

Date: May 31, 2016
Current Meeting: June 2, 2016
Board Meeting: June 2, 2016

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Planning and Program Development, John Ristow

SUBJECT: Potential ½-cent 30-year Sales Tax Measure

Policy-Related Action: Yes

Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

- 1) Adopt the framework and funding amounts for a ½-cent 30-year sales tax measure.
- 2) Adopt a resolution calling for a special election, to be consolidated with the statewide general election to be held on November 8, 2016, for the purpose of submitting to the voters of Santa Clara County a measure seeking authorization for VTA to enact a 30-year ½-cent retail transactions and use tax for transportation purposes.

BACKGROUND:

In the fall of 2014, VTA launched *Envision Silicon Valley* - a dynamic visioning process to discuss current and future transportation needs, identify solutions and craft funding priorities. As part of this process, VTA is proposing placing a transportation retail transactions (i.e., sales) and use tax measure on the November 8, 2016 ballot to help fund the transportation priorities. It is anticipated that a 30-year ½-cent sales tax measure will generate between \$6 billion to \$6.5 billion in 2017-year dollars.

Based on the input received over the past 18 months, the analysis staff conducted by comparing the board adopted goals to projects and the polling conducted by the Silicon Valley Leadership Group, VTA presented a recommendation for a ½-cent, 30-year Sales Tax Measure at the April 22 Board Workshop. The Board requested staff to consider the following:

1. Increase the funding level for Transportation Operations from \$450 million to \$500 million.
2. Work with the Technical Advisory Committee (TAC) regarding match requirement(s) for

projects in the measure.

Based on the Board's recommendations, staff (a) increased the Transportation Operations category to \$500 million; and (b) discussed the match requirements and other technical issues with the TAC at their May meeting and developed a timeline and work plan.

Furthermore, the Caltrain corridor capacity category was increased by \$14 million to provide additional funding for South County Caltrain service. Additional definition and modifications were made to several categories based on feedback from the public, cities and Board Members.

It should be noted that the Sales Tax Measure will help fund projects and programs but will not be the sole funding source for a project. Transportation projects, especially larger projects, are typically built using a variety of funding sources. One significant advantage of a countywide sales tax is that it provides a local revenue source for obtaining additional funds through regional, state and federal fund sources.

DISCUSSION:

VTA has statutory authority to enact sales and use taxes if so authorized by the voters. Because the proposed tax is a special tax for transportation purposes, the voters must approve the tax by a two-thirds majority. The revenues from the tax may only be used to administer and fund certain designated transportation categories, as further discussed below. The measure also provides for the creation of a public oversight committee to annually cause an audit to be performed, hold public hearings, and issue a report annually to inform the Santa Clara County residents how the tax revenues are being spent.

Attachment A is the draft resolution calling for a special election, to be consolidated with the statewide general election to be held on November 8, 2016, for the purpose of submitting to the voters of Santa Clara County a measure seeking authorization for VTA to enact a 30-year ½-cent retail transactions and use tax for transportation purposes.

VTA will also need to adopt an ordinance enacting the sales and use tax. The ordinance will be considered by the Board on June 2, 2016 agenda under a separate item. The ordinance, if adopted by the Board, will only become operative if the measure is approved by two-thirds of the voters voting on the measure at the November 8, 2016 election.

Below is a summary of the categories and funding amounts for the proposed measure.

BART Phase II - \$1.5 Billion in 2017 Dollars (capped at a maximum of 25% of Program Tax Revenues)

BART Phase II will create a new regional rail connection by extending BART from the Berryessa Station in San Jose to Santa Clara with stations at Alum Rock/28th Street, downtown San Jose, San Jose Diridon Station and Santa Clara. It will ring rail around the south bay by connecting BART with Caltrain at Diridon and Santa Clara. The projected average weekday ridership is for Phase II is approximately 55,000 in the year 2035.

The funding raised by the proposed tax will be used for the capital construction costs of the

BART Phase II extension and will serve as the local match, allowing VTA to compete for an additional \$1.5 billion from the Federal New Starts Program and \$750 from the State's Cap and Trade Program.

Bicycle/Pedestrian Program - \$250 Million in 2017 Dollars

This program will help fund bicycle and pedestrian projects of countywide significance identified by the cities, county and VTA. The program will give priority to those projects that connect to schools, transit and employment centers; fill gaps in the existing bike and pedestrian network; safely cross barriers to mobility; and make walking or biking a safer and more convenient means of transportation for all county residents and visitors.

Staff is recommending a competitive grant program to fund capital projects. Bicycle and pedestrian educational programs, such as Safe Routes to School will also be eligible for funding. It should also be noted that the Complete Streets Requirement staff is proposing on all roadway-related categories will result in better pedestrian and bicycle facilities and safer access throughout the county. The list of candidate bicycle projects is included in the resolution (Attachment A).

Caltrain Corridor Capacity Improvements - \$314 Million in 2017 Dollars

This program will fund Caltrain corridor capacity improvements and increased service in Santa Clara County in order to ease highway congestion, including: increased service to Morgan Hill and Gilroy, station improvements, level boarding, extended platforms, and service enhancements.

Caltrain ridership continues to break records as more and more people are realizing the benefits of the system. As a result, capacity is becoming an issue. The Caltrain Modernization Program, which will electrify the system and add positive train control, is fully funded and moving forward. The Caltrain Corridor Capacity Improvements program will take the next step by helping expand commuter rail capacity and serve more riders through enhanced service and improved operations.

Caltrain Grade Separations - \$700 Million in 2017 Dollars

This program will fund grade separations along the Caltrain corridor in the cities of Sunnyvale, Mountain View and Palo Alto. Separating the Caltrain tracks from roadways provides increased safety benefits for drivers, bicyclists and pedestrians. These projects also reduce congestion at the intersection.

The grade separation program will require close coordination and cooperation with the High Speed Rail Authority, Caltrain, as well with local cities.

County Expressways - \$750 Million in 2017 Dollars

This program will fund the Tier 1 improvement projects contained in the County's Expressway Plan. The County of Santa Clara conducted a very robust planning study and outreach process to determine the highest priority projects for the expressway system. These improvements will

increase the effectiveness of the expressway system throughout the county. While the two Caltrain Grade Separations projects listed in Tier 1 are not included in staff's proposed funding level, these two projects will be eligible to apply for the Caltrain Grade Separation Program. The list of Tier 1 projects staff is recommending is included in the resolution (Attachment A). A Complete Streets requirement will be included to maximize opportunities for bicycle and pedestrian access.

Highway Interchanges - \$750 Million in 2017 Dollars

This program will fund highway projects throughout the valley. VTA will administer a competitive grant program to ensure that the best projects are moved forward. It will also have a Complete Streets requirement to maximize opportunities for bicycle and pedestrian access.

Contained in the resolution (Attachment A) is a list of candidate projects that staff has identified as providing significant congestion relief. However other candidate projects may emerge over the life of the 30-year measure and these projects will also be eligible candidates for this funding. Additionally, staff modified the list to make noise abatement, overcrossings, and Intelligent Transportation Systems (ITS) projects eligible.

Local Streets and Roads - \$1.2 Billion in 2017 Dollars

These funds will be returned to the cities and the county on a formula basis. The recommended distribution mirrors the existing formula VTA uses for the Vehicle Registration Fee, which is based on the population of the cities and the County of Santa Clara's road and expressway line mileage.

These funds will be used to repair streets and include a Complete Streets requirement to improve bicycle and pedestrian elements of the street system. Cities and the county will be required to demonstrate that these funds will be used to enhance and not replace their current investments for road system maintenance and repair. Should a city or the County have a Pavement Condition Index score of at least 70, they could use the funds for other congestion relief projects.

SR 85 Corridor - \$350 Million in 2017 Dollars

This category will fund a managed lanes project that includes an express lane on SR 85, in each direction, and a new transit lane in each direction on SR 85, from SR 87 in San Jose to U.S. 101 in Mountain View. Additionally this category will fund noise abatement along SR 85 and will provide funding to study transportation alternatives that include, but are not limited to, Bus Rapid Transit with infrastructure such as stations and access ramps, Light Rail Transit, and other transportation technologies that may be applicable. This study will result in a capital improvement project that will move through State and Federal environmental clearance.

The projects for this category are being recommended to the VTA Board by the SR 85 Policy Advisory Board (PAB). The PAB was formed by the Board of Directors to: a) review proposals, plans, and policy issues and provide recommendations to the VTA Board and administration regarding the planning, design and construction of major transit and/or transportation capital projects in the corridor; and b) make recommendations to the VTA Board of Directors regarding major policy decisions for the corridor.

The PAB has representation from San Jose, Los Gatos, Saratoga, Cupertino, Sunnyvale, Los Altos, Mountain View, Campbell, Monte Sereno, and Caltrans as an ex-officio member. The PAB began meeting in November, 2015 with an initial task to make a recommendation to the VTA Board of Directors on transportation improvements to be included in a potential sales tax measure.

The PAB worked with VTA staff and consultants in an abbreviated conceptual planning process to evaluate express lane and various transit improvements including express bus, Bus Rapid Transit, and Light Rail Transit for the corridor. At the PAB's May 23, 2016 meeting, members voted to recommend the Board of Directors include the projects listed above in the SR 85 project category.

Transit Operations - \$500 Million in 2017 Dollars

The revenue from this program category will provide additional funds specifically for bus operations to serve vulnerable, underserved, and transit dependent populations throughout the county. The goals of the program category are to increase ridership, improve efficiency, enhance mobility services for seniors and disabled, and improve affordability for the underserved and vulnerable constituencies in the county. As VTA considers modifications to bus operations and routes to improve ridership and efficiencies, these funds may also be utilized to maintain and expand service to the most underserved and vulnerable populations. The funds may be used to increase core bus route service frequencies, extending hours of operations to early morning, evenings and weekends to improve mobility, safe access and affordability to residents that rely on bus service for critical transportation mobility needs. The attached resolution (Attachment A) describes the list of Candidate Projects and Programs.

If the Board elects to move forward with a tax measure, and the measure is approved by a two-thirds majority of the voters, staff will prepare detailed Program Policy and Guidelines to define the administrative process for the Board's consideration.

The Program Policy and Guidelines to be developed and adopted by the VTA Board of Directors may include the following:

- Implementation Policy/Guidelines
- Citizens Oversight Committee
- Taxpayer Accountability and Transparency Policy
- Bond/Finance Guidelines
- Complete Streets Policy
- Advanced Project Mitigation Guidelines
- Local Street and Roads Program Guidelines
- Program Match/Contribution Policy

ALTERNATIVES:

The Board of Directors may elect not to place the Sales Tax Measure on the ballot. The Board may also decide to change any or all of the project categories, funding amounts and program policies.

FISCAL IMPACT:

If the Board of Directors decides to ask the voters to consider the sales tax in November, VTA would be responsible for the cost of placing the measure on the ballot. Previous ballot measure election costs in 2010 were approximately \$867,000. Appropriation for this expenditure is available in the FY17 VTA Transit Fund Operating Budget. If voters approve the measure, it would generate an estimated \$6.3 billion (2017 dollars). VTA administration costs of the program would be recovered through direct charges to programs and projects and through VTA's administrative overhead charges.

ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:**Citizens Advisory Committee (CAC)**

Committee members discussed the following at their May 11, 2016, meeting: noted that the capital projects are beneficial for the economy; noted that these funds may be leveraged with other funding sources; discussed how the future citizens oversight committee might be organized; and support that funding categories be listed as percentages rather than dollars.

The Committee adopted staff's recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure. As part of the motion, the committee also stated that it is supportive of complete streets requirements in the appropriate categories.

Bicycle Pedestrian Advisory Committee (BPAC)

Committee members discussed the following at their May 11, 2016, meeting: support for the complete streets requirement; noted that the capital needs for bicycle and pedestrian projects exceeds the funding that is available; the funding amounts for each category should be shown as a percentage; noted the term "bicycle superhighway" does not clearly represent the typology of the recommended facilities and inquired if VTA will use a new term; suggested that bicycle capacity expansion on Caltrain, bicycle parking at Caltrain Stations and first/last mile connections to Caltrain Stations be included in the Caltrain Capacity category; and, via written comments, one member requested that equity and underserved populations be considered when scoring projects through the competitive grant program.

The Committee approved staff's recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure.

Technical Advisory Committee (TAC)

Committee members discussed the following at their May 12, 2016, meeting: noted that the definition of complete streets should be flexible; suggested that funding for Safe Routes to

School be returned by a formula basis to the cities and county; and suggested that the Transit Operations category accommodate for municipalities to fund transit improvements, such as local shuttles in their community. Additionally, staff noted that members should contact VTA staff if they had any suggested changes to the project lists.

The Committee approved staff's recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure with the following additional recommendations: a) the Transit Operations Category will also provide funding for municipally operated shuttles that serve areas where VTA does not have fixed-route bus service; b) the Bicycle and Pedestrian Category will allocate funding for Safe Routes to School projects and programs to the cities and county on a formula basis; and c) the funds used to repair streets will include Complete Streets consideration to improve bicycle and pedestrian elements of the street system.

Policy Advisory Committee (PAC)

Committee members discussed the following at their May 12, 2016, meeting: considered how the complete streets requirement would be administered; discussed the impacts for the region if the measure is not approved by the voters; discussed how the Board would determine the project priorities in the measure; discussed that cities have the opportunity to add additional projects to the list in the future; and suggested that the Caltrain Capacity category be written more broadly to allow for other transit operators in the corridor.

The Committee approved staff's recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure noting the recommended change to the Caltrain Capacity category.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION

Congestion Management Planning and Programming Committee (CMPP)

Committee Members discussed the following at their May 19, 2016 meeting: noted support of the ballot measure categories; suggested that a "dashboard" be created to show how the funds are being spent in order to provide transparency to voters; discussed that the SR 85 corridor projects need to be determined in a timely manner for inclusion; and noted that High Speed Rail will have a significant impact in the Caltrain Corridor.

The Committee approved staff's recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure and ballot language, noting that the VTA should develop a transparent "dashboard" for the public to see how the funds are being spent.

Administration and Finance Committee (A&F)

Committee members discussed the following at their May 19, 2016, meeting: discussed showing dollar amounts for project categories rather than percentages; suggested adding projects on the highway list for the I-280 corridor; noted that the Technical Advisory Committee will be working on issues such as local match and complete streets requirement in the coming months; reviewed request from the Transit Justice Alliance on projects for the transit operations category; and discussed service enhancements in South County, noting the pending arrival of

High Speed Rail.

The Committee approved staff's recommendation that the VTA Board of Directors adopt the framework for a ½ cent, 30-year sales tax measure and ballot language with the following additional recommendations: a) present the funding amounts for categories in 2017 dollars and that the BART project be capped at a maximum of 25% of program tax revenues; b) include the I-280/Lawrence Expwy project in the list of Highway Candidate Projects; and c) staff analyze the request from the Transit Justice Alliance regarding the transit operations category for inclusion in the resolution.

Prepared by: Scott Haywood
Memo No. 5577

ATTACHMENTS:

- RESOLUTION 5 27 16 (PDF)

RESOLUTION NO. 2016.06.12

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA) CALLING AND PROVIDING FOR A SPECIAL ELECTION ON NOVEMBER 8, 2016 AND REQUESTING THE CONSOLIDATION OF SUCH SPECIAL VTA ELECTION WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON NOVEMBER 8, 2016 FOR THE PURPOSE OF SUBMITTING TO THE VOTERS OF SANTA CLARA COUNTY A MEASURE SEEKING AUTHORIZATION FOR ADOPTION OF A RETAIL TRANSACTIONS AND USE TAX ORDINANCE BY THE BOARD OF DIRECTORS.

WHEREAS, the Board of Directors of the Santa Clara Valley Transportation Authority (VTA) deems it advisable to submit a measure to the voters within the territory of VTA at a special election to be held on November 8, 2016, to authorize the VTA Board of Directors to adopt a one-half of one percent retail transactions and use tax ordinance pursuant to Public Utilities Code section 100250 et seq., which tax shall be in effect for 30 years,

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY that the measure hereinafter set forth in full be submitted to the voters within the territory of VTA, which is the incorporated and unincorporated territory lying within the County of Santa Clara, at a special election to be held and conducted on November 8, 2016, and that the Registrar of Voters be, and thereby is, directed to publish such notice as may be required by law for the time and in the manner so required, and to place the same on the ballot at an election to be held throughout the territory of VTA on November 8, 2016. The full text of the proposed measure, which shall be printed in the voter information that accompanies the official vote by mail ballot and in the appropriate sample ballot pamphlet, is set forth as follows:

To repair potholes and fix local streets; finish the BART extension through downtown San Jose and to Santa Clara; improve bicycle and pedestrian safety; increase Caltrain capacity, in order to ease highway congestion, and improve safety at crossings; relieve traffic on the expressways and key highway interchanges; and enhance transit for seniors, students, low-income, and disabled, shall the Board of Directors of the Santa Clara Valley Transportation Authority (VTA) enact a retail transactions and use tax ordinance, Ordinance No. 2016.01, imposing (a) a tax for the privilege of selling tangible personal property at retail upon every retailer in Santa Clara County, the territory of VTA, such tax to be at the rate of one-half of one percent of the gross receipts of the retailer from the sale of tangible personal property sold by him/her at retail in the territory of VTA; and (b) a complementary tax upon the storage, use, or other consumption in Santa Clara County, the territory of VTA, such tax to be at the rate of one-half of one percent of the sales price of the property whose storage, use, or other consumption is subject to the tax; collection of such tax to be limited to thirty years?

VTA shall be the administrator of the tax, shall establish a program and develop program guidelines to administer the tax revenues received from the enactment of

this measure (the “Program”). Tax revenues received for the 30-year life of the tax, including any interest or other earnings thereon, less any funds necessary for satisfaction of debt service and/or cost of borrowing and costs of program administration and oversight, such as costs of grant administration and financial management, shall be referred to herein as “Program Tax Revenues.”

VTA shall allocate the Program Tax Revenues to the following categories of transportation projects: Local Streets and Roads; BART Phase II; Bicycle and Pedestrian; Caltrain Grade Separation; Caltrain Capacity Improvements; Highway Interchanges; County Expressways; SR 85 Corridor; and Transit Operations.

The present value (i.e, present day purchasing power) of the Program Tax Revenues, as of April 2017, is forecasted to be approximately \$6.3 Billion. The actual revenues to be received over the 30-year life of the tax will be affected by various economic factors, such as inflation and economic growth or decline. The estimated amounts for each category reflect the allocation of approximately \$6.3 Billion. The estimated amounts for each category, divided by \$6.3 Billion, establishes ratios for the allocation among the categories. The VTA Board of Directors may modify those allocation amounts following the program amendment process outlined in this resolution.

- **Local Streets and Roads – Estimated at \$1.2 Billion of the Program Tax Revenues in 2017 dollars.**

To be returned to cities and the County on a formula basis to be used to repair and maintain the street system. The allocation would be based on the population of the cities and the County of Santa Clara’s road and expressway lane mileage. Cities and the County will be required to demonstrate that these funds would be used to enhance and not replace their current investments for road system maintenance and repair. The program would also require that cities and the County apply Complete Streets best practices in order to improve bicycle and pedestrian elements of the street system. If a city or the County has a Pavement Condition Index score of at least 70, it may use the funds for other congestion relief projects.

- **BART Phase II—Estimated at \$1.5 Billion of Program Tax Revenues in 2017 dollars (capped at a maximum of 25% of Program Tax Revenues).**

To fund the planning, engineering, construction, and delivery costs of BART Phase II, which will create a new regional rail connection by extending BART from the Berryessa Station in San Jose to Santa Clara with stations at Alum Rock/28th Street, downtown San Jose, San Jose Diridon Station, and Santa Clara.

- **Bicycle/Pedestrian – Estimated at \$250 Million of Program Tax Revenues in 2017 dollars.**

To fund bicycle and pedestrian projects of countywide significance identified by the cities, County, and VTA. The program will give priority to those projects that connect to schools, transit, and employment centers; fill gaps in the existing bike and pedestrian network; safely cross barriers to mobility; and

make walking or biking a safer and more convenient means of transportation for all county residents and visitors. Bicycle and pedestrian educational programs, such as Safe Routes to Schools, will be eligible for funding. Candidate Projects are set forth in Attachment A.

- **Caltrain Grade Separation – Estimated at \$700 Million of Program Tax Revenues in 2017 dollars.**

To fund grade separation projects along the Caltrain corridor in the cities of Sunnyvale, Mountain View, and Palo Alto, separating the Caltrain tracks from roadways to provide increased safety benefits for drivers, bicyclists, and pedestrians and also reduce congestion at the intersections.

- **Caltrain Corridor Capacity Improvements – Estimated at \$314 Million of Program Tax Revenues in 2017 dollars.**

To fund Caltrain corridor capacity improvements and increased service in Santa Clara County in order to ease highway congestion, including: increased service to Morgan Hill and Gilroy, station improvements, level boarding, extended platforms, and service enhancements.

- **Highway Interchanges – Estimated at \$750 Million of Program Tax Revenues in 2017 dollars.**

To fund highway projects throughout the valley that will provide congestion relief, improved highway operations and freeway access, noise abatement, roadway connection overcrossings, and deploy advanced technology through Intelligent Transportation Systems (ITS). Candidate Projects are set forth in Attachment B.

- **County Expressways – Estimated at \$750 Million of Program Tax Revenues in 2017 dollars.**

To fund Tier 1 improvement projects in the County's Expressway Plan in order to relieve congestion, improve safety and increase the effectiveness of the expressway system in the county. Candidate Projects are set forth in Attachment C.

- **State Route 85 Corridor – Estimated at \$350 Million of Program Tax Revenues in 2017 dollars.**

To fund a managed lanes project that includes an express lane on SR 85, in each direction, and a new transit lane in each direction on SR 85, from SR 87 in San Jose to U.S. 101 in Mountain View. Additionally this category will fund noise abatement along SR 85 and will provide funding to study transportation alternatives that include, but are not limited to, Bus Rapid Transit with infrastructure such as stations and access ramps, Light Rail Transit, and other transportation technologies that may be applicable.

- **Transit Operations – Estimated at \$500 Million of Program Tax Revenues in 2017 dollars.**

The revenue from this program category will provide additional funds specifically for bus operations to serve vulnerable, underserved, and transit dependent populations throughout the county. The goals of the program category are to increase ridership, improve efficiency, enhance mobility services for seniors and disabled, and improve affordability for the underserved and vulnerable constituencies in the county. As VTA considers modifications to bus operations and routes to improve ridership and efficiencies, these funds may also be utilized to maintain and expand service to the most underserved and vulnerable populations. The funds may be used to increase core bus route service frequencies, extending hours of operations to early morning, evenings and weekends to improve mobility, safe access and affordability to residents that rely on bus service for critical transportation mobility needs. Attachment D describes the list of Candidate Projects and Programs.

The Program Categories will be administered in accordance with program guidelines and policies to be developed and approved by the VTA Board of Directors.

An independent citizen’s oversight committee shall be appointed to ensure that the funds are being expended consistent with the approved Program. Annually, the committee shall have an audit conducted by an independent auditor. The audit shall review the receipt of revenue and expenditure of funds. The committee shall hold public hearings, and issue a report annually to inform the Santa Clara County residents how the funds are being spent. The hearings will be public meetings subject to the Brown Act.

To support and advance the delivery of projects in the Program, VTA may issue or enter into financial obligations secured by the tax revenues received from the State Board of Equalization (SBOE), including but not limited to, bonds, notes, commercial paper, leases, loans and other financial obligations and agreements (collectively, “Financing Obligations”), and may engage in any other transactions allowed by law. Notwithstanding anything to the contrary, to obtain the strongest credit ratings and lowest financing costs, VTA may pledge up to the full amount of tax revenues received from the SBOE as security for any Financing Obligations of the Program and may contract with the SBOE to have pledged amounts transferred directly to a fiduciary, such as a bond trustee, to secure Financing Obligations to fund any project in the Program. Any Financing Obligation shall be fully paid prior to the expiration of this tax measure.

If approved by a 3/4 majority of the VTA Board of Directors, and only after a noticed public meeting in which the County of Santa Clara Board of Supervisors, and the city council of each city in Santa Clara County have been notified at least 30 days prior to the meeting, VTA may modify the Program for any prudent

purpose, including to account for the results of any environmental review required under the California Environmental Quality Act of the individual specific projects in the Program; to account for increases or decreases in federal, state, and local funds, including revenues received from this tax measure; to account for unexpected increase or decrease in revenues; to add or delete a project from the Program in order to carry out the overall purpose of the Program; to maintain consistency with the Santa Clara Valley Transportation Plan; to shift funding between project categories; or to take into consideration new innovations or unforeseen circumstances.

BE IT FURTHER RESOLVED that such measure will appear in summarized form upon the ballot as follows:

Measure _____

<p>To relieve traffic, repair potholes; shall VTA enact a 30-year half-cent sales tax to:</p> <ul style="list-style-type: none"> • Repair streets, fix potholes in all 15 cities; • Finish BART extension to downtown San Jose, Santa Clara; • Improve bicycle/pedestrian safety, especially near schools; • Increase Caltrain capacity, easing highway congestion, improving safety at crossings; • Relieve traffic on all 9 expressways, key highway interchanges; • Enhance transit for seniors, students, disabled; <p>Mandating annual audits by independent citizens watchdog committee to ensure accountability.</p>	<p>YES _____</p>
	<p>NO _____</p>

BE IT FURTHER RESOLVED that the Board of Supervisors is hereby requested to consolidate this election with the statewide general election and any other elections to be held within the County of Santa Clara on November 8, 2016, and that it include in its proclamation or notice of the special election that Article 3 of Chapter 2 of Division 9 of the Elections Code relating to arguments concerning county measure applies, and that the Office of the County Counsel is directed to prepare an impartial analysis.

BE IT FURTHER RESOLVED that pursuant to Elections Code section 10403, VTA acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code section 10418.

BE IT FURTHER RESOLVED that the Santa Clara County Board of Supervisors is requested to permit the Registrar of Voters to render all services specified by Elections Code section 10418 relating to the election, for which services VTA agrees to reimburse the County.

BE IT FURTHER RESOLVED that pursuant to Elections Code section 10418, all proceedings related to, connected with, and incidental to the election shall be regulated and performed in accordance with the provisions of law regulating the statewide election.

BE IT FURTHER RESOLVED that the returns of such VTA election shall be canvassed by the Registrar of Voters of the County of Santa Clara and the returns, when canvassed, shall be reported to the Board of Directors of the Santa Clara Valley Transportation Authority.

BE IT FURTHER RESOLVED that the Board Secretary is hereby directed to file a certified copy of this Resolution with the Santa Clara County Board of Supervisors and to submit certified copies of this Resolution to the County Clerk and to the Registrar of Voters of the County of Santa Clara no later than 88 days prior to the date of the election.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June __, 2016 by the following vote:

AYES: DIRECTORS

NOES: DIRECTORS

ABSENT: DIRECTORS

Cindy Chavez, Chairperson
Board of Directors

ATTEST:

Elaine Baltao, Board Secretary

APPROVED AS TO FORM:

ROBERT FABELA
General Counsel

ATTACHMENT A

ENVISION SILICON VALLEY BICYCLE AND PEDESTRIAN CANDIDATE LIST

Project

Implementation of Santa Clara Countywide Bicycle Plan*

Trails in Expressway Rights-of-Way

Alum Rock Trail

Coyote Creek Trail Completion

Lions Creek Trail

Lower Silver Creek Trail

Miramonte Ave Bikeways

Fremont Road Pathway

Los Gatos Creek Trail Connector to SR 9

Berryessa Creek Trail

West Llagas Creek Trail

Gualadupe River Trail-Extension to Almaden

Three Creeks Trail East from Guadalupe River to Coyote Creek Trail

Five Wounds Trail from William Street to Mabury Road/Berryessa

Hwy 237 Bike Trail: Great America Parkway to Zanker (Class I, II, and IV)

Lower Gudalupe River Access Ramps

Los Gatos Creek Trail Gap Closure

Calabazas Creek Trail

San Tomas Aquino Trail Extension to South & Campbell Portion

Union Pacific Railroad Trail

Stevens Creek Trail Extension

Hamilton Avenue/Highway 17 Bicycle Overcrossing

Ped/Bike Bridge over SR 17 from Railway/Sunnyside to Campbell Technology Pkwy

Mary Avenue Complete Streets Conversion

UPRR Bike/Ped Bridge Crossing: Stevens Creek Boulevard to Snyder Hammond House/Rancho San Antonio Park

Montague Expwy Bike/Ped Overcrossing at Milpitas BART Station

Shoreline/101 Bike Ped Bridge

Mayfield Tunnel Ped/Bike under Central Expressway connecting to San Antonio Caltrain station

South Palo Alto Caltrain Bike/Ped Crossing

Matadero Creek Trail Undercrossing

Caltrain Capitol Undercrossing

Phelan Avenue Pedestrian & Bike Bridge over Coyote Creek

Newhall Street Bike/Ped Overcrossing over Caltrain Tracks

Kiely Bicycle & Pedestrian Overcrossing

Winchester Bicycle and Pedestrian Overcrossing

Bernardo Caltrain Undercrossing

San Tomas Aquino Creek Trail Underpass at 49er Stadium

Latimer Avenue Bicycle/Pedestrian Overcrossing

Bike & ped safety education at approximately ~200 schools

Implementation of Pedestrian Access to Transit Plan (VTA)*

Bike amenities at transit stops and on transit vehicles

Countywide Vision Zero Program (VTA)*

Highway 9 Pedestrian Safety Improvements

*These plans are currently being developed/updated and projects are being identified.

ATTACHMENT B

ENVISION HIGHWAY PROGRAM CANDIDATE LIST

Project

US 101 Improvements in the cities of Palo Alto and Mountain View to address regional connectivity and circulation between San Antonio Road and Charleston Road at the US 101/San Antonio Road, US 101/Rengstorff/Charleston Road and US 101/Shoreline Boulevard interchanges.

SR 85/SR 237 Area Improvements in Mountain View to address mainline congestion and regional connectivity through the SR 85/SR 237 connector, SR 85/El Camino Real interchange, and the SR 237/El Camino/Grant Road interchange.

SR 237/US 101/Mathilda Avenue Area Improvements in Sunnyvale to address local roadway congestion.

SR 237 Corridor Improvements in the cities of San Jose, Santa Clara and Milpitas to address mainline congestion and regional connectivity by addition of SR 237 westbound/eastbound auxiliary lanes between Zanker Road and North First Street, improvements at the SR 237/Great America Parkway westbound off-ramp, and replacement/widening of the Calaveras Boulevard structures over the UPRR tracks.

West County Improvements along I-280 in Cupertino, Los Altos, Los Altos Hills and Sunnyvale to address mainline congestion with mainline and interchange improvements from Magdalena Avenue to the San Mateo County line.

SR 85/I-280 Area Improvements in Cupertino, Los Altos, and Sunnyvale to address regional connectivity through a northbound I-280 braided ramp between SR 85 and Foothill Boulevard and improvements at the northbound I-280 off-ramp to Foothill Boulevard.

US 101/Trimble Road/De La Cruz Boulevard to Zanker Road Area Improvements to address local roadway connectivity and mainline congestion in San Jose and Santa Clara with US 101/Trimble Road/De La Cruz Boulevard interchange improvements, southbound US 101/SB 87 connector improvements, and a new US 101/Zanker Road interchange.

US 101/Old Oakland Road Improvements in San Jose to address local roadway congestion, access and connectivity.

A new interchange at US 101/Mabury Road in San Jose to address regional access.

I-680 Corridor Improvements in San Jose to address mainline congestion and regional connectivity by improving the I-680/Alum Rock Avenue and I-680/McKee Road interchanges.

I-280/Lawrence Expressway/Stevens Creek Boulevard Interchange Improvements to address mainline and local roadway congestion.

I-280/Saratoga Avenue Interchange Improvements to address local circulation and mainline congestion.

I-280/Winchester Boulevard Area Improvements in Santa Clara and San Jose to address regional connectivity and local circulation.

SR 87 Corridor Technology-based Improvements in San Jose to address mainline congestion and system reliability through the implementation of technology-based operational improvements to the freeway.

Highway 17 Corridor Congestion Relief: Upgrade Highway 17/9 interchange to improve pedestrian and bicycle safety, mobility, and roadway operations; deploy advanced transportation technology to reduce freeway cut thru traffic in Los Gatos, including traffic signal control system upgrades in Los Gatos, Traveler Information System, advanced ramp metering systems; support Multi-Modal Congestion Relief Solutions, including enhanced Highway 17 Express Bus service, implementing local bus system improvements that reduce auto trips to schools, work, and commercial areas in Los Gatos; and develop park and ride lots to serve as transit hubs for express bus, shuttles, local bus system connections.

SR 17 Southbound/Hamilton Avenue Off-ramp Widening Improvements in Campbell to address mainline congestion and local circulation.

SR 17/San Tomas Expressway Improvements in Campbell to address mainline congestion and local circulation.

US 101/Blossom Hill Boulevard improvements in San Jose to address local roadway congestion and connectivity including for bicyclists and pedestrians.

US 101 Improvements in Gilroy to address mainline congestion and regional connectivity with a new US 101/Buena Vista Avenue interchange and US 101/SR 152 10th Street ramp and intersection improvements.

SR 152 Corridor Improvements in Gilroy including US 101/SR 25 interchange improvements to address regional connectivity and goods movement network improvements.

I-280/Wolfe Road Interchange Improvements in Cupertino to address mainline congestion and improve local traffic circulation.

I-880/Charcot Avenue Overcrossing in San Jose to address local relief circulation and adjacent I-880 interchanges congestion relief.

Noise Abatement Projects in Santa Clara County to implement treatments to address existing freeway noise levels throughout the county.

Intelligent Transportation Systems (ITS) Projects in Santa Clara County such as integrated corridor management systems, traffic operations systems, ramp metering, managed lanes, and local traffic signal control systems to address freeway mainline congestion and local roadway congestion caused by cut-through traffic.

ATTACHMENT C

SANTA CLARA COUNTY EXPRESSWAY IMPROVEMENTS (TIER 1)

Project

Almaden Expressway at SR-85 - Interim Improvements

Almaden Expressway at Branham Lane Intersection Improvement

Almaden Expressway at Camden Ave Intersection Improvements

Capitol Expressway Widening and Interchange Modifications between I-680 and Capitol Avenue

Central Expressway at Thompson Intersection Improvement

Foothill Expressway Auxiliary Lanes between El Monte and San Antonio

Lawrence Expressway at Homestead Road Interim Improvements

Lawrence Expressway at Homestead Road Grade Separation

Lawrence Expressway from Reed/Monroe to Arques Grade Separation

Montague Expressway Complete 8-lane Widening including HOV lanes and Auxiliary Lanes between Great Mall and McCarthy/O'Toole

Oregon-Page Mill Widening (possible HOV lanes) and Trail between I-280 and Foothill Expressway

Oregon-Page Mill Intersection Improvements between Porter and Hansen

Oregon-Page Mill/El Camino Real Intersection Improvements

San Tomas Expressway Widening and Trail between Homestead and Stevens Creek

Santa Teresa-Hale Corridor Road and Trail between Dewitt and Main

Santa Teresa-Hale Corridor Widening and Trail between Long Meadow and Fitzgerald

SR 17/San Tomas Expressway Interim Improvements

I-280/Foothill Expressway Interchange Modifications and Auxiliary Lane to Homestead

I-280/Oregon-Page Mill Road Interchange Reconfiguration

Expressway ITS/Signal System Countywide

ATTACHMENT D

TRANSIT OPERATIONS CANDIDATE PROJECTS AND PROGRAMS LIST

- Expand mobility services and affordable fare programs for seniors, disabled, students and low-income riders.

This project would provide funds to develop and expand senior and disabled transportation mobility programs and services. The proposed program would provide mobility options such as coordinated eligibility services and enhanced mobility options provided in a secure and safe manner for the most vulnerable and underserved residents in the County, such as seniors and persons with disabilities. It would support mobility options including maintaining the paratransit service coverage area and service expansion by extending hours of operation and weekend service. The funds would also establish permanent and augment discount fare programs to increase transit access for low-income, underserved and vulnerable populations unable to afford standard fares.

- Enhance Frequent Core Bus Network.

The project would upgrade service frequency on VTA's top core network routes to 15-minutes or faster. Some specific examples include expanding the number of high frequency core routes and expanding the schedule of existing services. This may also include enhancing frequency of services during early mornings, evenings and weekends in order to improve convenience, reliability, connectivity, ridership, farebox recovery and support local land use plans. The upgrade would improve the quality of service for vulnerable, underserved and transit dependent populations as well as existing riders and attract new riders which would decrease vehicle miles traveled, traffic congestion and pollution.

- Improve amenities at bus stops to increase safety, security and access.

The project would provide funds for system wide improvements to bus stops, transit centers and stations including new and replacement shelters, lighting, access improvements including safe sidewalk connections, passenger information signs and security.

- Support new innovative transit service models to address first/last mile connections.

The project would support affordable new innovative transit service models to address first/last mile connections including FLEX type services, dynamic on-demand subscription shuttles and partnerships with other demand responsive service providers serving vulnerable, underserved and transit dependent populations.