

Chapter 4 Turning the Vision into Reality

Moving Forward is intended to act as a blueprint that will guide development of a more detailed and financially constrained transportation plan. Because existing and projected future funding will not be able to finance all of the projects presented here, future plans will need to prioritize and phase projects. This chapter presents an overview of current and potential funding sources that can help us turn our vision into reality.

WHERE DOES THE TRANSPORTATION MONEY COME FROM?

Transportation projects in California are funded by a complex "maze" of regional, state, federal and local sources. Most of the existing transportation funds are spent maintaining and operating existing transportation infrastructure. Statewide, California spends approximately \$15 billion annually on transportation. The existing sources of funding for transportation in California are summarized in Figure 4-1.

Most existing transportation funding is spent maintaining and operating existing transportation infrastructure.

While these sources once were sufficient to create the transportation services and infrastructure we benefit from today, they are unlikely to provide enough revenue to deliver a significant portion of the projects outlined in this document. In fact, existing revenue streams will not be sufficient to adequately maintain our current system. This is because of several long-term trends in transportation finance:

- Taxes on gasoline, which are charged as "cents per gallon" rather than as a percent of the price of gasoline, have lost their buying power because they do not increase with inflation. Nominal increases, which are politically unpopular, have not kept pace.

Figure 4-1 Principal Transportation Revenue Sources in California

	Percent of State Transportation Revenues	Use/Description
Federal Gas Tax	20%	Primarily supports highway maintenance and expansion, about 15% used for mass transit support.
State Gas Tax	20%	Supports and expands interstate and highway system, funds local streets and roads with a small portion going to construction and maintenance of mass transit guideways.
Locally Enacted Sales Taxes	15%	Marin does not have access to this source because it has not passed a self-help sales tax.
State Registration/Weight/License Fees	12%	Used primarily for state highways and the DMV.
Retail Sales Tax on Gasoline	8%	Currently funds projects under governor’s Transportation Congestion Relief Program (TCRP). Beginning in 2009 these funds will support local streets and roads, highways and transit unless a fiscal emergency exists.
Transit Fares	6%	Pays for a portion of transit operating expenses.
Retail Sales Tax – Local Transportation Fund	6%	One-quarter cent of state sales tax is used for transportation purposes, primarily transit.
State General Funds	5%	Three propositions since 1990 authorized general obligation bonds for transit projects and bridge and highway seismic safety projects.
Local General Funds and Property Taxes	5%	Often used for local streets and roads.
Tolls	2%	More significant in Marin where Golden Gate Bridge tolls fund transit services.
Federal General Funds	1%	Support transit under a variety of programs.

Source: Wachs, Martin et. al. Financing Transportation in California: Strategies For Change. 2001. Institute of Transportation Studies, University of California, Berkeley.

- Property tax, which was a traditional source of funding for local streets and roads projects, has been severely restricted by Proposition 13 in California, resulting in deferred maintenance and the deterioration of our local infrastructure.
- The cost of delivering projects has increased far faster than the general rate of inflation.

Existing revenue sources can not keep pace with the increasing demands of a growing state.

In 1999, the California Transportation Commission estimated that existing transportation revenues may be unable to fund as much as \$100 billion worth of needed projects statewide over the next ten years. Within the San Francisco Bay Area, the Metropolitan Transportation Commission identified \$33 billion worth of unfunded potential transportation needs in its 1999 *Bay Area Blueprint for the 21st Century*. This has only gotten worse as governments at all levels feel the effects of recession. Simply maintaining our existing system will be a significant challenge under current economic conditions.

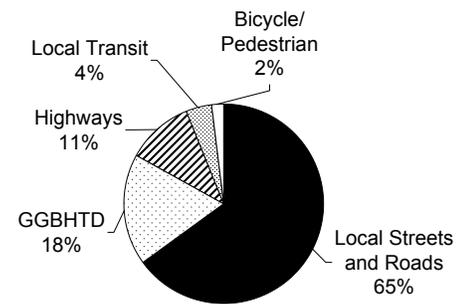
THE PROMISE OF PROPOSITION 42

One significant potential improvement to the State's transportation funding picture occurred with the passage of Proposition 42 in March 2002. Proposition 42 designates funds collected from gasoline sales under the statewide retail sales tax for transportation purposes. The retail sales tax on gasoline is different and independent of the State and Federal cents per gallon excise taxes on gasoline. Until 2000, the revenue generated from the sales tax on gasoline was considered part of the State General Fund, along with the sales tax collected on other goods. While this revenue could be allocated to transportation projects, there was no guarantee that these funds would be spent in any particular way. Beginning in 2000, Governor Gray Davis began a program known as the Traffic Congestion Relief Program (TCRP) that allocated the sales tax on gasoline to transportation projects selected by the Governor. The TCRP program committed all of the state-wide gasoline sales tax proceeds through 2008. Marin County received a significant share of these funds for the SMART Rail program (\$37 million) and the Marin-Sonoma Narrows (\$21 million). This program is currently in significant jeopardy as the governor and the legislature attempt to reduce an overall state budget deficit.

Proposition 42 would allocate the retail sales tax on gasoline to transportation projects, in perpetuity, beyond the 2008 TCRP deadline unless a fiscal emergency exists. Funds would be allocated to transportation projects through a variety of existing allocation mechanisms. Prop 42 revenues for Marin County were estimated to be about \$9 million annually.¹ However, much of Prop 42's revenues would be

Proposition 42, passed by state voters in March 2002, would generate \$9 million per year for Marin's transportation projects

Spending Priorities for Proposition 42 Funds Using Current Strategies



¹ Amount includes an estimated \$3.8 million for local streets and roads, \$3.8 million for new State Transportation Improvement Program (STIP) projects, and \$1.7 million for Golden Gate Transit and other transit operating funds.

dedicated to maintaining the existing roadway network.² It is expected that \$6 million per year would support maintenance of the County's local street and road network. While this is very important to Marin County, Proposition 42 does not offer significant opportunity for developing new multi-modal transportation solutions.

Proposition 42 would be implemented only if the state budget crisis has abated and state revenues are increasing. Legislative action could delay or suspend implementation of Proposition 42 if the state's fiscal crisis continues.

REAUTHORIZATION OF THE FEDERAL TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY (TEA-21)

The Transportation Equity Act for the 21st Century established the current priorities for distribution of federal surface transportation funds to states, regions and counties. In 2003, Congress is expected to reauthorize TEA-21, which will reestablish federal programs and funding for surface transportation. The U.S. Department of Transportation (DOT) is engaging in a collaborative approach with government, industry and other stakeholders to develop new proposals for surface transportation programs that build on the experience of TEA-21. The DOT is continuing to encourage locally developed, intermodal solutions to transportation problems throughout the country, and representatives from Marin County and the San Francisco Bay Area Region are working to ensure that local transportation needs will be met by the new legislation. The reauthorization of TEA-21 also presents an opportunity for local governments to request specific funding

² Amount includes an estimated \$3.8 million for local streets and roads, plus \$2.8 million from additional Prop 42 STIP funds that would be dedicated to streets and roads.

earmarks for projects of regional significance. Thus, TEA-21 reauthorization, along with new federal funding appropriations, may help fund some of the regional projects included in our transportation vision.

MARIN'S PARTNERS IN TRANSPORTATION FINANCING AND PLANNING

Marin County cannot finance and implement its transportation vision alone. Congress, the Federal Department of Transportation, the California Legislature and Governor, the California Transportation Commission, and Caltrans, are all important partners in the funding of transportation projects in Marin County. In addition to these, the most critical are:

Metropolitan Transportation Commission (MTC)

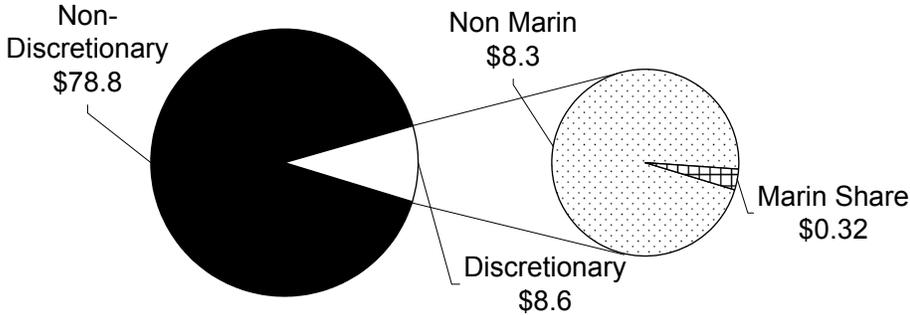
The majority of financing available for new projects is allocated at the regional level by the nine-county Bay Area's Metropolitan Transportation Commission (MTC).

Every three years, the MTC completes a Regional Transportation Plan (RTP) which outlines funding priorities for transportation projects for a 25-year planning period. The MTC completed its last RTP in December 2001. The Plan estimated that \$87.4 billion would be available for transportation in the nine-county Bay Area over the next 25 years. However, about 80% (\$70 billion) of those funds are required to maintain and operate the current transportation system. Furthermore, all but 10% (\$8.6 billion) of these funds have already been "spoken for," having been committed by law, ballot measures, or recent MTC programming actions. Thus, the RTP allocates the remaining \$8.6 billion for transportation system expansion, which MTC calls the region's "discretionary," or "Track 1" funds. Of that amount, \$323 million is

planned for projects in Marin, including \$100 million for the Marin-Sonoma Narrows project. This represents 3.9% of the discretionary funds in the region, an amount roughly equivalent to Marin's 3.7% of the Bay Area's population.

25 Years of Regional Transportation Spending, Discretionary v. Non-Discretionary

MTC, working with its partner agencies, establishes the priorities for the spending of discretionary funds that are available for transportation system expansion.



*Numbers are in billions.

MTC programs nearly half of these funds to regional programs and projects for the benefit of the entire region. Forty percent of all funds coming to the region, along with

varying levels of Interregional Transportation Improvement Program (ITIP) state funds, are available to be programmed by counties and county agencies for local priorities. Of course, the regional and joint regional funds can be allocated to projects that are significant to Marin County. An example is the \$100 million of Track 1 regional funds planned for the Marin-Sonoma Narrows project.

It is important to note that the RTP is a broad planning document and not an actual "programming" of funds.³ The programming of funds at MTC occurs via the Regional Transportation Improvement Program (RTIP) and

³ Programming is transportation lexicon that refers to the linking of projects with funding under a set schedule. To increase understanding of the jargon and acronym filled realm of transportation financing in the Bay Area, readers are strongly encouraged to reference MTC's "Moving Costs: A Transportation Funding Guide for the San Francisco Bay Area", available at: http://www.mtc.ca.gov/publications/funding_guide/fund_guide-hm/funding_guide01.htm

Figure 4-2 How MTC Divides and Uses Discretionary (Track 1) Funds

Regional Programs (MTC)	County Priorities (Congestion Management Agencies)	Joint Regional/ County Selection (Caltrans, MTC and CMAs)
\$4 billion	\$3.5 billion	\$1.1 billion
<ul style="list-style-type: none"> ■ System Management and Operations ■ Streets and Roads Maintenance ■ Transit Capital Rehabilitation ■ Transportation For Livable Communities (TLC) / Housing Incentive Program (HIP) ■ Regional Transit Expansion Program 	<ul style="list-style-type: none"> ■ Maintenance ■ Operation ■ Expansion ■ TLC/HIP (county share) ■ Bike/Pedestrian 	<ul style="list-style-type: none"> ■ Interregional Transportation Improvement Program (ITIP)

the federally required Transportation Improvement Program (TIP). These are updated every two years.

Because plans are frequently updated, Marin County can influence the amount of discretionary funds it receives. Regional plans typically rank local projects on a number of criteria such as whether or not funds are already earmarked for the project, whether or not dedicated local funding exists, the availability of funding for operations (in the case of transit projects), the project's cost effectiveness, and the project's readiness to move forward. In most cases, projects with significant local funding are most likely to receive any new allocations of federal or state funds to the region. While projects without such "local matches" may be included in regional transportation plans, they are usually not considered top candidates for funding.

Projects with significant local funding are most likely to receive any new allocations of federal or state funds to the region.

Golden Gate Bridge, Highway and Transportation District

Along with the MTC, the Golden Gate Bridge Highway and Transportation District (GGBHTD) has an important influence on transportation planning and funding in Marin. The District controls toll revenue from the Golden Gate Bridge which it uses for bridge maintenance and to subsidize both its ferry and bus transit services. With regard to transit, the District's general priority is to reduce congestion on the Golden Gate Bridge by serving regional travel needs between Marin and Sonoma counties and San Francisco. For fiscal year 2002, 49%, or \$86 million of GGBHTD's budget, is dedicated to the operation of, and capital investment in, its bus and ferry services. Of the \$77 million operating budget, transit fares generate \$23 million or 30% of the cost of operating the bus and ferry systems. Bridge tolls provide \$33 million or 42%, and State and regional grants, rents, concessions and advertising make up the remainder.

High costs for bridge seismic retrofit, increased security and insurance costs – combined with reductions in revenue – have resulted in an exceptional budget shortfall for the Bridge District. The District must reduce its annual expenditures by approximately \$25 million per year within the next six months in order to balance revenues and expenses. To help cover the shortfall, the District has increased bridge tolls to \$5. GGBHTD also plans to increase transit fares and is implementing bus and ferry service reductions.

Golden Gate Transit is targeting underutilized and inefficient services for reduction or elimination within the framework of the GGBHTD's transit service priorities, which are (in order of priority):

1. Transbay bus and ferry commute services that directly reduce peak-hour traffic on the Golden Gate Bridge.

2. Weekday and weekend transbay services that help reduce traffic throughout the day on the Golden Gate Bridge and in the Highway 101 corridor.
3. Intercounty bus service not directly related to the Golden Gate Bridge corridor and local bus services provided under funding agreement with Marin County.

An initial round of service cuts will take effect in March 2003, and additional cuts will be proposed for implementation in Fall 2003. More detailed information can be obtained from Golden Gate Transit's website at www.goldengatetransit.org. Marin County Transit District is working closely with GGBHTD to minimize the impact of these reductions on local mobility.

Golden Gate Transit, GGBHTD's bus service, is the "contract operator" for local transit services in Marin County under an agreement with the Marin County Transit District. GGT provides local bus service to Marin County in two ways. First, a significant number of local trips are carried on GGT's basic commuter routes. MCTD contributes 95% of its Transit Development Act revenues to GGT to support the local service aspect of GGT's Basic, Commuter and Ferry Feeder services. In fiscal year 2000, this amount totaled approximately \$8 million. MCTD also contracts with GGT for operation of several Local Service Routes. Because GGT is able to use residual drivers and buses from its peak period commute services to operate these routes, GGT charges MCTD only for the added marginal cost of providing these services as opposed to the fully allocated costs. MCTD funds these services using fare revenues and the remaining 5% of its TDA revenues. In fiscal year 2000, MCTD paid \$1.6 million for these additional Local Service Routes.

SMART Transit District

The state legislature recently enacted new legislation to create the SMART Regional Rail District. The District is governed by representatives from cities, the Sonoma and Marin County boards of supervisors, and the Golden Gate Bridge Highway and Transportation District. This legislation will result in the transfer of all related assets, including the rail right-of-way to SMART.

The newly created SMART District will continue its environmental analysis and is currently moving forward on station planning activities. Current planning and design tasks are funded largely through the Governor's Transportation Congestion Relief Program (TCRP) and Rail Bond (Proposition 116) funds. Funding under TCRP may be in jeopardy in the current state budget.

The SMART legislation allows the District to seek its own sales tax and/or other revenue sources. A SMART sales tax would require a combined two-thirds vote in Marin and Sonoma counties. Sales tax funds would be used for operating and capital costs and could also be used to help complete the North-South Bikeway and to facilitate smart growth development within the rail corridor. The District has not made any decisions about future funding, pending the results of current studies.

Water Transit Authority

The WTA envisions an expanded water transit system funded from new transportation dollars that do not compete with existing programs. The WTA has identified a variety of new local, regional, state and federal sources, working in partnership with local connecting transit agencies. The WTA expects that the majority of funds for an expanded water transit system will come from an increase in tolls on the Bay Area's state-owned

bridges, or from some other regional source. It is expected that local sources will supply about 25% of needed funds. No local matching sources has been identified in Marin County.

Sonoma County

As discussed in Chapter 1, transportation linkages between Marin and Sonoma Counties are critical to both counties. Currently, about half of trips entering Marin County from Sonoma County are destined for jobs within Marin. As employment opportunities in Sonoma County increase, more Sonoma County residents will be able to work closer to home, and there will be a growing "reverse commute" trend from Marin County residences to jobs in Sonoma County. The implementation of four high profile transportation improvements: the Marin-Sonoma Narrows HOV lanes, SMART Commuter Rail, the Express Buses and the North-South Bikeway address this transportation market. Funding plans for each of these projects will depend on a variety of sources and the partnership of the two counties. Both Marin and Sonoma County's Congestion Management Agencies have been meeting jointly to discuss transportation issues of mutual interest.

While Marin County must advocate for new state and federal funding for transportation projects, it cannot implement this plan without additional local resources.

POTENTIAL FUNDING SOURCES FOR UPGRADING AND EXPANDING TRANSPORTATION SERVICE

Because existing transportation funding sources are primarily designed to address today's transportation infrastructure, new funding sources need to be developed to implement the vision outlined in this document.

Statewide, approximately 15% of transportation spending comes from local sales taxes.

Marin County should be a part of regional and state-wide efforts to increase funding for transportation. However, it is clear that Marin County must raise local funds to leverage outside discretionary sources if it is

ever to implement its transportation vision. Without a “local match,” Marin County will not be competitive in pursuing discretionary funds from other sources. Figure 4-3 discusses the options for generating local transportation revenue.

Figure 4-3 Potential Revenue Sources For Marin Transportation Authorized Inside of Marin

Revenue Source	Revenue Potential	Approvals Required	Evaluation of Potential
County Sales Tax	High	Board of Supervisors; Marin Voters (50% if general; 67% if dedicated to transportation)	Discussed in detail below. Is disconnected from use of transportation system. Easy to administer and collect with medium revenue stability.
County Gas Tax	Medium	Board of Supervisors; Marin voters (67%)	Serves as disincentive for driving as well as revenue generator. However, a County gas tax may encourage purchasing gasoline in neighboring jurisdictions (although regional differences in gas prices already exist).
Parcel Tax	Low	Board of Supervisors; Marin voters (67%)	A stable source used by cities and counties throughout California. Traditionally this source has been used for schools and emergency response services.
Utility Tax	Uncertain	Marin voters (67%) if dedicated to transportation	Utility tax disconnected from transportation but is a stable and easy to collect source.
Business Taxes (Payroll)	Low	Board of Supervisors and Marin Voters (50% if general; 67% if dedicated to transportation)	To the extent that Marin jobs generate transportation demand, there is a connection between this tax and improving transportation.
Traffic Mitigation Fee Ordinance	Medium	City Councils	Several cities as well as the County have already adopted fee ordinances that enable local governments to collect fair-share participation fees for needed public transportation improvements from new development projects that generate traffic. State law requires local governments to demonstrate a nexus between the transportation impacts of a project and the fee assessed. This is not a stable source due to the uneven pace of development.
Public-Private Partnerships	Low	None; voluntary participation from private businesses	Private businesses whose employees benefit from the implementation of transportation demand management (TDM) strategies may be willing to help finance countywide TDM programs.

The Need for a Self-Help Sales Tax

Traditionally, Marin County has envisioned using a self-help local sales tax as the primary way to generate local funds for transportation. Sales taxes are popular because they generate relatively large amounts of revenue while having minimal impact on an individual resident or family. Transportation sales tax funds can be spent on any transportation purpose, including leveraging outside sources. The projects that will be funded by a local sales tax must be defined in an Expenditure Plan that is approved by statute and is intentionally difficult to change, ensuring the voters that their money will be spent on local priorities. Although sales taxes are known to be regressive, meaning that lower-income households pay a higher proportion of their income in sales taxes than wealthier households, sales taxes are not levied on either grocery purchases or rent, which mitigates this impact. A well crafted transportation sales tax can provide significant benefits to lower-income households by funding transit and other improvements that benefit those who do not own or choose not to drive cars.

A half-cent sales tax would generate \$19 million in Marin County in its first year (assuming a tax beginning in 2004). Sales tax revenues rise and fall with economic activity, which is generally expected to slightly outpace inflation and population growth over the long term. The flexibility of a sales tax also extends to the timing of its expenditure. Marin could expend revenue as it is generated (known as "pay-as-you go"); or it could use "debt financing" to accelerate expenditure through borrowing, using the sales tax revenue stream to repay the debt.

Becoming a self-help county would expand Marin's role in planning and implementing transportation projects. A County Transportation Authority would be created to oversee implementation of the voter-approved ex-

Counties that have local transportation sales tax revenues are generally able to attract \$2 or \$3 dollars of outside funds for every \$1 they spend in local money by using their own funds as the "leverage" for matching grants.

penditure plan, and a citizen's "watchdog" committee would be formed to monitor the Transportation Authority. Currently, a two-thirds supermajority vote is required to pass a transportation sales tax. There is some discussion at the state level about reducing this high threshold, perhaps in 2004. Any change to this requirement would require a vote of the people throughout the state.

ATTRACTING FUNDING OUTSIDE OF MARIN

It is possible that regional, State and Federal policies will increase funds available for transportation projects in Marin County. However, with the recent passage of Proposition 42 and the current fiscal and economic climates, passage of additional revenue generating measures is unlikely to happen in the very short term. Transportation projects could be funded by sources generated in the region, including increased bridge tolls or a regional gas tax. These sources and their prospects for helping transportation funding in Marin are summarized in Figure 4-4.

Getting a Bigger Slice of the Funding Pie

Even if new regional, State, or Federal funds become available, Marin County must position itself to get its fair share from new sources. The ability to attract discretionary funding at all levels hinges on the development of a local funding source within the County. Counties that have local transportation sales tax revenues are generally able to attract \$2 or \$3 dollars of outside funds for every \$1 they spend in local money by using their own funds as the "leverage" for matching grants. Marin needs this additional leveraged funding in order to implement our transportation vision.

Our ability to attract outside funds will also depend on having plans in place that describe our own priorities. *Moving Forward* represents the first step in developing

a multi-modal vision for Marin County. Additional steps will prioritize the projects in this transportation vision, putting Marin County in an ideal position with "funding ready" projects that represent a local consensus. Having consensus in place signals to funding agencies that issues have been considered locally and that priorities have been established.

Figure 4-4 Potential Sources For Marin Transportation Authorized Outside of Marin

Revenue Source	Approvals Required	Discussion of Prospects
Increased State Gas Tax	State legislature (67%); increases often put on state ballot	Policymakers must convince the electorate that inflation is eroding the buying power of the gas tax in order to increase this transportation user fee. Note that a state constitutional amendment would be required to expand the use of gas taxes beyond road and highway maintenance and construction and construction and maintenance of mass transit guideways. Since this Plan focuses heavily on transit, this limitation is problematic.
State General Funds (typically via General Obligation Bonds)	State Legislature and State Voters (50%)	While general funds are a problematic source in that they have no connection to the use of the transportation system, voters have been willing to approve the issuance of general obligation bonds for transportation purposes.
Regional Gas Tax	MTC, Bay Area Voters (67%)	The MTC could place this on the ballot in the future. As a transportation user fee, this is an ideal funding source.
Increased Bridge Tolls	State Legislature, possibly Voters; for Golden Gate, approval of GGBHTD Board	There is a State legislative movement to increase tolls to fund regional transit, especially ferries. However, escalating seismic safety costs are likely to mean that toll increases must be directed toward bridge retrofit. Using bridge tolls for transit is generally fair only when it improves transit in the corridor being tolled. Therefore, even an increase in the Golden Gate Bridge Toll would be expected to be used to improve transit connections between Marin and San Francisco.
U.S. Highway 101 Tolls (Potential HOT lanes)	Complicated approval scenario including State and Federal government	Politically unpopular but can be very fair and efficient. Tolling the 101 Corridor not only has a revenue generating benefit, but it would contribute to congestion reduction by discouraging SOV trips in the corridor. An alternative to full tolling of 101 is a High-Occupancy-Toll lane that could retain the free lanes and allow SOV users in the HOV lane if they pay a toll (although revenue potential is reduced). Tolls in the corridor would be an appropriate source for the myriad of projects serving north-south travel (See Figure 3-1).

HOW DO WE GET THERE FROM HERE?

Figure 4-5 summarizes the funding already attracted by various projects as well as issues related to future funding. At least \$1.6 billion must be generated if all the projects outlined here are to be implemented. Existing revenue can contribute only \$367 million, leaving a gap of at least \$1.2 billion, in addition to funding for projects not yet quantified.

The vision outlined in Chapter 3 is not one that can be implemented all at once. One of the biggest steps we can take toward implementing the vision in Marin County is the passage of a self-help sales tax. However, even a sales tax will not generate nearly enough revenue to fully implement our vision. Marin will also need to be competitive in attempts to secure outside funds. The following conditions are vital to Marin's success in doing so:

- **Subregional cooperation and consensus on desired projects and means of financing them.** As its sister county, Marin must work closely with Sonoma to align funding and project priorities. Marin must also work cooperatively with other key subregional partners, including GGBHTD, the SMART Transit District, the Water Transit Authority, and the National Park Service, to bring a single voice to regional and State funding processes.
- **Local cooperation regarding funding priorities in Marin County.** Discord among Marin communities and stakeholders will jeopardize Marin as it seeks to attract outside funding.
- **Locally generated matching funds.** As emphasized in this section, local contributions (now over 15% of statewide funding for transportation) are essential to attracting discretionary funds.

To begin implementing our vision, it will be necessary to establish priorities for funding. The process for developing a constrained expenditure plan includes the following broad steps:

1. **Establish Goals of Funding Plan.** Goals are essential for guiding difficult choices. Chapter 1 presents a summary of the goals established so far.

- 2. Establish Performance Measurement Indicators.** The projects being considered span all modes of travel and vary widely in both implementation and maintenance costs. Also, benefits of projects in a multi-modal plan are hard to disaggregate because they are often synergistic (e.g., local shuttles are more effective in conjunction with rail). Therefore, traditional performance measures of things like cost-effectiveness may not be able to accurately assess project benefits. However, performance measurement indicators are an important tool in guiding decision making.
- 3. Make Hard Choices by Prioritizing Projects.** While indicators will provide important guidance, hard choices are required.
- 4. Carefully Phase Projects to Maximize Early Benefits.** Many of the projects being considered will take years to fully implement. By carefully phasing individual projects and by coordinating the implementation of interrelated projects, the public will be able to benefit from projects early on, rather than having to wait for a project's completion.

Not only must Marin County make hard choices and set priorities, but the priorities must be amenable to local cities, stakeholder groups, and the voters of Marin. Obtaining this level of support is a daunting task. It becomes possible when stakeholders with a particular interest and localities recognize that compromise is necessary, and that current funding constraints mean that each group cannot get all that it wants.

[This page intentionally left blank]

Figure 4-5 Funding Attracted and Issues Summary

Mode	Market/Project	Funding Need Over 25 Years (\$M)*	Funding Attracted	Funding Potential / Issues
Local Projects				
Hwy	Highway Interchanges	\$236.0	Funding has been available for planning studies of a number of the interchange projects.	Some level of interchange improvements could be funded with existing sources. To accomplish the entire interchange program within the planning period, additional local funds will be required.
Loc. Bus	Transit Junctions/Pads/Stops, Technology and Admin.	\$31.0	Entire local transit plan estimated to receive \$32 million in regional funds.	Capital expenditures can attract outside funds, however programs are competitive and more likely to fund bus purchases. Implementing local transit plan is heavily dependent upon increase in local funds.
Loc. Bus	Intercommunity Transit	\$129.0	Entire local transit plan estimated to receive \$32 million in regional funds.	Required bus purchases could attract outside funds. However, programs are competitive and still would require a local match. Implementing local transit plan is heavily dependent upon increase in local funds.
Loc. Bus	Local Express Bus (Hwy 101)	\$21.0	Entire local transit plan estimated to receive \$32 million in regional funds.	Required bus purchases could attract outside funds. However, programs are competitive and still would require a local match. Implementing local transit plan is heavily dependent upon increase in local funds.
Streets	Local Streets and Roads (Includes TSM projects)	\$414.0	Under the rules of Prop 42 and Marin's current agreement on allocating STIP funds, local streets and roads will receive about \$9 million annually. Also, estimated to receive \$48 million in regional funds.†	Passage of Proposition 42 goes far in meeting these needs and makes the likelihood of new sources of funding for local streets and roads unlikely.
Loc. Bus	Community Service Routes	\$12.0	Entire local transit plan estimated to receive \$32 million in regional funds.	Required bus purchases could attract outside funds. However, programs are competitive and still would require a local match. Implementing local transit plan is heavily dependent upon increase in local funds.
Loc. Bus	School Pool Bus Service	\$17.0	Entire local transit plan estimated to receive \$32 million in regional funds.	Required bus purchases could attract outside funds. However, programs are competitive and still would require a local match. Implementing local transit plan is heavily dependent upon increase in local funds. It is uncertain whether this service could obtain the growing sources for Safe Routes to School Programs.
Bike/Ped	Safe Routes to School	\$25.0	Current pilot programs are being funded through Caltrans grants.	Success of pilot program, popularity, and renewal of a Caltrans grant program mean Safe Routes to Schools could be successful in attracting outside funds. Nevertheless, implementing Safe Routes to Schools throughout Marin County will require local funding support.
Loc. Bus	Paratransit	\$70.0	Entire local transit plan estimated to receive \$32 million in regional funds.	Required bus purchases could attract outside funds. Paratransit has additional potential funding sources beyond those for transit. However, programs are competitive and still would require a local match. Implementing local transit plan is heavily dependent upon increase in local funds.
Bike/Ped	Countywide and Local Bicycle/Pedestrian Improvements	\$70.9	Currently committed \$6.1 million in state (TDA Article 3) and \$1 million in federal (TEA-21) funds.	Implementing full bike/ped plans will require local funds. However, high profile projects can attract earmarks or allocations from outside funds such as was recently achieved with the Cal Park Tunnel project.
Land Use	Land Use	TBD	Foundations, non-profits and small government programs currently fund development rights purchases for preservation or facilitating smart development.	MTC's Transportation for Livable Communities (TLC) and Housing Incentive Program (HIP) are available to support smart development. However, most transportation funding sources cannot be used for land use components. Therefore, an extensive land use program will require locally generated funds.
Loc. Bus	TDM	\$10.0	Anticipated to receive \$2.5 million through the Regional Transportation Plan.	While local funding is needed for an extensive program, local employers can be an additional source of funds for TDM programs.
Regional Projects				
Hwy	Narrows	\$300	Project expected to receive \$100 million in interregional funds and \$21 million under the governor's Traffic Congestion Relief Program (TCRP).†	Some local match required despite large proportion covered by regional funds. Reauthorization of TEA-21 may provide additional federal funds.
Rail	Commuter Rail	\$115.2	Attracted a \$28 million earmark from State Proposition 116 and a \$37 million earmark under the TCRP; two-thirds of Marin-Sonoma voters in the SMART Rail District could approve a sales tax to fund operating and capital costs.†	Large funding need, competition for limited transit capital funding and few sources for operating deficits means this project may require significant local funds. Reauthorization of TEA-21 may provide new federal funds.
Xbus	Express Bus	\$78.8	Other than fares from riders, no current funds have been allocated to expended express bus service. Expanded water transit system will be funded by new transportation dollars and will not compete with existing programs.	Similar issues to commuter rail, however, because up to \$50 million of the Express Bus Plan capital program costs are associated with park-and-ride and interchange improvements, these costs would be eligible for conventional highway funding.
Ferry	Ferry	\$67.9 ¹	State funds are covering the costs of planning studies. The expanded water transit system will be funded by new transportation dollars and will not compete with existing programs.	An expanded system would primarily be funded by an increase in tolls on the Bay Area's state-owned bridges, or from some other new regional source. It is expected that local sources would supply about 25% of needed funds regionwide.
Loc Bus	Intermodal Connections	\$10.0	Entire local transit plan estimated to receive \$32 million in regional funds.	Local funds will be necessary for capital and operating costs, however these types of services can sometimes attract funds from employers benefiting from the shuttles.

*Current dollar estimates for unfunded needs are from existing plans.

† The future of TCRP funding is uncertain given the state's current fiscal situation.

¹Estimated total funding need for Golden Gate Corridor Ferry Service for 2005-2014.