



STAFF REPORT
Board Meeting of July 20, 2022

AGENDA ITEM: 10-A

PREPARED BY: Patricia Taylor, Executive Director

SUBJECT:

Public Hearing: 2022 Measure T Renewal Investment Plan and Implementing Guidelines

Enclosure: Yes

Action: Conduct Public Hearing

SUMMARY:

Background:

The history of transportation sales tax initiatives for the Madera County region dates back nearly three decades. Measure T is part of a continuum of sales tax measures aimed at funding transportation improvement projects and programs throughout the Madera County region. Between 1990 and 2005, the region benefited from Measure A revenues which provided a total of \$115 million in transportation funding. The \$115 million included \$50 million in leveraged State and federal funds. Measure A funding allowed for a variety of projects to be completed for Madera County and the cities of Madera and Chowchilla.

In 2006, voters approved the current Measure T Transportation Sales Tax Program, a retail transaction and use tax of one-half of one percent (1/2%) imposed in the incorporated and unincorporated territory of the County of Madera. Revenue projections estimate \$213 million in funding for transportation improvements through March 31, 2027, with proceeds principally reserved for regional projects, local transportation projects, public transportation, and environmental enhancement projects. The Measure T Transportation Sales Tax Program (Program) is administered by the Madera County Transportation Authority (MCTA) in accordance with plans and programs outlined in the Program's Strategic (2021) and Investment (2006) Plans. In responding to the core values of the Measure T voters, the current Program established a Citizen's Oversight Committee (COC) and maintained local control with MCTA and the Madera Transportation Commission (MCTC) managing the delivery of the program. The COC oversees an annual report to taxpayers and ongoing monitoring and review of spending and borrowing to ensure that Measure T funds are spent in accordance with the plan approved by voters. The Measure T Sales Tax Program:

<p>Focuses on Maintaining:</p> <ul style="list-style-type: none"> ✓ A strong economy ✓ Existing streets and roads ✓ Enhancing public safety 	<p>Recognizes the Importance of:</p> <ul style="list-style-type: none"> ✓ Leveraging other funding ✓ Farming ✓ Improving air quality ✓ Improved access to schools and jobs
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MCTA administers the Measure T Program in compliance with Public Utilities Code 180000 – the Local Transportation Authority and Improvement Act and is represented by six (6) members including:

- ✓ Three (3) members of the Board of Supervisors, appointed by the Board Chair
- ✓ Two (2) members representing the City of Madera, city council members appointed by the mayor
- ✓ One (1) member representing the City of Chowchilla, city council member appointed by the mayor.

MCTA also works closely with the local agencies (County of Madera, City of Chowchilla, City of Madera) to move all programs forward simultaneously and strives to provide a balanced expenditure of funds throughout the County. MCTC is the Regional Transportation Planning Agency (RTPA) and the Metropolitan Planning Organization (MPO) for Madera County. As such, MCTC is responsible for the development and adoption of the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and the Transportation Improvement Program (TIP) as required by State and federal law. MCTC assists MCTA with the preparation of the Measure T Strategic Plan and Annual Work Program to ensure that the programs and/or projects contained in the Plan and Program are consistent and supported by the RTP/SCS and TIP. MCTC provides staff services to MCTA to prepare all Measure T Program related documents. Together, MCTA and MCTC are responsible for the Madera County regional transportation system by planning, funding, programming, and monitoring critical transportation infrastructure projects and programs that connect communities, foster a strong economy, increase sustainability, and safely and efficiently get people where they need to go.

Consultation and Engagement

MCTA/MCTC formed a Measure T Renewal Investment Plan Steering Committee (Committee) to assist MCTA/MCTC staff with the development of the Measure T Renewal Investment Plan. A variety of organizations with direct links to the transportation system, and unique community and socioeconomic sectors were invited to provide insight, expertise, oversight, and leadership regarding the development of a regional transportation funding plan that addresses the transportation needs throughout the County. Including alternates, the Steering Committee had 46 members and met 13 times over the course of 9-months, working together to finalize goals and objectives, identify member priorities, identify Measure T Renewal duration alternatives, finalize Measure T Renewal Programs and Funding Allocations to identified Programs, and develop implementation guidelines.

MCTA also conducted extensive consultations with local governments and the public partnering with MCTC through development of the 2022 RTP/SCS planning process. As part of the Measure T Renewal Investment Plan process, educational materials were prepared and posted to the Measure T webpage hosted on the MCTC website. Materials included a fact sheet, frequently asked questions, talking points along with Steering Committee presentations and meeting recordings.

Voter Opinion Polling

A statistically reliable evaluation of voters' interest in renewing the existing Measure T Transportation Sales Tax Program was conducted early in the renewal development process. This baseline voter opinion poll was designed to:

- ✓ Gauge current support for renewing the Measure T Program.
- ✓ Identify the types of projects and improvements that voters are most interested in funding.
- ✓ Expose voters to arguments in favor of and against to assess how information affects support for a potential extension of the Measure T Program.
- ✓ Estimate support for a proposed extension of the Measure T Program once voters are presented with types of information they would likely be exposed to during an election cycle.

The survey followed a mixed-method design that employed multiple recruiting methods (email, text, and phone) and multiple data collection methods (phone and online). The survey was administered in English and Spanish between July 30 and August 16, 2021, with the average interview lasting 18 minutes.

The results indicated that it is feasible to renew the Measure T Transportation Sales Tax Program in 2022. Analysis of the results show that Madera County voters consider improving the maintenance of local streets and roads and maintaining local infrastructure to be the *most* important issues facing the County – more important than improving the local economy, addressing homelessness, preventing local tax increases, and other benchmark issues. These sentiments translate into solid natural support (76%) for renewing the existing Program to keep local streets, highways, and infrastructure in good repair, fix potholes, reduce traffic congestion, improve highway safety and 911 vehicle access, and provide safe routes to schools.

A follow-up tracking poll was conducted April 8 through April 14, 2022, with similar recruiting and data collection methods as the 2021 polling. Key conclusions remained consistent with voters continuing to rank transportation improvements as being among the *most* important issues facing Madera County. Support for renewing the existing Program remained around 76% with top projects and services identified as paving and maintaining local streets and roads, fixing potholes, and completing projects that reduce traffic congestions and improve interchanges.

Baseline Voter Opinion and Tracking Survey summary reports and results were also posted to the Measure T Renewal webpage.

Proposed Extension

Currently, transportation needs significantly exceed projected revenues. Over the next 30 years, Madera County's population will continue to grow, resulting in new demands on the transportation infrastructure and additional mobility needs. The renewal sales tax measure is needed to keep Madera County moving and to create livable and sustainable communities. The most pressing issue in the region is maintenance of the current infrastructure – filling potholes and reconstructing streets and roads that are beyond repair.

MCTA is proposing to extend the countywide one-half of one percent (1/2%) sales tax for transportation purposes until ended by voters. Over the past year, the Authority formed a Steering Committee to help it prepare the Measure T Renewal Investment Plan representing every transportation related sector within the County. Consultation, engagement, and surveying strategies allowed MCTA to develop a mix of projects and programs to be funded by the continued sales tax that residents and voters throughout the Madera region desire. By extending the Measure T Program, MCTA/MCTC could expand its leveraging and borrowing power and the ability to pay for projects over a longer period. This funding approach would allow MCTA/MCTC to accelerate the construction of transportation projects to deliver them sooner rather than later.

On June 17, 2022, the Authority released a Draft Measure T Renewal Investment Plan and a separate set of Draft Implementing Guidelines to guide the use of the proposed renewal sales tax revenues.

This Draft Measure T Renewal Investment Plan is transformative on every level. It helps the region maintain the existing transportation infrastructure, leverage State and federal funding for regional mobility improvements that provide for enhance connections and access between communities and cities, provide local funding to each of the local agencies to address their specific needs expressed by their citizens, provides funding to leverage additional public transit and active transportation funds, which is a priority of the State and federal governments, and provides funding to augment existing budgets that focus on clean air and new technologies.

While the Measure will be in place until ended by voters, the proposed sales tax measure is expected to generate \$866 million over the next 30-years to be allocated to the following programs and subprograms:

- ✓ 62.5% of the Measure Renewal funding will be allocated to the ***Community and Neighborhood Streets and Roads Program***, which includes three (3) Subprograms:
 1. The ***Local and Neighborhood Street Maintenance and Pothole Repairs Subprogram*** – 35% of expected Measure funds are directed to “Fix-It-First”

activities and programs. Projects include pothole repair, asphalt overlay, and other road maintenance activities.

2. The ***Community and Neighborhood Streets and Roads Subprogram*** – 15% of the funds are directed to needs that each of the cities and Madera County can allocate to other street and road improvements (including Maintenance Districts).
 3. The ***Local Flexibility Subprogram*** – 12.5% of the funding is directed to transportation needs including local streets and roads, rehabilitating aged local systems and other local street and road improvements, safe routes to school improvements, pedestrian, bicycle, and trail improvements, enhanced public transit improvements, and/or other transportation improvements so that they can address their own individual transportation needs over the life of the Measure.
- ✓ 25% of the Measure will be directed toward the ***Major Routes, Access, and Safety Improvements Program***, which includes major corridors, interchange modifications, and other improvement projects along State Highways, and major arterials throughout the County. These projects will enhance connections within the urban area and access between the cities and rural communities.
 - ✓ 4% of the Measure funding will be allocated to ***Public Transit Program*** systems and services throughout the County, including Chowchilla Transit, Madera Transit, and Madera County Connection.
 - ✓ 4% of the Measure will be allocated to ***Safe Routes to School and Pedestrian and Bike Safety Program*** for improvements, including bicycle, pedestrian, and trail projects, safe routes to school, access for people with disabilities, and other safety-related improvements.
 - ✓ 3% of the funds are available to the local agencies for projects that enhance ***Clean Air and New Technology Program***, including clean transportation projects and programs and other projects that will improve air quality, address climate change, and improve health.
 - ✓ 1.5% of the Measure will be allocated to ***Administration and Planning Program*** for administrative and planning activities of the Authority and MCTC.

These allocations will be revisited at least every 15 years considering a robust public engagement process to determine if the allocations still meet the regional transportation needs.

Public Hearing

The purpose of the July 20, 2022, public hearing is to receive public comment prior to final approval of the 2022 Measure T Renewal Investment Plan and Implementing Guidelines. The Renewal Investment Plan and Implementing Guidelines can be found on the MCTC website [here](#).

Pursuant to Public Utilities Code Section 180206(b), a Transportation Expenditure Plan may not be finally adopted and placed before the voters until it has received the approval of the County Board of Supervisors and city councils, which in aggregate represent both a majority of the cities in Madera County and a majority of the population residing in the incorporated areas of Madera County.

The MCTC Policy Board at its June 22, 2022 meeting authorized staff to request the City of Chowchilla, City of Madera, and County of Madera to consider adopting by resolution, Support and Approval for the proposed final Measure T Renewal Investment Plan and Implementing Guidelines, as the continued countywide imposition of a one half of one percent sales tax to fund transportation improvements in Madera County until ended by voters, as proposed in the Draft Measure T Renewal Investment Plan and Implementing Guidelines. All jurisdictions acted and approved, as noted above, on the following dates: City of Madera – July 6th; City of Chowchilla – July 12th, and County of Madera – July 12th.

Adopting the Resolution of Support and Approval is not subject to the California Environmental Quality Act ("CEQA") because the Measure T Renewal Investment Plan is not a "project" within the meaning of CEQA. (See 14 C.C.R., §§ 15378, 15352.) Specifically, the Council's adoption of the Resolution of Support does not constitute the approval of a CEQA project for reasons that include, but are not limited to, the following: (1) the Investment Plan does not authorize the construction of any projects that may result in any direct or indirect physical change in the environment; (2) the Investment Plan is a mechanism for funding potential future transportation projects, the timing, approval, and construction of which may be modified or not implemented depending on a number of factors, including future site-specific CEQA environmental review; and (3) the Investment Plan is subject to further discretionary approvals insofar as it may not be adopted until and unless the pre-conditions set forth in the Public Utilities Code are satisfied. (See 14 C.C.R., §§ 15378, 15352; Public Utilities Code, § 180206(b).)

FISCAL IMPACT:

No fiscal impact to the approved 2022-23 Overall Work Program and Budget.