



**DATE:** May 10, 2021

**TO:** Transportation Authority of Marin Administration, Projects and Planning Executive Committee

**FROM:** Anne Richman, Executive Director *Anne Richman*  
Li Zhang, Deputy Executive Director/Chief Financial Officer  
David Chan, Manager of Programming and Legislation

**SUBJECT:** Review and Provide Input on the Proposed Transportation Sales Tax Strategic Plan Framework (Discussion) - Agenda Item No. 7

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**RECOMMENDATION:**

Discussion Item Only. The Administration, Projects and Planning (APP) Executive Committee reviews and provides input on the proposed Transportation Sales Tax (TST) Strategic Plan (SP) framework.

**BACKGROUND:**

Both the Measure A and Measure AA TST Expenditure Plans called for SPS to provide an outlook on how local transportation sales tax revenues will be allocated in the context of anticipated project and program funding needs, timing, project delivery schedules and important related guiding principle and policy issues. The required SPs serve as the overall roadmap for programming TST funds to the project and program priorities identified and approved by both Expenditure Plans. Funding recipients use the SPs in determining anticipated funds for project/program budgeting and work plan development.

With the successful renewal of the Measure A TST Expenditure Plan in 2018 and the start of the new Measure AA revenue collection in April 2019, staff has been doing two separate SP development/update processes in the last two years. Since Measure AA is an extension of Measure A and both measures are collecting the same TST revenue stream over a consecutive period with most of the same project/program priorities therefore, as discussed with the Board in March 2021, staff is recommending an overall redesign of the current two SPs and to combine them into a single document, with a unified development and update process. The new SP will follow the same update and amendment process as specified in the TST Expenditure Plans. Copies of the current SPs can be downloaded at the following links: <https://2b0kd44aw6tb3js4ja3jprp6-wpengine.netdna-ssl.com/wp-content/uploads/2018/08/Strategic-Plan-Update-2018-Final-Adopted.pdf> (Measure A) and <https://2b0kd44aw6tb3js4ja3jprp6-wpengine.netdna-ssl.com/wp-content/uploads/2019/08/Strategic-Plan-2019-Adopted.pdf> (Measure AA).

**DISCUSSION/ANALYSIS:**

After reviewing several other sales tax authorities' strategic plans and the information that is most important for the Board for its decision-making process and for the general public to understand the projects/programs

and progress made, staff is recommending the following framework for the new TST SP, with the hope to streamline the information provided.

On a policy note, staff intends to update the guiding principles to include reference to equity and wildfire/evacuation awareness components and explore a cash flow and use of sale tax funding policy. Also, historical expenditure and allocation data will be summarized to one single number for each strategy/category/program/project, and 5-years of future allocation or expected expenditure information will be provided during each update, instead of the year by year historical and future data which could be confusing and does not provide the Board and the general public the right level of information needed for review and decision making.

The data for the duration of the SPs will still be maintained for reference and truing up the percentage for each strategy and category as required by both Expenditure Plans but will not be presented in SP updates. Data for the duration of the SPs will always be available upon request, but for the purpose of presenting a strategic plan, a five-year outlook on the revenues and expenditures provides a more succinct and usable document for the public's understanding and our partners' needs for budgeting and forecasting.

1. Executive Summary

a. Guiding Principles

- i. *Maximize Leveraging of Outside Fund Sources*
- ii. *Support Cost-Effective Project Delivery*
- iii. *Maximize the Cost-Effective Use of Sales Tax Funds*
- iv. *Promote a Balanced Use of Funds Throughout the County.*
- v. *Promote High Environmental and Conservation Awareness*
- vi. *Promote Equity*
- vii. *Support Community Safety in Wildfire Evacuation Planning*

b. Summary of the Report Structure

2. Background

- a. Summary Information about Measure A TST Expenditure Plan – including funding distribution share
- b. Summary Information about Measure AA TST Expenditure Plan – including funding distribution share
- c. Accountability – including Citizens' Oversight Committee (COC), financial and compliance audits and other oversight measures

3. Policies Guiding the Plan

- a. Reserve Policy
- b. Debt Policy
- c. Investment Policy
- d. Compliance Audit Policy
- e. Expenditure Plan Amendment Policy
- f. Strategic Plan Amendment Policy
- g. Interest Fund Policy
- h. New Agency Policy
- i. Funding Restriction Policy

- j. Cash Flow and Use of Sales Tax Policy
  - k. Advancement of Fund Policy
  - l. Staffing and Administration Policy
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- 4. Revenue Forecast
    - a. Historical Data and Assumptions
    - b. Total Revenue Available with Apportionment to Each Strategy/Category
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- 5. Programming/Allocation to Projects/Programs
    - a. Policies and Claim/Allocation Process
    - b. Program/Allocation by Category/Strategy, Showing Revenue Available for the Upcoming 5-year Period
    - c. Project/Program Fact Sheets

Staff welcomes any input from the APP Executive Committee on additional policy components or structure changes that can help us further improve the framework of the new SP.

**FISCAL CONSIDERATION:**

Not Applicable.

**NEXT STEPS:**

After receiving input from the APP Executive Committee, staff will incorporate any comments received, and will present the draft 2021 Sales Tax Strategic Plan to the TAM Board for review and release for public comments at its May 27 meeting.

**ATTACHMENTS:**

N/A