

COUNTY OF SACRAMENTO

MEASURE B

B To: Fill potholes and repave streets; Repair deteriorating bridges; Relieve traffic on roads and freeways; Build a new expressway between Elk Grove, Rancho Cordova and Folsom; Extend Light Rail toward the Airport and Elk Grove; Support Light Rail and bus operations, maintenance, and security; and Improve bicycle and pedestrian safety; Shall the ordinance enacting a 30-year countywide one half cent sales tax, raising approximately \$100 million annually, with independent oversight and audits, be adopted?

IMPARTIAL ANALYSIS OF MEASURE B

Prepared by County Counsel

Measure B submits to the vote of the electorate of Sacramento County an ordinance adopted by the Sacramento Transportation Authority. The measure is placed on the ballot by the Sacramento County Board of Supervisors. If approved by two-thirds of the voters voting thereon, Measure B would impose a retail transactions and use tax (sales tax) within Sacramento County of ½ of one percent for a period of 30 years from April 1, 2017, to March 31, 2047, for the purpose of financing certain transportation improvements. The proceeds of this tax must be used to fund local roadway and transit capital, operations and maintenance (60.85%), project development, right-of-way, and construction of highway and expressway expansion and widening projects affecting multiple local entities (9%), light rail and bus vehicle replacements operations and maintenance of existing and new services, and for project development, right-of-way, construction and operation of transit capital projects, including the City of Elk Grove SMART Corridors project providing connections between Elk Grove and the Sacramento Regional Transit District (SRTD) system (26.35%), and senior and disabled transportation services (3.5%). 0.3% of tax proceeds is budgeted for STA administration that will include funding for an Independent Taxpayer Oversight Committee to review and audit tax expenditures. The maximum that can be spent on STA administration is 0.75% of Measure B tax proceeds.

Each recipient agency must prepare and adopt biennially a five year program that is approved by the Sacramento Transportation Authority Board. Authority allocations for the first five years (2017-2022) shall prioritize "Fix-it-First" road, transit, bicycle and pedestrian investments. During this five year period, not less than 75% of the funds identified in the local roadway and transit capital, operations and maintenance fund shall be used exclusively by all recipient cities and the County of Sacramento to improve streets, roads and bridges to a level providing safe, reliable and smooth street surfaces with little to no blemishes, potholes or substantial cracking. During this five year period, no less than 75% of the funds allocated to SRTD shall be used exclusively by SRTD for bus and light rail vehicle replacement, operations, maintenance and security for existing services, and SRTD shall increase annual ridership, shall meet or exceed a specified farebox recovery standard, and SRTD's operating reserves shall meet or exceed the requirements in the SRTD Board-adopted reserved policy.

The text of the Transportation Expenditure Plan is set forth in the sample ballot pamphlet for this election.

FULL TEXT OF MEASURE B

ORDINANCE NO. STA-16-01

**AN ORDINANCE PROVIDING FOR A ONE-HALF OF ONE PERCENT
RETAIL TRANSACTIONS AND USE TAX FOR LOCAL TRANSPORTATION PURPOSES IN SACRAMENTO COUNTY**

**BE IT ENACTED BY THE GOVERNING BOARD OF
THE SACRAMENTO TRANSPORTATION AUTHORITY:**

GUIDING PRINCIPLES AND PREAMBLE

To maintain and improve the quality of life in Sacramento County, the Sacramento Transportation Authority has prepared the Road Maintenance & Traffic Relief Act of 2016-Sacramento County Measure B Transportation Expenditure Plan:

To maintain and rehabilitate the County's street and road system;

To reduce traffic congestion and make the County's transportation system operate more efficiently and effectively;

To provide funding to address the transportation investment priorities of regional transit providers and the incorporated cities and unincorporated County areas;

To provide a transportation system and transit services that addresses the needs of all Sacramento County residents;

To improve air quality; and

To improve Sacramento County's ability to leverage state and federal transportation funding programs.

This one-half of one percent retail transactions and use tax is statutorily dedicated for transportation planning, design, construction, operations, and maintenance in Sacramento County, and cannot be used for other governmental purposes or programs. This ordinance includes specific safeguards to ensure that revenues from the one-half of one percent transactions and use tax are used only to fund the transportation projects and services set forth in the Sacramento County Measure B Transportation Expenditure Plan (Exhibit A). These safeguards include:

An Independent Taxpayers Oversight Committee exists to supervise fiscal and performance audits regarding the use of the transactions and use tax revenues and to provide for independent review to ensure that all affected funds are spent in accordance with the provisions of the Expenditure Plan and Ordinance.

A declaration that the sales tax revenues are for transportation projects and services specifically described herein. The revenues are intended to supplement, not replace, traditional transportation funding programs. Recipient agencies may not use the resulting funds to displace existing funds dedicated to transportation projects and programs.

Notwithstanding any provision of the Expenditure Plan, STA may expend up to, but not to exceed, three quarters of one percent (0.75%) of annual net Measure B tax revenue on costs of STA administration.

A requirement that the Authority conduct a mandatory Expenditure Plan review every ten years to ensure that the program reflects contemporary community needs in light of changing demographics and technology. The Expenditure Plan can only be changed upon approval of the Sacramento County Board of Supervisors with affirmation by the city councils of a majority of the incorporated cities representing a majority of the incorporated area population.

SECTION I. TITLE AND SUMMARY. This Ordinance shall be known as the Road Maintenance & Traffic Relief Act of 2016-Sacramento Transportation Authority Measure B Transactions and Use Tax Ordinance. The Sacramento Transportation Authority hereinafter shall be called "Authority". This Ordinance shall be applicable in the incorporated and unincorporated territory of the County of Sacramento, which shall be referred to herein as "District". This Ordinance provides for the imposition of a retail transactions and use tax of one-half of one percent for local transportation purposes for a period of thirty (30) years.

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

- A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 180000 et. seq. of the Public Utilities Code, which authorizes the Authority to adopt this tax ordinance which shall be operative if a two-thirds majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.
- B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.
- D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

SECTION III. MANDATED TAXPAYER SAFEGUARDS.

- A. Independent Taxpayer Oversight Committee. An Independent Taxpayer Oversight Committee exists as specified in Exhibit B of this Ordinance to provide citizen review and to ensure that all Measure B funds are spent in accordance with provisions of the Expenditure Plan and Ordinance. Exhibit B sets forth the specific terms and conditions for the Independent Taxpayers Oversight Committee and its role in supervising regular independent financial and performance audits.
- B. Administrative Costs. The Authority shall expend only that portion of revenues generated from the Measure B sales tax that is necessary and reasonable to carry out its responsibilities for audit, administrative expenses, staff support and contract services. Notwithstanding any provision of the Expenditure Plan, STA may expend up to, but not to exceed, three quarters of one percent (0.75%) of annual net Measure B tax revenue on costs of STA administration.
- C. Maintenance of Effort. By enactment of this Ordinance, the Authority intends that the funding provided to recipient agencies will supplement existing local revenues being used for transportation purposes. Measure B revenues shall not be used to supplant existing transportation funding programs or to replace or diminish existing requirements that the County and cities impose transportation impact fees on new development. The Authority shall enforce this provision by appropriate review, including fiscal and performance audits of recipient agencies.

SECTION IV. DEFINITIONS. The following terms shall have the following meaning:

“Expenditure Plan” means the Sacramento County Measure B Expenditure Plan 2017-2047 (attached as Exhibit A and adopted as part of this Ordinance) including any future amendments thereto.

“County” means the County of Sacramento.

“Authority” means the Sacramento Transportation Authority, a countywide special district formed under the Local Transportation Authority and Improvement Act, commencing at Section 180000 of the California Public Utilities Code.

“Existing Tax” means the Measure A one-half of one-percent retail transactions and use tax adopted pursuant to Ordinance No. STA-04-01.

SECTION V. AUTHORITY. This Ordinance is enacted pursuant to the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code and Part 1.6 of Division 2 of the California Revenue and Taxation Code.

SECTION VI. IMPOSITION OF RETAIL TRANSACTIONS AND USE TAX. Upon voter approval, the Authority shall impose, in the incorporated and unincorporated territory of the County of Sacramento, a transactions and use tax for transportation purposes (“the tax”) at the rate of one half of one percent (0.5%) for thirty (30) years beginning April 1, 2017. The tax shall be imposed by the Authority in accordance with Section 180201 of the California Public Utilities Code and Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code. The provisions of Revenue and Taxation code Sections 7261 and 7262 and the applicable provisions of Ordinance No. STA-04-01, unless specifically modified by this Ordinance, are incorporated herein by reference as though fully set forth herein. The tax shall be in addition to any other taxes authorized by law, including any existing or future state or local sales tax or transactions and use tax.

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

SECTION VIII. USE OF PROCEEDS. Revenues from the tax shall be used for transportation purposes only as set forth in the Expenditure Plan (Exhibit A) and may include, but are not limited to, administration of STA, construction, maintenance, and operations of local streets and roads (including bicycle and pedestrian uses), state highways, and public transit systems. These purposes include expenditures for planning, environmental review and mitigation, project engineering and design, and associated right-of-way acquisition. Expenditures also may include debt service on bonds and expenses related to the issuance and administration of bonds.

SECTION IX. BONDING AUTHORITY. Upon voter approval of the Measure, the Authority shall have the power to sell or issue, from time to time, on or before the collection of taxes, bonds or other evidence of indebtedness, in the aggregate

principal amount at any one time outstanding of not to exceed the estimated proceeds of the tax, and to secure such indebtedness solely by way of future collection of taxes, for capital outlay expenditures set forth in Section VIII hereof, including the carrying out of transportation projects described in the Expenditure Plan.

SECTION X. ANNUAL APPROPRIATIONS LIMIT. The annual appropriations limit established pursuant to Section 4 of Article XIII B of the California Constitution and Section 180202 of the Public Utilities Code shall be \$265,000,000 for fiscal year 2017-18. The appropriations limit shall be subject to annual adjustment as provided by law.

SECTION XI. OPERATIVE DATE. Subject to voter approval, this Ordinance shall become operative on the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance but in no event earlier than April 1, 2017.

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

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

SECTION XIV. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

- A. Wherever the State of California is named or referred to as the taxing agency, the name of this Authority shall be substituted therefor. However, the substitution shall not be made when:
1. The word "State" is used as a part of the title of the State Controller, State Treasurer, Victim Compensation and Government Claims Board, State Board of Equalization, State Treasury, or the Constitution of the State of California;
 2. The result of that substitution would require action to be taken by or against this Authority or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.
 3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
 4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.
- B. The word "District" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

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

SECTION XVI. EXEMPTIONS AND EXCLUSIONS.

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

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
 2. Sales of property to be used outside the District which is shipped to a point outside the District, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the District shall be satisfied:
 - a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-District address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and
 - b. With respect to commercial vehicles, by registration to a place of business out-of-District and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
 3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
 4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.
 5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this District of tangible personal property:
1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
 2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
 3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
 4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
 5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
 6. Except as provided in subparagraph (7), a retailer engaged in business in the District shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the District or participates within the District in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the district or through any representative, agent, canvasser, solicitor, subsidiary, or person in the District under the authority of the retailer.
 7. "A retailer engaged in business in the District" shall also include any retailer of any of the following: vehicles

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

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

SECTION XVII. STATUTORY AMENDMENTS. All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

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

SECTION XIX. ELECTION. The Authority requests that the Sacramento County Board of Supervisors call an election for voter consideration of this Ordinance, which election shall be held on November 8, 2016, and consolidated with other elections to be held on the same date; that the measure be designated Measure "B," and that it appear first in order on the County ballot before all other local measures. The election shall be called and conducted in the same manner as provided by law for other elections by a county. The sample ballot to be mailed to voters shall include this full Ordinance and the entire Expenditure Plan. Approval of this Ordinance and the imposition of the tax shall require an affirmative vote of 2/3rds of the electors voting on the measure at the election described in this section. The measure to be placed on the ballot shall read substantially as follows:

To:
Fill potholes and repave streets;
Repair deteriorating bridges;
Relieve traffic on roads and freeways;
Build a new expressway between Elk Grove, Rancho Cordova and Folsom;
Extend Light Rail toward the Airport and Elk Grove;
Support Light Rail and bus operations, maintenance, and security; and
Improve bicycle and pedestrian safety;
Shall the ordinance enacting a 30-year countywide one half cent sales tax, raising approximately \$100 million annually, with independent oversight and audits, be adopted?

SECTION XX. EXPENDITURE PLAN AMENDMENTS. Except as set forth in Section 180207 of the Public Utilities Code, the Expenditure Plan may only be amended by the following process:

Beginning in 2027, and every ten years thereafter, the Authority shall review and, if necessary, propose amendments to the Expenditure Plan to meet changing transportation needs and priorities. Such review shall consider input from the Measure B recipient agencies, other transportation agencies and interest groups, and the general public.

The Authority shall notify the County Board of Supervisors, the city councils, and the policy boards of other Measure B recipient agencies of its initiation of an Expenditure Plan amendment(s), reciting findings of necessity.

Any Expenditure Plan amendments resulting from this process must be approved by the County Board of Supervisors and a majority of the city councils representing a majority of the incorporated area population.

Actions of the County Board of Supervisors and city councils regarding the proposed amendment(s) shall be communicated to the Authority within 60 days after the date notification is mailed. Failure of the Board of Supervisors or a city council to notify the Authority of formal action within 60 days of notification shall constitute approval by that respective policy board.

SECTION XXI. SEVERABILITY. If any provision of this Ordinance is for any reason held invalid or unenforceable by a court of competent jurisdiction, that holding shall not affect the validity or enforceability of the remaining provisions, or the Existing Tax, and the Authority declares that it would have adopted each part of this Ordinance irrespective of the validity of any other part.

SECTION XXII. THE EXISTING TAX. Nothing in this Ordinance is intended to modify, repeal, alter, or increase the Existing Tax. The provisions of this Ordinance shall apply solely to the retail transactions and use tax adopted herein and not to the collection or administration of the Existing Tax.

SECTION XXIII. TERMINATION DATE. The authority to levy the tax imposed by this ordinance shall expire April 1, 2047.

SECTION XXIV. This Ordinance was introduced and the title thereof read at the regular meeting of the Authority Governing Board on May 12, 2016 and on June 9, 2016 further reading was waived by a vote of the Directors present.

s/Kerri M. Howell
Chair of the Sacramento Transportation
Authority Governing Board

Exhibit A

The Road Maintenance & Traffic Relief Act of 2016 Sacramento County Measure B Transportation Sales Tax Expenditure Plan (2017-2047)

I. Implementation Guidelines

- A. Revenue Estimates and Distribution.** Allocation of revenue authorized by Ordinance No. STA-16-01 is established within this Expenditure Plan. Funds shall be allocated to Expenditure Plan categories by percentage of revenue received. An estimate of revenues and allocations among categories is reflected in this Expenditure Plan. Some category allocations will be sub-allocated by formula to specified local transportation providers for expenditures on specified projects as set forth in Table I of this Expenditure Plan. The estimated revenue is based on 2016 value of funds and is not binding or controlling. Estimated revenues are net of required California Board of Equalization administrative fees.
- B. Contribution from New Property Development.** This Measure B Expenditure Plan does not impose a new impact fee requirement on property development. No revenue generated from the tax, however, shall be used to supplant transportation mitigation fees currently imposed on new property development in Sacramento County. The County and each incorporated City must continue to impose transportation impact fee programs as required in Ordinance No. STA-04-01 as a condition for receiving Measure B funds.
- C. Requirement for Annual Financial and Performance Audits of Measure B Funds.** The Authority and each agency receiving an allocation of Measure B revenue authorized by this Expenditure Plan shall undergo an annual financial audit performed in accordance with generally accepted accounting standards (GAAP) and government auditing standards issued by the Comptroller General of the United States. The annual audit shall be supervised by the Authority's Independent Taxpayers Oversight Committee (ITOC). Compliance audits shall also be periodically conducted to ensure that Measure B funds are expended in accordance with the provisions and guidelines established by this Expenditure Plan. In addition, the ITOC shall conduct periodic performance audits to determine progress in meeting program performance standards adopted by the Authority Board, and to make recommendations for improving overall program performance. The Authority Board shall adopt the relevant performance standards no later than April 1, 2018.
- D. Five Year Programs.** Each recipient agency must prepare and adopt biennially a five year program that is approved by the Authority Board. The first five-year program must be completed by December 31, 2017, and updated thereafter on a biennial basis. Section II identifies reporting requirements for specific funding categories.
- E. "Fix-it-First" Investment Priority for Years 1-5.** Authority allocations for the first five years (2017-2022) shall prioritize "Fix-it-First" road, transit, bicycle and pedestrian investments. For recipient agencies responsible for maintaining streets and roads, the five-year program and each biennial update shall include a pavement and bridge maintenance report that is consistent with the "Maintenance of Effort" requirement in Section IV.A of the Ordinance STA-04-01 Expenditure Plan. For the Sacramento Regional Transit District (SRTD), the five-year program and each biennial update shall include performance indicators to assess whether Fix-it-First investment needs are being prioritized and to demonstrate that the agency is adhering to the financial management policies identified in Section II.
- F. Clear Format to Assess Progress.** For all agencies receiving Fix-it-First funding allocations, the five-year programs and biennial updates shall be provided in a format to clearly assess progress towards improved maintenance and operations of existing transportation assets.
- G. Complete Streets.** All Authority allocation decisions shall consider the needs of all types of transportation and all users. Five-year programs submitted by recipient agencies and approved by the Authority Board shall be consistent with any locally-approved Complete Streets requirements in order to ensure that all transportation types and users are considered in the expenditure of funds.

- H. Federal Air Quality Requirements.** Measure B Expenditure Plan funds programmed for a project construction phase shall not impair the ability of the region's Metropolitan Transportation Plan (MTP) and Metropolitan Transportation Improvement Program (MTIP) to meet federal air quality conformity, as determined by the Sacramento Transportation Authority Governing Board.
- I. Revenue Estimate.** Tax revenues generated by this Ordinance No. STA-16-01 during the thirty year term are expected to be \$3,614,000,000 based on 2016 dollar values. The revenue estimate is not binding or controlling. The Authority Board shall make periodic allocation adjustments to reflect actual revenues received, but may not amend the formula allocation set forth in this Expenditure Plan except as permitted in this Ordinance No. STA-16-01 or Section 180207 of the Public Utilities Code.

II. Measure B Revenue Allocations

All sales tax revenues, net of California Board of Equalization administrative fees, shall be expended as follows:

- A. Local Roadway & Transit Capital, Operations & Maintenance.** 60.85% of all annual sales tax revenues shall be allocated monthly to each incorporated City and the unincorporated County based 75% on relative population (per most recent annual California Dept. Of Finance estimate) and 25% on relative paved and maintained road mileage (as reported in each entity's automated Pavement Management System) for project development, right-of-way, construction, and provision of:
1. "Fix-it-First" pavement maintenance, pavement rehabilitation, and bridge repair, including "Complete Streets" improvements, which consist of the rehabilitation and modification of existing arterial streets to contemporary urban standards sufficient to serve all users of the facilities, such as bicyclists, pedestrians and transit users.
 2. New or expanded arterial streets, roads, bridges, and interchanges, including "Complete Streets" improvements, which consist of the rehabilitation and modification of existing arterial streets to contemporary urban standards sufficient to serve all users of the facilities, such as bicyclists, pedestrians and transit users.
 3. Intelligent Transportation System (ITS) modifications to the existing street and road system to facilitate improved accessibility, safety, operations and efficiency.
 4. Improvements to facilitate safe and convenient pedestrian, bicycle, and other non-motorized local trips.
 5. Local and regional public transit capital improvements and/or operational and maintenance activities to facilitate reliable and accessible local transit services.

Fix-it-First Commitment

For the five years following the date of implementation of STA Ordinance 16-01, not less than 75% of the funds identified in this Local Roadway & Transit Capital, Operations & Maintenance program shall be used exclusively by all Cities and the County of Sacramento for Fix-it-First street, road and bridge preventative maintenance and rehabilitation so as to bring up these facilities throughout Sacramento County to a Pavement Condition Index (PCI) of at least 70 at the soonest possible time.

A 70 PCI is generally defined as safe, reliable, and smooth street surfaces with little to no blemishes, potholes or substantial cracking. Streets and roads with a 70 PCI are expected to have a comfortable and safe ride for all motorized vehicles and bicycles, with minimum wear and tear on all such users.

The definition of maintenance and rehabilitation shall include as eligible for these funds the non-capacity upgrade of existing streets and roads to a contemporary urban standard (Complete Streets), including improvements to enhance safety and access for pedestrians, bicycles and transit users.

Prior to the end of the five-year period following implementation of STA Ordinance 16-01, the 75% commitment to Fix-it-First maintenance and rehabilitation may be reduced and any City and the County of Sacramento may direct a higher percentage of those funds to new roadway or transit capital projects, provided the following conditions have been met:

1. The public agency manager responsible for road maintenance has certified in writing to the City Council and City Manager in a City and the Board of Supervisors and the Chief Administrative Officer at the County that the road facilities under their management have met or will meet within the next twelve months a 70 PCI rating.
2. The public agency manager responsible for road maintenance has submitted a written five-year expenditure plan to the City Manager or County Chief Administrative Officer clearly demonstrating how the 70 PCI rating will be sustained in the future in full consideration of the funds recommended for new roadway or transit capital purposes over the five year period.

Alternatively, the City Council or the Board of Supervisors, by a 2/3 vote, may authorize the reduction in the 75% Fix-it-First commitment to maintenance and rehabilitation for the purpose of directing a higher share of the jurisdiction's allocation to specified high priority roadway or transit capital projects.

Accountability

The objective for Measure B is to assist jurisdictions to achieve – but not require – a local match of 33% of total capital project costs. However, a City or the County may direct all or a portion of its formula share of these funds to general street/road pavement maintenance and pavement rehabilitation. The proportional allocation among entities will be re-calculated biennially to reflect current population and road mileage data. Each recipient entity shall adopt a five-year program for use of these funds.

The five-year programs will be updated biennially and submitted to the Authority for approval. For recipient agencies responsible for maintaining streets and roads, the biennial updates to the five-year programs shall include pavement and bridge "Maintenance of Effort" reports that are consistent with the requirement under STA-04-01.

B. Regional Highway Traffic Relief Projects. 9% of annual sales tax revenues shall be used for project development, right-of-way, and construction of highway and expressway expansion and widening projects affecting multiple local entities. The objective is for Measure B to assist – but not require – agencies, including the California Department of Transportation and Capital Southeast Connector Joint Powers Authority, to achieve a 33% match of the total cost of each of the two eligible projects listed for this category in this Expenditure Plan.

C. Sacramento Regional Transit District (SRTD) Operations, Maintenance & Security and Expansion; City of Elk Grove SMART Corridors. 26.35% of annual sales tax revenues shall be used for light rail and bus vehicle replacement, operations and maintenance of existing services, operations and maintenance for new services partially funded through this Expenditure Plan, and for project development, right-of-way, construction, and operation of transit capital projects, including the City of Elk Grove SMART Corridors project providing connections between Elk Grove and the SRTD system.

SRTD Fix-it-First Commitment

For the five years following the date of implementation of STA Ordinance 16-01, not less than 75% of the total funds directly allocated to the Sacramento Regional Transit District (SRTD) shall be used exclusively by SRTD for Fix-it-First bus and light rail vehicle replacement, operations, maintenance and security for existing services at the soonest possible time. During this period the following performance metrics shall also be met:

1. Annual ridership shall increase over the most recent rolling 5-year average standard as set by the SRTD Board.
2. SRTD shall meet or exceed the farebox recovery ratio as required by the Transportation Development Act and SRTD Board.
3. SRTD's Operating Reserves shall meet or exceed the requirements in the SRTD Board-adopted Reserve Policy.

Prior to the end of the five-year period following implementation of STA Ordinance 16-01, the 75% commitment to Fix-it-First vehicle replacement, maintenance, operations and security may be reduced and SRTD may direct a higher percentage of the funds to new transit capital projects, provided the following conditions have been met:

1. The SRTD Assistant General Manager of Administration has certified in writing to the SRTD General Manager/CEO and SRTD Board of Directors that the performance metrics above have been met.
2. The Assistant General Manager of Administration has submitted a written five-year expenditure plan to the General Manager/CEO clearly demonstrating how the performance metrics will be sustained in the future in full consideration of the funds recommended for new transit capital purposes over the five year period.

Alternatively, the SRTD Board of Directors, by a 80% vote, may authorize a reduction in the 75% Fix-it-First commitment to vehicle replacement, maintenance, operations and security for the purpose of directing a higher share of the funds from this program to specified high priority transit capital projects.

Accountability

The objective for Measure B is to assist – but not require – the Sacramento Regional Transit District (SRTD) and City of Elk Grove to achieve 33% of total capital project costs and 50% of operations and maintenance costs for new expansion transit projects listed below in this Expenditure Plan.

SRTD and the City of Elk Grove shall each develop a five-year program for use of all capital and operations funds, updated biennially and submitted to STA for approval before allocations are made. SRTD must be in

compliance with the financial management provisions of this section before the Authority Board can consider the allocation of these funds.

For SRTD, the five year program and each biennial program update shall include performance indicators to assess if Fix-it-First investment needs are being prioritized, expenditures are consistent with the adopted Metropolitan Transportation Plan and SRTD Short-Range Transit Plan, and SRTD is meeting the policy objectives and any specified performance indicators set forth in the three financial management policies adopted by the SRTD Board:

1. Comprehensive Reserve Policy
2. Financial Sustainability Policy
3. Farebox Recovery Policy

For the City of Elk Grove, the funds for extending Light Rail from Cosumnes River College south to Sheldon Road and for implementation of the SMART Corridors project will be available after analyzing ridership potential from Elk Grove General Plan and zoning land use designations around the station, inclusion of the project in the Metropolitan Transportation Plan and, if Federal New Starts funds are sought, an agreement that the project will not compete for funds with the Light Rail Green Line extension north. Details of the funding policies will be specified in an MOU between Elk Grove, Sacramento Regional Transit District, Sacramento Transportation Authority and Sacramento Area Council of Governments (SACOG). If these terms are not met then the funds would be reprogrammed for other transit projects in Elk Grove later through a subsequent amendment to the Measure B Expenditure Plan, subject to approval of the Authority Board.

D. Senior & Disabled Transportation Services. 3.5% of annual sales tax revenues shall be used for planning, design, operational, maintenance, and capital acquisition activities of the Consolidated Transportation Services Agency (CTSA) to provide demand-responsive transportation services to eligible seniors and disabled residents. Operations funds shall be allocated monthly. The CTSA shall adopt a five-year program for use of these funds. The five-year plan will be updated biennially and submitted to the Authority for approval.

E. Program Administration – Taxpayer Oversight. 0.3% of annual sales tax revenues shall be allocated monthly to the Authority for general and financial administration of the Measure B program, coordination and consultation with Measure B recipient entities and SACOG, facilitation and administration of the Independent Taxpayers Oversight Committee, and ongoing public information and outreach.

Table 1

Sales Tax Percentage	Expenditure Category	Allocation (in millions of 2016 \$)
60.85%	Local Roadway & Transit Capital, Operations & Maintenance	\$2,199.12
	<u>Citrus Heights</u> Fix-it-First Street Maintenance & Rehabilitation Complete Streets Program: <ul style="list-style-type: none"> • Auburn Blvd (Rusch Park – City Limit) • San Juan Ave (Madison Ave – Greenback Ln) • Antelope Rd (Auburn Blvd – Old Auburn Rd) • Greenback Ln (Sunrise Blvd – Fair Oaks Blvd) • Sunrise Blvd (Sayonara Dr – Madison Ave) Intelligent Transportation System Improvements Bicycle Master Plan Implementation Americans with Disabilities Act Transition Plan Implementation	\$117.21
	<u>Elk Grove</u> Fix-it-First Street Maintenance & Rehabilitation Widen, Rebuild & Extend Kammerer Rd Construct Highway 99 @ Whitelock Pkwy Interchange Intelligent Transportation System Improvements Citywide Complete Streets Improvements Bicycle, Pedestrian & Trails Master Plan Implementation	\$235.31
	<u>Folsom</u> Fix-it-First Street Maintenance & Rehabilitation Construct Highway 50 @ Empire Ranch Rd Interchange	\$114.79

	Construct Highway 50 @ Oak Ave Pkwy Interchange Widen White Rock Rd (Prairie City Rd – Empire Ranch Rd) Folsom Blvd Bicycle Overcrossing Intelligent Transportation System Improvements	
	<u>Galt</u> Fix-it-First Street Maintenance & Rehabilitation Construct Highway 99 @ Walnut Ave Interchange Bicycle Master Plan Implementation Pedestrian Master Plan Implementation Americans with Disabilities Act Transition Plan Implementation	\$35.85
	<u>Isleton</u> Fix-it-First Street Maintenance & Rehabilitation	\$1.76
	<u>Rancho Cordova</u> Fix-it-First Street Maintenance & Rehabilitation Construct Highway 50 @ Rancho Cordova Pkwy Interchange Widen White Rock Rd (Sunrise Blvd – Grant Line Rd) Widen Douglas Rd (Sunrise Blvd – western City limit with bridge over Folsom South Canal) Sunrise Blvd Complete Streets Improvements (Folsom Blvd – Douglas Rd) Bicycle Master Plan Implementation Pedestrian Master Plan Implementation Americans with Disabilities Act Transition Plan Implementation	\$109.96
	<u>Sacramento</u> Fix-it-First Street Maintenance & Rehabilitation American River Bridge to South Natomas: Auto and Bike Lanes & Future Light Rail Sacramento Intermodal Transfer Facility Phase III Bicycle Master Plan Implementation Pedestrian Master Plan Implementation Americans with Disabilities Act Transition Plan Implementation Downtown Transit Services Alignment	\$683.49
	<u>County of Sacramento</u> Fix-it-First Street Maintenance & Rehabilitation Upgrade Highway 50 @ Hazel Ave Interchange Bicycle Master Plan Implementation Pedestrian Master Plan Implementation Americans with Disabilities Act Transition Plan Implementation Road Rehabilitation with Complete Streets & Intelligent Transportation System Improvements: <ul style="list-style-type: none"> • Arden Way (Ethan Wy – Watt Ave) • Auburn Blvd (Howe Ave – Manzanita Ave) • El Camino Ave (Ethan Wy – Fair Oaks Blvd) • Fair Oaks Blvd (Howe Ave – Madison Ave) • Florin Rd (Franklin Blvd – Elk Grove-Florin Rd) • Folsom Blvd (Watt Ave – Bradshaw Rd) • Fulton Ave (Auburn Blvd – Fair Oaks Blvd) • Garfield Ave (Greenback Ln – Winding Wy) • Greenback Ln (Main Ave – Madison Ave) • Howe Ave (Auburn Blvd – Fair Oaks Blvd) • Manzanita Ave (Auburn Blvd – Fair Oaks Blvd) • Marconi Ave (Howe Ave – Fair Oaks Blvd) • Power Inn Rd (North of Florin Rd – Calvine Rd) • San Juan Ave (Madison Ave – Fair Oaks Blvd) County of Sacramento (continued) <ul style="list-style-type: none"> • Stockton Blvd (North of 65th St – Power Inn Rd) • Sunrise Blvd (Madison Ave – Gold Country Blvd) • Watt Ave (Cap City Fwy – Fair Oaks Blvd) • 47th Ave (w of Franklin Blvd – Stockton Blvd) Road Capacity Expansion with Complete Streets & Intelligent Transportation Systems Improvements: <ul style="list-style-type: none"> • Antelope Rd (Watt Ave – Roseville Rd) • Bradshaw Rd (Old Placerville Rd – Calvine Rd) 	\$900.98

	<ul style="list-style-type: none"> Douglas Rd (Rancho Cordova City Limits – Kiefer Blvd) Elkhorn Blvd (Rio Linda Blvd – Don Julio Blvd) Elverta Rd (Watt Ave – Antelope Rd) Greenback Ln (Fair Oaks Blvd – Main Ave) Hazel Ave (County Line to Folsom Blvd) Jackson Hwy (Watt Ave – Sunrise Blvd) Madison Ave (Watt Ave – Greenback Ln) North Watt Ave (Antelope Rd – Cap City Fwy with UP Grade Separation) South Watt Ave/Elk Grove-Florin Rd (Folsom Blvd – Calvin Rd) Sunrise Blvd (Jackson Hwy – Grant Line Rd) 	
9.0%	<p>Regional Highway Traffic Relief Projects</p> <p><u>Capital City Fwy Bus/Carpool Lanes & Operational Improvements (P Street – Watt)</u> Construct bus/carpool, auxiliary, and transition lanes to address persistent traffic congestion between P Street and Interstate 80. Project includes ramp meters, ITS upgrades, widening of the American River Bridge, and assorted rail, transit, bicycling, and pedestrian improvements in the corridor.</p> <p><u>Capital Southeast Connector (I/5 – SR99 – US50)</u> 33 mile expressway from I-5 at Hood-Franklin Road through Elk Grove, Rancho Cordova, and Folsom to US 50 at Silva Valley Parkway in El Dorado County. Project assumes four continuous auto/truck/bus lanes in a limited-access corridor with an off-street pathway for bicycles.</p>	<p>\$325.26</p> <p>\$200.00</p> <p>\$125.26</p>
26.35%	<p>Sacramento Regional Transit District (SRTD) Operations, Maintenance & Security and Expansion & City of Elk Grove SMART Corridors</p> <p><u>Vehicle Replacement, Operations, Maintenance & Security</u> Procure new light rail and RT bus vehicles to replace aging fleet and improve passenger access. Modify existing station platform configurations to accommodate new low-floor vehicles. Ongoing operations and maintenance to promote safety and security across the system and meet “State of Good Repair” standards.</p> <p><u>Operations & Maintenance for New Light Rail Projects</u> Green Line: Township 9 Toward Airport Blue Line: Cosumnes River College to Elk Grove City Limits Gold Line: Express Service Downtown Sacramento to Folsom</p> <p><u>Light Rail Gold Line Express Service</u> Install passing tracks east of the Sunrise station and procure light rail vehicles to facilitate regular 15 minute service headways to and from the City of Folsom. Make additional improvements to permit limited-stop express service during commute hours between Folsom and Downtown Sacramento.</p> <p><u>Light Rail Green Line Extension (Township 9 – Natomas – Airport)</u> 12.8 mile light rail extension from Township 9 at Richards Blvd over the American River into the Natomas Communities, continuing to a terminus at Sacramento International Airport. Project includes new track, overhead catenary, new stations, procurement of light rail vehicles, and a new vehicle maintenance facility.</p> <p><u>Light Rail Blue Line Extension-City of Elk Grove SMART Corridors</u> Bus Rapid Transit linking Cosumnes River College Blue Line Light Rail station to the Southeast Planning Area including bus vehicles and transit station construction. Future extension of Blue Line light rail southward into Elk Grove. Site-specific transportation and streetscape improvements to incentivize transit-oriented development and infill along major transit corridors. Construction of a new Multi-Modal Facility for bus service and inter-city rail. Operational, maintenance and capital support for E-tran local and commuter transit services including Intelligent Transportation System improvements.</p>	<p>\$952.29</p> <p>\$392.82</p> <p>\$180.00</p> <p>\$20.00</p> <p>\$233.77</p> <p>\$125.70</p>
3.5%	<p>Senior & Disabled Transportation Services</p> <p>Vehicle acquisition, operations, and maintenance, development and implementation of scheduling, communications, and service delivery technology to improve customer interface, mobility training for new customers, Senior and Disabled low fare discount program,</p>	\$126.49

	and planning and implementation of new services to accommodate growing customer base.	
0.3%	Program Administration – Independent Taxpayer Oversight	\$10.84

Note: the sum on individual amounts may not equal the total due to rounding

Exhibit B

TAXPAYER SAFEGUARDS

Independent Taxpayer Oversight Committee. The STA Independent Taxpayer Oversight Committee (ITOC) shall conduct an annual audit to assess the fiscal and program performance of the Measure B sales tax program to ensure that all sales tax funds are expended effectively and in accordance with the provisions of this Ordinance and Expenditure Plan. The ITOC will provide constructive advice to the Authority Board and staff on how to improve program implementation, and will study and report on other issues related to current or future administration of Measure B sales tax funds.

ITOC Membership and Selection. The composition of the ITOC, eligibility for membership, service terms, and the process for selecting and replacing members will be as set forth in Ordinance #STA-04-01. ITOC members are prohibited from acting in any commercial activity directly or indirectly involving the Authority, such as being a consultant or vendor to the Authority. ITOC members shall not have direct commercial interest or employment with any public or private entity that receives Measure B sales tax funds.

Audit Requirement. The ITOC shall supervise annual fiscal and periodic performance audits (3 years), which shall be performed in accordance with generally accepted auditing standards (GAAP) and government auditing standards issued by the Comptroller General of the United States. Performance audits will assess program performance relative to standards adopted by the Authority Board. Program performance standards shall be adopted no later than April 1, 2018 and reviewed for currency by the STA Board every five years.

Role of Financial and Performance Audits. The ITOC shall, under the competitive procurement rules of the Authority and with active participation of the Executive Director, select a professional auditing firm to conduct the fiscal and performance audits of the receipt and expenditure of all Measure B sales tax funds. The ITOC will report audit results--with a detailed listing of findings--to the Authority Board and public. The ITOC will recommend additional audits or program review that it believes will improve the financial operation and integrity of program implementation, while meeting all voter mandates. No professional audit firm will conduct more than three consecutive annual fiscal audits.

The Authority Board shall consider findings and recommendations from each annual audit at a publicly noticed meeting. The annual audit report shall be made readily available to the public on the Authority's website. The Authority Board and staff shall fully cooperate with and provide necessary financial and staff support to ensure that the ITOC effectively carries out its duties and obligations. The annual cost of the ITOC shall not exceed \$150,000, adjusted for inflation, and shall be derived from the 0.3% of annual sales tax funds earmarked for program administration.

Maintenance of Effort. The Authority Board declares that the sales tax revenues are for new transportation projects and services. Funding provided to recipient agencies will supplement--not replace--existing local revenues dedicated for transportation projects and programs. The County and cities must continue to impose their local transportation impact fees on new development, along with the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) required by Ordinance No. STA-04-01. The Authority and ITOC shall enforce these requirements through fiscal and performance audits of the recipient agencies.

Expenditure Plan Amendments. The Authority shall conduct a formal review of the Expenditure Plan allocations every ten years, beginning in 2027. The purpose of this review is to ensure that the Measure B program accommodates contemporary community transportation needs in light of changing demographics, technology, and land use. Based on this review, the Authority may adopt amendments to the Expenditure Plan. Such amendments may only take effect upon subsequent approval by the Sacramento County Board of Supervisors and by the city councils of a majority of the incorporated cities representing a majority of the incorporated area population. At no other time, shall changes be made to the Expenditure Plan.

Limits on Administration. Notwithstanding any provision of the Expenditure Plan, STA may expend up to, but not to exceed, three quarters of one percent (0.75%) of annual net Measure B tax revenue on costs of STA administration.

ARGUMENT IN FAVOR OF MEASURE B

We need to fix our roads now instead of waiting years when it will just cost us more.

Vote YES on Measure B to provide every Sacramento County community dedicated local funding that can only be used to: Fill potholes and repair and maintain local streets; Reduce traffic congestion on roads and freeways; Improve bike and pedestrian safety; Improve light rail and bus service, and extend light rail to the Airport and Elk Grove; Repair and strengthen deteriorating bridges.

Measure B requires cities and the county to “Fix it First”, which means they must fill potholes, repave streets and fix bridges before they can spend more money on new freeway or transit projects. Measure B requires 75% of all funds to be used for “Fix it First” repair and maintenance work during the first five years.

Measure B will bring aging streets and roads up to modern standards that serve all users, including bicyclists, families and school children, and transit riders.

By voting yes on Measure B, we can improve light rail and bus service, safety and security, and extend light rail to the Airport and Elk Grove. Measure B helps expand the low- or no-fare services on Paratransit for seniors and disabled persons.

Measure B generates \$3 billion of local funding that will help generate tens of millions more in state and federal matching dollars for projects that we determine locally. That’s money that can’t be touched by the State or by Washington D.C.

Measure B includes strong accountability measures. It requires an independent citizens’ oversight committee and annual financial and performance audits, and limits administrative expenses to less than 1%.

Please join us! Vote yes on Measure B. To learn more about street and road repair improvement projects in your community, visit www.MeasureB-Yes.com.

s/Doris Matsui
Member, House of Representatives, District 6

s/Lou Blanas
Retired Sheriff, Sacramento County

s/Gil Albiani
Director, Cosumnes Community Services District

s/Susan Peters
Sacramento County Supervisor, District 3

s/Kelly Hillesland
Teacher, Folsom Cordova School District

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE B

What proponents won’t tell you is that there’s already a half-cent sales tax, Measure A, that raises a gusher of revenue for roads/transit: \$109 Million last year, \$659 Million since 2009 and will generate \$3 to \$4 Billion through 2039.

Our roads are in poor shape because Measure A funds are spent mostly on new construction while maintenance is badly neglected. Measure B will double the transportation tax but won’t fix the problem- it compounds it.

Measure B is cleverly crafted by politicians to give the misleading impression that it will fix our roads. In fact, the “Fix It First” promise lasts only 5 years and can be waived by the politicians at any time. Measure B expenditures are heavily weighted towards big-budget construction projects that will enrich politically- connected contractors but won’t fix our roads.

The claim that Measure B includes “strong accountability measures” is false. Measure A created a so-called “Independent Taxpayers Oversight Committee” that is not independent, contains not a single taxpayer representative, has not produced a single report, issued no meeting minutes and not produced any performance audits, even though such audits are mandated by law.

Measure A's oversight failures have led to tens of millions being misspent on wasteful projects, including \$45 Million to build an unused 1.1 mile track from Downtown to Richards Boulevard-- a "Train to Nowhere." Measure B's proponents are promising exactly the same phony accountability features that have been completely ineffectual under Measure A.

Vote NO on Measure B. Visit DontDoubleTheTax.org.

s/Craig Powell
President, Eye on Sacramento

s/Debra Desrosiers
Executive Director, Sacramento Taxpayers Association

s/Dr. Gregory L. Thompson
Professor of Urban Planning (Emeritus), Florida State University

s/Dr. Florin J. Ciuriuc
Executive Director, Slavic Community Center of Sacramento

s/Walter Seifert
Past Executive Director, Sacramento Area Bicycle Advocates

ARGUMENT AGAINST MEASURE B

Everyone agrees that Sacramento County needs better roads and transit. But Measure B isn't a comprehensive transportation plan for addressing our transportation needs. Instead, it's a patch-work scheme developed by politicians and their cronies that will lead to more congestion and will fund the wrong kind of transit spending, while imposing higher taxes on vulnerable low and middle-income families. Measure B would *double* the Measure A sales tax - raising it to a full 1% - while increasing our overall sales tax to 8.5% (county) and 9% (Sacramento city).

This *\$3.6 billion, 30-year* sales tax hike would fund ill-conceived expansions of light rail to far flung, less dense, less walkable areas. A \$1 billion expansion of light rail to the airport would add a few new customers. But it won't deliver what transit customers want and need: frequent, fast service and more accessible stations.

The tax hike is also expected to fund an unneeded \$195 million streetcar line in Downtown Sacramento – even though local voters overwhelmingly rejected a proposal to fund the streetcar just last year. A nationally recognized transit expert calls the streetcar "largely an amusement ride for tourists." Who wants it? Politically connected Downtown and West Sacramento developers - who want you to subsidize their projects.

Typical county households experienced a 12% drop in real income since 2007, according to U.S. Census data. Nevertheless, politicians want hard-pressed Sacramentans to *double* the current Measure A tax from ½% to a full 1%. They don't mention that the current Measure A tax is already generating more revenue each year for transportation spending.

Send a strong message to the politicians: stop corporate welfare and come up with a smarter, fairer, less expensive plan to fix our roads and meet our transit needs. *Don't double the tax.* Vote NO on Measure B.

s/Craig Powell
President, Eye on Sacramento

s/Debra Desrosiers
Executive Director, Sacramento Taxpayers Association

s/Dr. Gregory L. Thompson
Professor of Urban Planning (Emeritus), Florida State University

s/Elizabeth A. Weiland
Land Use Chair and Board Member, Save the American River Association

s/Walter Seifert
Past Executive Director, Sacramento Area Bicycle Advocates

REBUTTAL TO ARGUMENT AGAINST MEASURE B

Vote YES on Measure B.

Sacramento County desperately needs better roads and transit. Measure B will repair our roads and bridges, reduce traffic congestion on our freeways, improve light rail and other transit services, and make it easier for everyone to get around.

Measure B prioritizes “Fix it First” projects, meaning filling potholes, repaving streets, and repairing aging bridges before spending on new freeway and transit projects. This means real improvements in the condition of our roads now.

In addition, repairing our roads and bridges now before they deteriorate even further is a smart investment, saving money in the long run.

Measure B will also get people out of their cars by improving service, safety and security on buses and light rail. Measure B improves Paratransit helping seniors and disabled persons get around independently, reliably, and safely.

Federal and state funds are only available if we match them with local funds. Measure B will bring in millions of additional matching dollars for Sacramento County’s roads and highways – money that currently goes elsewhere.

Measure B funds are subject to annual financial and performance audits by a citizens’ taxpayer oversight committee to ensure the money is spent properly.

Measure B is the right plan for Sacramento County. Democrats and Republicans say yes to Measure B. Business and labor groups say yes. Transit and bicycle advocates say yes. Will you join us?

Vote by mail or on November 8. Yes on Measure B.

s/Darrell Steinberg
Mayor-Elect, City of Sacramento

s/Christiana Dominguez
Youth Organization Board Member

s/Kevin Cooper
Realtor

s/Raymond James Irwin
Commissioner, Fair Oaks Planning Advisory Council

s/Jim Brown
Executive Director, Sacramento Area Bicycle Advocates