
**SONOMA COUNTY TRANSPORTATION AUTHORITY
CITIZENS ADVISORY COMMITTEE**

A G E N D A

**Monday, January 27, 2003
4:00 p.m.**

***Sonoma County Open Space District
747 Mendocino Avenue, Suite 100
Santa Rosa, California***

Directors

Jake Mackenzie, Chair
Rohnert Park

Paul Kelley, V. Chair
Sonoma County

Steve Allen
Windsor

Joe Costello
Sonoma

Patricia Gilardi
Cotati

Mike Healy
Petaluma

Robert Jehn
Cloverdale

Mike Kerns
Sonoma County

Lisa Schaffner
Healdsburg

Tim Smith
Sonoma County

Sam Spooner
Sebastopol

Sharon Wright
Santa Rosa

ITEM

- I.** Introductions
- II.** Consent Items - **DISCUSSION/ACTION**
 - A. Approval of Minutes from December 16, 2002
 - B. Approval of Agenda
- III.** Announcements/Reports – **DISCUSSION**
 - A. State Budget Update
 - B. Upcoming Funding Cycles
- IV.** Project Updates – **DISCUSSION**
 - A. SMART
 - B. Highway 101
- V.** Countywide Transportation Capital Funding Partnership – **DISCUSSION/ACTION**
 - A. Staff Report
 - B. CAC Discussion and Recommendation to SCTA
- VI.** Announcements / Other Business - **DISCUSSION**
- VII.** Adjournment - **ACTION**

SCTA Staff

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**The next S C T A meeting will be held February 10, 2003
The next C A C meeting will be held February 24, 2003**

SONOMA COUNTY TRANSPORTATION AUTHORITY CITIZENS ADVISORY COMMITTEE

MINUTES December 16, 2002

ATTENDEES

Bob Anderson, United Winegrowers
Linda Branscomb, Southern Sonoma County
George Ellman, Transp. & Land Use Coalition
Jim Killean, Operating Engineers #3
John McHugh, S.R. Chamber of Commerce

Dusty Rhodes, Senior Community
Don Sanders, Sierra Club
Bob Spencer, Muni Financial
Janet Spilman, SCTA
Suzanne Wilford, SCTA

ITEM

Chair Bob Anderson called the meeting to order.

I. Introductions

None were made.

II. Consent Items

A. Approval of Minutes from August 26, 2002

B. Approval of Agenda

The minutes and agenda were unanimously approved as written by consent calendar.

III. Announcements/Reports

Ms. Wilford passed out copies of the official commendation resolution from the SCTA Board to the CAC for its dedication to help deliver the first Highway 101 widening improvement project in Sonoma County.

A. Sales Tax Measures In November 2002

Ms. Wilford said there were five measures on ballots throughout the state. Only one was successful, Riverside County, where they had a very successful sales tax program in the past and were re-upping their sales tax. Solano, Madera, Fresno and San Joaquin Counties failed. They were all renewals except Solano. It was their first attempt. Ms. Wilford mentioned she had heard a rumor that Petaluma wants to do a local tax. Marin County is talking about a local sales tax measure for streets and roads and local transit. It would not include the train, the Sonoma-Marín Narrows, or anything else that the two counties have been working on for the last couple of years.

Chair Anderson said he saw this unfold at the previous SMART meeting. The SMART Chair was absent that day and Marin County Supervisor Kress took his place as Co-Chair. He acknowledged that he would allow a presentation be made by Al Boro and Peter Breen about what was being planned in Marin County. They sent a mailer out to a large number of county residents and received a big percentage of responses back. They wanted to take the information they received and develop some sort of tax measure for November 2003 to fund local services.

Ms. Wilford said the argument she has heard is that this doesn't have anything to do with the rail project. They're trying to solve a local problem and they'll deal with rail in another way when the time comes.

Chair Anderson said that out of all the responses they received, the train won by a large percentage in answer to the question of what county residents wished to see more of – carpool lanes, buses, bike lanes or trains.

Ms. Wilford said the two counties went down the path of creating the district because of the belief that it would be the best way to unify them around the rail project and seek a sales tax to help fund the project. Because of the state budget, the train is now at risk as are all the Highway 101 projects. It's all part of the Governor's mid-year reduction proposal. The legislature won't act on it until January 2003.

Chair Anderson noted that there was an article from the Internet included in the agenda packet that discussed a similar problem in Seattle, Washington. It gave their thoughts on taxation and transportation.

Chair Anderson said that due to time constraints, we would skip ahead to Item V on the agenda, Countywide Transportation Capital Funding Partnership. At the last meeting, the CAC dealt with trying to calculate a capital funding partnership. This then went before the SCTA Board. The Board asked the CAC to spend more time on the issue and to try and come up with some options on how best to proceed.

Ms. Wilford said the staff report in the packet, put together by Ms. Spilman, was what the SCTA Board saw at their last meeting. They were given two options to consider: a negotiated agreement amongst all jurisdictions for specific projects and a countywide fee on new development. Although, there was some concern about the nexus issue, the Board wanted further investigation and they specifically asked the CAC to discuss the political ramifications of what such a fee might be. In order to provide more information to the SCTA and the CAC, both Ms. Spilman and Ms. Wilford made various inquiries. A presentation will now be given to the Board by Contra Costa County staff. Contra Costa County has had some involvement with regional fees.

Ms. Spilman also talked to various experts on the subject and has brought in Mr. Bob Spencer of Muni Financial to discuss what he has done for others in this area.

B. 2003 Meeting Schedule

This was not discussed. A copy of the schedule was included in the agenda packet.

IV. Project Updates

This item was tabled for the next meeting.

A. SMART

B. Highway 101

V. Countywide Transportation Capital Funding Partnership

Mr. Spencer distributed a list of issues that come to mind when you think of regional transportation funding. He said we could start the discussion with development fees, although we could seek to find constellations of interest among local jurisdictions around projects or groups of projects and craft funding agreements and let people figure out where they're going to get the money. He said that could be an interesting approach but he couldn't comment on the feasibility of it. There are regional impact fees. Item 2 on his agenda speaks to that. There are also tax measures. There are other, voter-approved choices that are at a more local level. He said you could put some type of charge before property owners that would be a special assessment district funding which would require a majority vote

of the property owners within that area. That would be an innovative way to do major transportation projects. That kind of approach is usually used for local projects. Another option is a two-thirds vote for a special tax. And then there is the user fee approach that Southern California and several other places have toyed with, like toll roads, where those who use it pay for it. These have their own sets of advantages and disadvantages.

Ms. Wilford asked what he would suggest if we were to go with the mitigation fee approach.

Mr. Spencer said he would first develop a structure for the participation process. Perhaps it would be this committee, maybe a new committee. Second, he would engage an outside team, including a planner and an economist, to put together a list of options for the specified committee on how to proceed, looking at single and countywide approaches. We would need to get agreement on the criteria used for the chosen alternative before they see the numbers. Third, we would need modeling. Fourth, we would need a recommendation to put before our Board.

Ms. Wilford said none of the Directors would vote on it until their councils had taken a position.

Mr. Spencer said we should not use a one-time funding source. We shouldn't think of this as a massive study, but rather get a consensus with a small group to test the waters. We could re-run a model that already exists to see what shares of projects could go to a fee project program.

Ms. Wilford said we don't have a good model right now, but perhaps within the next year. She asked if \$75,000 would be enough to get an RFP started.

Mr. Spencer replied that this would attract some competition. The amount should be more than \$50,000 and less than \$100,000. San Joaquin could provide more information on this.

Ms. Wilford said the CAC would discuss this at their January meeting.

Mr. Spencer said it's one of the few funding sources in town to serve growth. Doing a regional piece is much more difficult. We could go ahead with the cities that have the greatest needs. Regarding the cost of housing, we could mitigate that. It doesn't mean the developer would increase the cost of the house. Prices are rising. Fees are added. Builders pass these fees on to purchasers. A fee, even when fully phased in, is sometimes passed back to the seller of the land.

Mr. Rhodes asked why not put the fee on the owner of the bare land to begin with?

Ms. Wilford said we did this until Prop 13.

Mr. Rhodes said we could make it an impact fee like they do with revenue stamps. It would be put on the acreage at the time it's sold.

Mr. Spencer said this could be done. There is a state program that just started up that helps to spread the cost to future users in terms of an assessment. He said a development impact fee is a fee imposed on development at the time the building permit is granted. It's on new construction but would conceivably pick up expansions of new existing buildings.

Ms. Linda Branscomb asked who was working on the first approach.

Ms. Wilford replied no one. She said Santa Rosa was interested but did not have enough fees to do it. The concern is that people are just moving money around they already have. The two approaches are not mutually exclusive.

Ms. Branscomb said she wanted to keep the first approach in the discussion.

Mr. Spencer said a consultant team could help us with the details of both approaches and we could see what the differences were. He said we shouldn't look first at the numbers, but rather look at the

approaches first without the influence of what the numbers might say. We shouldn't let the money decide for us.

VI. Announcements / Other Business

There were none.

VII. Adjournment

The meeting adjourned at 6:00 p.m.

Respectfully submitted,

Angela Caruso
Executive Assistant
SCTA

CITIZENS ADVISORY COMMITTEE S T A F F R E P O R T
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DATE: January 27, 2003

TO: Citizens Advisory Committee (CAC)

FROM: Janet Spilman, Transportation Planner

SUBJECT: **Item IV** : Countywide Transportation Capital Funding Partnership

ISSUE:

The SCTA has expressed interest in developing alternatives for a funding program that can generate revenue for projects that are affected by growth and are on a multi-jurisdictional scale. The SCTA has agreed to the basic necessity of a new funding mechanism and has also agreed that recipient projects would be taken from the list of projects in the 2001 Countywide Transportation Plan for Sonoma County. At the November SCTA meeting the CAC was directed to meet and consider the issue.

BACKGROUND:

At the December meeting the CAC heard from Bob Spencer, a consultant with expertise in implementing transportation mitigation fee. The following is a summary of information to date.

The Need

The SCTA has adopted the prioritized list of projects included the 2001 Countywide Transportation Plan for Sonoma County (CTP). Projects were only included in the CTP if it was agreed that their impact was of countywide significance. The CTP has a 25 year horizon. Many of the projects listed are considered crucial, but the projects have not been clearly defined (or costs assessed) largely because they are cost prohibitive.

There are 11 projects that were ranked as highest priority. Many of the costs are estimated and some are yet to be determined, but the rough total is \$117,200,000. If the next highest ranked projects are considered the list grows to 23 projects for a total of \$193,715,000.

It is in the spirit of the law and highly recommended that a funding mechanism determined through this process should not be the only source of funding for a project. These projects are eligible for traditional funding. It is understood though, that given current and projected funding sources that the pace will be extremely slow, and may well put us behind as more needs are identified.

The Funding Mechanism

Jurisdictional funding agreements

This would be a negotiated process. Every jurisdiction would negotiate funding responsibilities for the projects listed. Based on modeling estimates a percentage of the countywide need is attributed to each jurisdiction. More specifically, it may be determined that a particular project may benefit different jurisdictions by different proportions. In order to complete the project every jurisdiction must contribute that amount of the funding at the time of project development or construction.

This process does not specify any new source of revenue. Each jurisdiction must determine on its own how to fund the projects within the agreement.

Jurisdictional funding agreements could be the first critical step that leads to the fee based option discussed below.

Fee based

Every jurisdiction would impose a countywide traffic mitigation fee. There are many different ways to structure a fee. Ideally, it would be uniform from one development site to the next within the same category to maintain a continuous nexus, since although it may be argued that whole communities may have varying degrees of connection to a project the fee should not vary from one individual to another.

Revenue would be contributed to a single pool administered by the SCTA and used solely for the projects agreed upon by the member jurisdictions.

The Nexus

Growth, whether it is homes, stores or office buildings will cause traffic on the street in front of the development. But it may also cause traffic on streets miles away. This is because people rarely live, work, and shop within a small constrained area. There is clear evidence around the county of congestion that is caused by through traffic.

Reasonable Relationship Requirement

There must be a reasonable relationship between:

- the use of the fee and the type of development on which it is imposed (the “benefit”)
- the need for a (transportation) facility and the type of development on which the fee for that facility is imposed (the “impact”)
- the amount of the fee and the facility cost attributable to the (development) project on which the fee is imposed (“proportionality”).

Policy Development

- Public outreach and participation
- Contracting with consultants
 - Fee structure development and implementation
 - Traffic modeling

Technical Steps to implementation

1. Agree on a list of projects. Attach real costs to the projects. Examine other funding possibilities for those projects in order to determine countywide contribution.
2. Determine type(s) of development on which to attach a fee. Agree on fee structure.
3. Determine connection of development to projects.
4. Calculate the amount of revenue generated. Will it cover the costs of the projects? Adjust list if necessary.
5. Collect money until project can be built. Funds can be held over time as long as they are used only for their intended purpose.

Concerns and Considerations

- Should projects benefiting from this new revenue be limited to road projects?
- Will multiple zones undermine the countywide aspect?
- Will different levels of participation will create disparity
- Is there a negative impact on new housing? (Bob Spencer claims effect is very small)
- Will amount of revenue be worth the effort?
- Will a regional fee be more successful if coupled with a sales tax measure?

- Can concessions or incentives may be offered to developers who agree to build according to negotiated traffic reduction standards?

REQUESTED ACTION:

Consider the general merits and options for a Countywide Transportation Capital Funding Partnership and report to the SCTA in February.

2001 CTP High Priority Projects

North/South Subarea			
Rank	Jurisdiction	Project	Cost
1	County	Penngrove Traffic Circulation Improvements	\$15,000,000
1	Santa Rosa		\$20,000,000
1	Santa Rosa	Fulton Road Improvements (combined)	\$18,000,000
1	County	Airport Blvd Widening to 4 Lanes	\$10,800,000
5	Multi	Old Redwood Hwy improvements from Petaluma to Cotati	\$6,000,000
5	Santa Rosa	Stony Point Rd widen & reconstruct from Hwy 12 to Northpoint Pkwy	\$10,000,000
5	County	Brickway Blvd Connect Airport Blvd.-River Rd	\$7,500,000
		North/South high priority projects total	\$87,300,000
Northeast Subarea			
Rank	Jurisdiction	Project	Cost
1	County	shoulder width	\$4,800,000
2	County	Alexander Valley Rd - shoulder widening for bikes & sight distance, eliminate safety	\$4,100,000
2	SR/Co	Calistoga Rd -Montecito to Hwy 12 - traffic calming	\$250,000
		Northeast high priority projects total	\$9,150,000
Southeast Subarea			
Rank	Jurisdiction	Project	Cost
1	County	Hwy 116 Adobe to Arnold	\$15,000,000
1	County	Hwy116/Hwy 121 intersection	\$5,000,000
1	County	5 signals mid valley (2 on Arnold Dr., 3 on Hwy 12)	TBD
4	County	Lakeville Rd Widen to 4 Lanes from Hwy 37 to Hwy 116	\$22,000,000
4	County	Arnold Drive - construct center turn lane Country Club to Madrone	\$2,500,000
4	Santa Rosa	Hwy 12 - widen from Los Alamos to Pythian	\$15,000,000
4	County	Arnold Drive - Verano to Petaluma	\$2,300,000
		Southeast high priority projects total	\$61,800,000
West Subarea			
Rank	Jurisdiction	Project	Cost
1	County	River Rd Channelization & Signals - Fulton to Guernville	10,000,000
1	Santa Rosa	Highway 12 - construct an I/C at Fulton Road	15,000,000
1	County	Forestville Bypass - bypass Hwy 116 through Forestville	3,600,000
4	County		5,500,000
4	County/Sebastopol	Hwy 116 Cotati -Sebastopol 3rd lane & signals	TBD
4	Sebastopol	Intersection Control on Hwy 116 at 4 locations in Sebastopol	\$1,365,000
		West high priority projects total	35,465,000
23 projects		Grand total for high priority projects	\$193,715,000

2001 CTP #1 Ranked Road Projects

North/South Subarea Roads			
Rank	Jurisdiction	Project	Cost
1	County	Penngrove Traffic Circulation Improvements	\$15,000,000
1	Santa Rosa	Farmers Lane Extension - construct 3 or 4 new lanes from Yolanda Ave to Hwy 12	\$20,000,000
1	Santa Rosa	Fulton Road Improvements (combined)	\$18,000,000
1	County	Airport Blvd Widening to 4 Lanes	\$10,800,000
		North/South #1 projects total	\$63,800,000
Northeast Subarea Roads			
Rank	Jurisdiction	Project	Cost
1	County	Mark West Springs-Porter Creek Rd -Improve & widen narrow sections, increase shoulder width	\$4,800,000
		Northeast #1 projects total	\$4,800,000
Southeast Subarea Roads			
Rank	Jurisdiction	Project	Cost
1	County	Hwy 116 Adobe to Arnold	\$15,000,000
1	County	Hwy116/Hwy 121 intersection	\$5,000,000
1	County	5 signals mid valley (2 on Arnold Dr., 3 on Hwy 12)	TBD
		Southeast #1 projects total	\$20,000,000
West Subarea Roads			
Rank	Jurisdiction	Project	Cost
1	County	River Rd Channelization & Signals - Fulton to Guernville	\$10,000,000
1	Santa Rosa	Highway 12 - construct an I/C at Fulton Road	\$15,000,000
1	County	Forestville Bypass - bypass Hwy 116 through Forestville	\$3,600,000
		West #1 projects total	\$28,600,000
11 projects		Grand Total for #1 Roads	\$117,200,000