

# MEMORANDUM

PART A

DEPARTMENT OF PUBLIC WORKS  
County of Placer

TO: BOARD OF SUPERVISORS

DATE: August 22, 2006

FROM: KEN GREHM / RICK DONDRORWD

SUBJECT: TRANSPORTATION INFRASTRUCTURE FINANCING

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## ACTION REQUESTED

No action requested.

## BACKGROUND

For a number of years, the Placer County Transportation Planning Agency (PCTPA) and Placer County have recognized the gap between transportation needs and available funding. Both agencies have aggressively pursued creative approaches to address the funding shortfalls. While these efforts show significant progress, closing the gap between the cost of needed transportation infrastructure and available funding continues to be a challenge.

Strong growth now and in the future will increase the demand for regional transportation facilities, such as I-80 bottleneck widening, SR 65 improvements, and more frequent rail and transit service. The costs for transportation infrastructure continue to rise. Meanwhile, the traditional sources of transportation funding are not keeping pace with increased costs and demand. The PCTPA formed a Funding Strategy Steering Committee in 2004 to address the situation. Their diligent work over the past two years has led to a game plan to bridge the funding gap that was endorsed by the PCTPA Board in May 2006. That plan is embodied in the Transportation Expenditure Plan which will be presented to the Board by Celia McAdam, Executive Director of PCTPA.

The Transportation Expenditure Plan includes several sources of additional funding to address Placer's growing transportation needs. In order to make sure that land development projects pay a fair share of the costs, two new traffic fees are proposed; the transportation uniform mitigation fee and the Tier 2 fee. These new fees would ensure that transportation projects such as Placer Parkway and the widening of Hwy 65 are properly included in a development fee program. State and Federal funding programs are also a key component of the Plan. It is critical that we maximize the revenue that we receive from these sources. A transportation sales tax measure is the third major component of the Expenditure Plan. The measure would provide a new source of needed funds that can not be collected from new development. These funds could address maintenance of the transportation system, correction of existing deficiencies as well as transit and rail implementation. The sales tax revenues are an important factor in leveraging additional State and Federal funds that are unavailable without a local match.

Transportation sales taxes are in place in 17 counties in California, covering approximately 90% of the state's population, and generating about \$3.8 billion annually. (see Attachment A). Each of those counties has designated a transportation authority to administer the program. In most cases, the program is administered by an existing countywide transportation agency, such as a Regional Transportation Planning Agency or Congestion Management Agency. In order to consider a sales tax measure in the future, a Transportation Authority must be designated by the Board. This matter is the subject of the following Board item.

359

**ATTACHMENT A**

CALIFORNIA TRANSPORTATION SALES TAX SCHEDULE

COUNTY	TRANSPORTATION SALES TAX AUTHORITY	TYPE OF AGENCY
Alameda	Alameda County Transportation Improvement Authority	Sales Tax Authority JPA
Contra Costa	Contra Costa Transportation Authority	Congestion Management Agency
Fresno	Fresno Transportation Authority	Sales Tax Authority JPA
Imperial	Imperial County Transportation Commission	Regional Transportation Planning Agency
Los Angeles	Los Angeles Metropolitan Transportation Authority	Regional Transportation Planning Agency
Marin	Congestion Agency for Marin	Congestion Management Agency
Orange	Orange County Transportation Authority	Regional Transportation Planning Agency/Transit Agency
Riverside	Riverside County Transportation Commission	Regional Transportation Planning Agency
Sacramento	Sacramento Transportation Authority	Sales Tax Authority JPA
San Bernardino	San Bernardino Association of Governments	Regional Transportation Planning Agency/Council of Governments
San Diego	San Diego Association of Governments	MPO/RTPA/COG
San Francisco	San Francisco Transportation Authority	Congestion Management Agency
San Joaquin	San Joaquin Council of Governments	MPO/RTPA/COG
San Mateo	San Mateo County Transportation Authority	Congestion Management Agency
Santa Barbara	Santa Barbara County Association of Governments	MPO/RTPA/COG
Santa Clara	Santa Clara Valley Transportation Authority	Congestion Management Agency/Transit Agency
Sonoma	Sonoma County Transportation Authority	Congestion Management Agency