhanced TDM/traffic congestion mitigation effort called "**101 Ways to Go Green, Marin.**" This initiative will include, but not be limited to the following:
  - Carpool incentives on a pilot basis for those who share their commute.
  - Vanpool incentives and additional marketing, specifically targeting small and medium size employers, to support the development of new vanpools traveling to or from Marin County.
  - Transit incentives to new riders of transit.

- Marin Rideshare Registration Campaign - At the present time, existing regional rideshare promotion staff are not able to adequately provide ride matching services in Marin, due to an insufficient database of those willing to consider potential rideshare opportunities in carpools and vanpools. A rideshare registration campaign will provide incentives to those who register, thereby growing the local data base and enabling regional rideshare staff to more effectively serve Marin County.
  - Employer TDM outreach/support in Marin - This would increase employer participation and access to employees. It would also support and supplement our ongoing efforts to target employers with outreach to reduce work-related vehicle trips. Employer support would include bike training and safety workshops for employees, tele-commute workshops, and (pre-tax) Commuter Benefit Program development training. Funding would support large, medium and small employers with communications and solicitations for requested assistance, workshop expenses, marketing material development, and support for the transportation elements of the County's Green Business Certification Program. This work would be done in partnership with 511 Rideshare and others who have offered to provide trainers and program support.
  - The launch and promotion of a Marin County-based pilot to test the effectiveness of new software programs that would demonstrate "real time" or "dynamic rideshare" technology and strategies.
- Carsharing – Measure B funds will be used, if necessary, to establish and promote carsharing options in Marin County. This has been an effective way to reduce vehicle trips throughout the San Francisco Bay Area. Carshare programs throughout other parts of the Bay Area have reduced vehicle miles traveled as well as emissions, while supporting the use of transit. They could eventually support all modes, including transit hubs, as well as the SMART train system by providing mobility options for those who use the train. Other benefits may include:
    - Influencing consumer behavior because some residents may opt to not buy a second car if they know they have access to a shared car vehicle
    - Introducing and promoting new technology vehicles (plug-in hybrids, battery electrics, etc., all expected to be available soon)
    - Supporting existing commercial and residential parks, as well as college campuses in Marin, to provide mobility options that might reduce the use of private automobiles for business and personal trips during the work or school day.

Measure B funds totaling approximately \$150,000 will be used to leverage other available grants and resources, as possible. Details of these individual programs will be presented to the TAM Board in advance of the programs being launched.

### **3.3. Alternative Fuels Infrastructure and Promotion**

Implementing strategies to reduce greenhouse gases and other motor vehicle emissions is a requirement in California and funding sources are emerging to support this effort. Often a limited amount of local matching funds can be leveraged to obtain sizable levels of other federal, state, or regional funding for projects and programs that address greenhouse gas

emission reduction. The VRF funds assigned for alternative fuel vehicles are an important source of funds that can leverage significant outside funding.

Examples of projects and programs eligible for this fund element include development and implementation of alternative fuel infrastructure such as electric vehicle (EV) fueling stations, supporting a fast growing program currently being developed in the region to convert municipal fleets to electric powered vehicles, and developing educational strategies to promote and advocate for programs with measurable results that will decrease the environmental impacts of vehicle travel.

There are a number of reasons why Marin is well-suited to be a statewide leader in the shift to electrified transportation:

- Marin is known for its commitment to promoting “green” technologies, as evidenced by the high number of “early-adopters” who purchased hybrid electric vehicles and will be a target audience for plug-in electric vehicles.
- For the first time, practical EV’s such as the Nissan Leaf, Chevy Volt, and many others are now available.
- Marin recognizes that support for alternative vehicles is important for business vitality, environmental stewardship, , and to keep Marin communities and attractions as preferred destinations.
- More and more government sponsored activities are supportive of a public-private partnership and, by supporting the installation of publicly-accessible EV chargers, local jurisdictions will encourage private investment in the purchase of EVs by local citizens, local government agencies, employees and businesses.

Local jurisdictions are actively pursuing strategies to replace petroleum fuel-driven vehicles with cleaner, more efficient electric vehicles. To accelerate this shift, EV drivers, from Marin and travelling through Marin, will need access to publicly-accessible stations where they can stop to charge their vehicles, while doing business, shopping, working, and visiting in Marin.

The TAM Board recently accepted a countywide study developed in partnership with our member agencies and graciously funded by the Marin Community Foundation to identify potential EV charging station locations. This “siting” study identifies over 70 potential locations for EV fueling stations on both public and private property. Many of these sites are identified for further investigation, but they provide a good starting point to begin discussions to develop a well planned network.

Over the past two years TAM has requested surrounding agency staff, interested advocates and vendors gather to provide advice to better understand an effective means for electric vehicle implementation. It is envisioned an expanded advisory group will be formed in the future to guide the most productive use of the funding.

TAM is participating and monitoring the activities within the region. For example, lead agencies in the region—the Metropolitan Transportation Commission (MTC), the Association of Bay Area Governments (ABAG), and the BAAQMD—along with local elected officials from around the Bay Area have created an EV Strategic Council to provide guidance to the region related to electric vehicle implementation. With a seat on the council

representing the Congestion Management Agencies, TAM will continue to closely monitor the actions of the Strategic Council as we move forward with electric vehicle implementation.

TAM is currently facilitating the use of California Energy Commission (CEC) and Bay Area Air Quality Management District (BAAQMD) funding to install 30 electric vehicle fueling stations throughout the County. At present, prior to this upcoming implementation, there are only a handful of chargers in the county some using outdated technologies and will be unusable with the next generation of vehicles. TAM is also tracking the use of funds from the Metropolitan Transportation Commission by Marin Municipal Water District as they are the first agency to partially convert its fleet to electric vehicles.

TAM roles in support of alternative fueled vehicles are focused on:

- Developing a robust, publicly accessible alternative fuel station network
- Promoting conversion of municipal fleets to alternative fueled vehicles
- Educating local leaders and residents on the environmental and economic benefits of alternative fueled vehicles.

There are additional funds available from MTC and possible additional funds from the federal Department of Energy that are coming into the region for alternative fuel programs. As we determine what the fast-changing field of funds will yield, we will respond to pending opportunities that are developing that may provide significant leveraging of funds. TAM will monitor the activity both state-wide and region-wide to determine the best way to use VRF funds.

By utilizing the recently completed siting study and other educational materials, monitoring the activity of the EV Strategic Council on electric vehicles, and maintaining a productive dialog with a diverse advisory group, TAM can effectively guide our local jurisdictions so that they are in a good position to successfully capture future federal, state, and regional grant opportunities as they become available. Staff will bring back opportunities that ensure we are in step with the region as alternative fueled vehicles become more widely used by government and the general public.

Of the available amount, it is recommended that a discrete amount of funding be used for support of the VRF Alternative Fuel program elements. An augmentation of additional staffing is necessary to assist in managing and implementing the program over the next two years. Individual activities will be brought back to the TAM Board for information and/or approval.

## IV. Implementation Guidelines

Before Measure B funds can be spent on a project or program, the sponsoring agency will need to request an allocation of funds and execute a funding agreement with TAM. In general, the funding agreement will describe the project/program scope, the anticipated schedule, and an estimated cash flow of Measure B funds. The agreement will also specify the responsibilities of both TAM and the project sponsor, as described in this section. The TAM Executive Director shall have the authority to execute such funding agreements after approval from the TAM Board of Commissioners has been authorized.

### A. Claimant Policies

The following claimant policies provide a framework for the funding agreements that will be developed for the allocation of Measure B funds. These policies clarify TAM's expectations of sponsors to deliver their projects and have been designed to support the Implementation Guidelines provided in the Expenditure Plan and the Strategic Plan Guiding Principles discussed in Section I.C.

#### 1. Eligibility for Funding

- Project types and sponsors are to be as identified in the Marin County VRF Expenditure Plan.
- The addition of new project types and/or sponsors can only be accomplished through an Expenditure Plan amendment.
- Projects are to be consistent, as applicable, with regional and state plans, such as Marin County's Countywide Transportation Plan, and the Metropolitan Transportation Commission's (MTC's) Regional Transportation Plan.

#### 2. Application Process

- There are two paths for the allocation of funds:
  1. Programmatic funding, such as Element 1.1, Maintain Local Streets.
  2. Project specific funding, such as Element 3, Reduce Congestion and Pollution.
- Allocations for programmatic funding will be on a triennial basis for local streets.
- For Local Streets projects, sponsors need to submit an allocation request form that specifies projects anticipated for implementation. The proposed projects should come from sponsors' Capital Improvement Programs (CIP) or equivalent. Sponsors may also use Local Roads funds for unanticipated emergency projects not in their CIP. If sponsors use such funds for projects not mentioned in the allocation request form, sponsors must note the change in the annual report.
- For Class I Bike/Ped Pathway projects, sponsors need to submit allocation request forms for pathways on the TAM adopted eligibility list, which will be adopted by the TAM Board as a separate action. The amount available for each eligible sponsor will be determined by the TAM adopted eligibility list.

#### 3. Allocation and Disbursement of Funds

- All allocations of Measure B funds by TAM will be reviewed for the following:

1. Consistency with the Strategic Plan
  2. Completeness of the application via the Allocation Request Form and consistency with Strategic Plan requirements.
- All allocations of Measure B funds will be governed by a funding agreement between TAM and the sponsoring agency. The TAM Board will approve such allocations. TAM's Executive Director will have the authority to execute funding agreements.
  - Programmatic funding will be approved triennially for Local Roads and project specific funding will be approved based on project readiness.
  - All agreements will document the following:
    1. Scope of Work
    2. Project Schedule
    3. Funding Plan
    4. Adherence to Performance Measures (if applicable)
    5. Reporting requirements
    6. Acceptance of TAM's Claimant Policies
  - Funding agreements shall be executed by resolution of the sponsor's governing board.
  - Prior to the disbursement of funds, a project must have:
    1. an approved allocation resolution from the TAM Board
    2. an executed funding agreement between the sponsoring agency and TAM.
  - The standard method of payment will be through reimbursement, with the exception of Local Streets program funds, which are distributed on a formula basis, in advance. For Class I Bike/Ped Pathway projects, payment will be through reimbursement for their first year of eligibility based on substantiated expenditures and funds will be distributed on a formula basis after the first year of eligibility in accordance with the substantiated maintenance costs for those facilities established by the TAM adopted eligibility list.
  - After the first year of eligibility for Class I Bike/Ped Pathway projects, funds will be distributed to each sponsor annually based on a formula that provides a percentage of the available funds as shown below. In no case will funds be distributed to a sponsor that exceeds the actual demonstrated costs. If a sponsor's actual costs are less than the eligible funds based on the distribution formula than the excess funds will be re-distributed annually on a case by case basis to other eligible pathways. It is the intent to distribute all element 1.2 funds each fiscal year if the need can be demonstrated by a sponsor(s). Sponsors will be required to certify annual expenditures in the Annual Report for future audit purposes. The distribution formula is:  $V=W * (Y/Z)$ .

V= Funds distributed to a jurisdiction (\$)

W=Total Measure B funds assigned to Element 1.2 (\$)

Y= Length of jurisdictions pathway (miles)

Z= Summation of all Countywide Pathways (miles)

- Project advances will require approval from the TAM Board.
- Local Streets funds may be accumulated by TAM or by recipient agencies over a period of time to pay for larger and long-term projects.
- Timely use of funds requirement will be specified in each agreement.
- Project reimbursement requests must be accompanied by evidence of payment. Reimbursement requests shall be submitted no more frequently than on a monthly basis.
- Measure B funds will not substitute for another fund source that has been programmed or allocated previously to the project or program without prior approval of TAM.

- Other fund sources committed to the project or program will be used in conjunction with Measure B funds. To the maximum extent practicable, other fund sources will be spent down prior to Measure B funds. Otherwise, Measure B funds will be drawn down at a rate proportional to the Measure B share of the total funds programmed to that project phase or program.
- After a multi-year allocation of funds has been made to a project phase, the release of funds in any subsequent fiscal year will be subject to the submittal and acceptance by TAM's Executive Director of a complete Progress Report meeting the requirements for progress reports as adopted by the TAM Board.

#### **4. Monitoring and Reporting Requirements**

- Recipients of Measure B funds will be required to submit Annual or Closeout reports per the provisions of the funding agreement.
- Audit requirements will be specified in the agreement.

#### **5. Eligible and Ineligible Costs**

- Funds are to be expended in accordance with the applicable provisions of the Expenditure Plan and the Government Code Section 65089.20 et seq.
- Eligible phases of capital project expenditures are as follows:
  1. Planning / Conceptual Engineering
  2. Preliminary Engineering / Environmental Studies
  3. Design Engineering (PS&E)
  4. Right of Way Support / Acquisition
  5. Construction
- Eligible costs of programs include direct costs for implementation of the program as well as material expenses.
- Eligible project sponsor costs include the following:
  1. Direct staff time (salary and benefits)
  2. Consultants selected through a competitive selection process
  3. Right of way acquisition costs
  4. Competitively bid construction contracts
  5. Equipment and materials expenses
- Indirect costs (as defined by OMB Circular A-87) will not be considered an eligible expense.
- Retroactive expenses are ineligible. No expenses will be reimbursed that are incurred prior to Board approval of the Measure B allocation for a particular project or program. TAM will not reimburse expenses incurred prior to fully executing a funding Agreement.

#### **6. Other**

- Project sponsor will provide signage at construction sites for projects funded partially or wholly by Measure B revenue so that the Marin County taxpayers are informed as to how funds are being used.
- Project cancellation will require repayment of all unexpended funds and funds determined by audit not to have been expended as provided for in the funding agreement.

- Recipient agencies shall not retain more than one year of unspent funds. All interest accumulated by recipient agencies for funds retained beyond one year shall be retained by TAM for dedication to carrying out the programs and projects described in this Expenditure Plan.

## V. Conclusion

The Measure B – Transportation Vehicle Registration Fee Strategic Plan development is a comprehensive document guiding the allocation of vehicle registration fee revenue over 10 years. With comprehensive policies and procedures corresponding to principles outlined in the Expenditure Plan approved by voters, this guiding document will provide the necessary assurance to project and program sponsors, as well as the banking community, that TAM is managing its vehicle registration fee revenue well.

List of Attachment

1. Revenue and Programming Summary Sheet

List of Appendices

- A. Senate Bill (SB) 83
- B. TAM Resolution 2010-12
- C. Marin County Summary of VRF Findings of Benefit
- D. Marin County Vehicle Registration Fee Expenditure Plan
- E. Vehicle Registration Fee Ballot Language
- F. Citizens' Oversight Committee