

STAFF REPORT

DATE: July 25, 2022
TO: Sacramento Regional Transit Board of Directors
FROM: Laura Ham, VP, Planning and Engineering
SUBJ: PROPOSED CITIZENS' TRANSPORTATION TAX INITIATIVE IN SACRAMENTO COUNTY

RECOMMENDATION

No Recommendation - For Information Only.

DISCUSSION

Earlier this year, a proposed transportation ballot initiative began circulating for signatures in Sacramento County. If it qualifies, it would place a half-cent (1/2) sales tax measure on the November 8, 2022 countywide ballot. The initiative, known as the Sacramento County Transportation Maintenance, Safety, and Congestion Relief Act of 2022—Retail Transactions and Use Tax, is expected to generate \$8.5 billion in local revenue during the forty-year life of the measure (2023-2063). Based on estimates, SacRT is expected to receive over \$3.3 billion over the course of the measure, or approximately \$85 million annually.

Recent court rulings in California have drawn a distinction between tax measures that are proposed by a government body, such as a city council or a school board, and tax measures that are put on the ballot through the citizens' initiative process by voters. Citizens' initiatives only require a simple majority, 50% plus one vote, to pass. Tax measures placed on the ballot by a local public agency require approval by 2/3 of those who vote in the election in order to pass.

Staff will provide the Board a presentation on the Citizens' Tax Initiative.



Sacramento County Transportation, Maintenance, Safety, and Congestion Relief Act of 2022

Citizens' Initiative Process



- California requires a 2/3 majority of the electorate to approve a sales tax initiative
- A recent legislative exception is that if a ballot measure originates from the voters (Citizens' Initiative), it only requires 50% plus 1 vote to pass
- This exception requires enough valid signatures from voters

Sacramento County Transportation Maintenance, Safety, and Congestion Relief Act of 2022

Signature Verification Calculations

County Measures Submitted to Voters

EC Div. 9, Ch. 2, Art. 1 -- §§ 9100-9190

Petition Title: Sacramento County Transportation Maintenance Tax

Initiative Petition Calculations

Number of votes last cast for governor: 522,562
EC 9107

Total Signatures Submitted: 76,374

Signatures needed to qualify for election:
10% threshold -- EC 9118 52,256

V - C = Statistically valid total **58,106**

If the statistical sample is within 95% to 110% of the required number signatures, the elections official must verify ALL petition signatures. EC 9115(b)

Statistical total as percent of total needed: **111.19%**

Measure Qualifies for Election

Sacramento County Transport Maintenance Safety and Congestion Relief Act of 2022-Retail Transaction and Use Tax Initiative Petition

7/12/2022

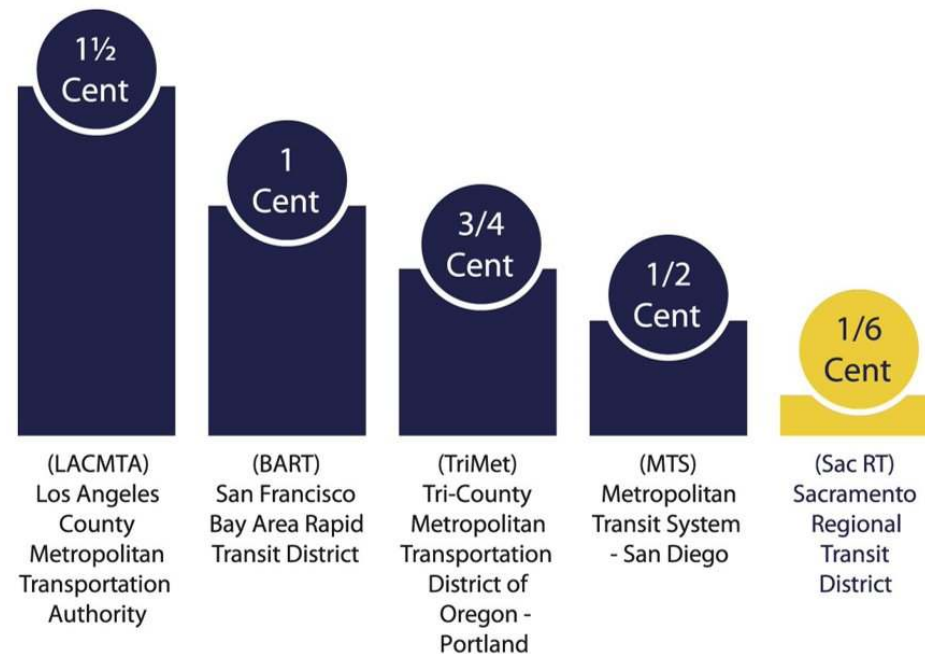
SacRT Funding Sources

Operating Budget

- State of California
- **Measure A**
- Federal Transit Administration
- Rider Fares and Other

Capital Budget

- State Transit Assistance (STA) funds
- Federal, State and Local Grants



SacRT's Capital Improvement Program

Capital Projects (+\$6 billion):

1. Capital Expansion

- Development of Capital Improvement Program and Five-Year High Priority Project List
- Light rail extensions: Green Line to the Airport; Blue Line to Elk Grove
- High capacity/Bus Rapid Transit (BRT) service
- Serving New Developments with Transit: UC Davis Aggie Square, Dos Rios, the Railyards, and more

2. Zero Emission Bus Rollout Plan

- Mandated conversion of more than 600 big bus, small bus and non-revenue vehicles to zero emission by 2040

3. State of Good Repair/Modernization

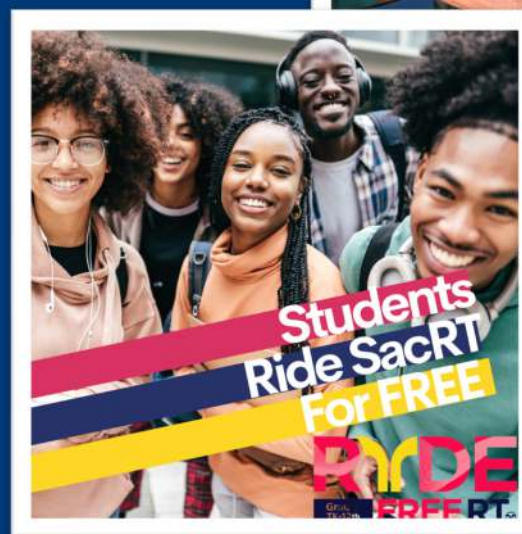
- Light Rail Modernization: approximately 50 station conversions, up to 76 low-floor light rail vehicles and supporting infrastructure

4. Facility Modernization, Expansion and Zero Emission Transition

- Service and facilities enhancements (approx. 45 acres required for bus maintenance facilities alone)
- Fleet and equipment programs

Maintenance, Operations and Transformative System Improvements \$2.06B (25.11%):

- State of Good Repair
- Bus and Light Rail Vehicle Zero Emission Replacement
- RydeFreeRT K-12th Fare Assistance
- Senior/Disabled/Low Income Fare Assistance
- Smart Ride
- Increased Service Levels
- Transit Oriented Development
- Safety and Security



Transit and Rail Congestion Improvement Projects \$890M (10.85%):

- **Light Rail System Expansion**
 - Green Line to the Airport
 - Blue Line to Elk Grove
 - others
- **High Frequency Bus Service**
 - Stockton
 - Watt
 - Sunrise
 - others

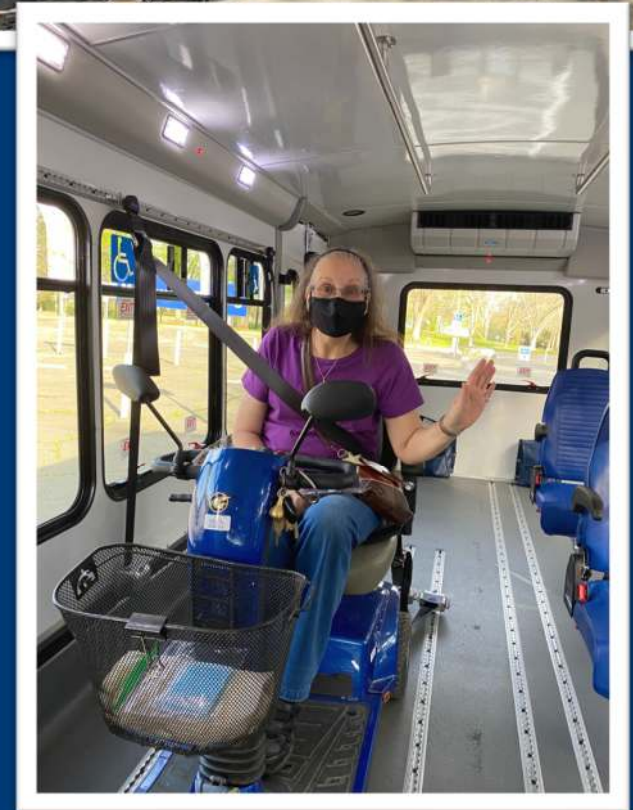
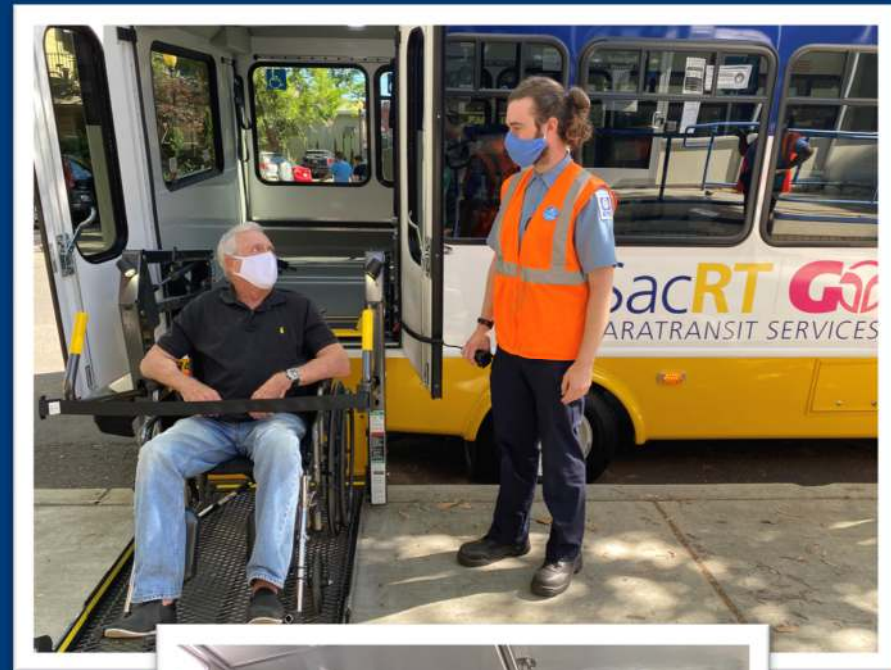


ADA Paratransit / Senior / Disabled Transportation \$250M (3.05%)

80% to SacRT and 20% to eligible transportation agencies

Meeting increased demand for complementary ADA paratransit service for passengers with disabilities unable to use the fixed-route system

- Improved Service
- Expanded Service
- Improved Efficiencies



University of the Pacific Study

- **An academic analysis of the 2020 Expenditure Plan by the University of the Pacific found that the measure would create more than 121,000 jobs over the life of the program**
- **The analysis also estimated that the expenditure plan would be able to leverage the new local funds to secure more than \$13 billion in state and federal funding**
- **Analysis was conducted prior to the passage of the historic federal Bipartisan Infrastructure Law, which has increased funding for public transit by more than 55%**



Thank you!