Transportation Authority of Marin

DATE: June 21, 2021

TO: Transportation Authority of Marin Citizens' Oversight Committee

FROM: Anne Richman, Executive Director
David Chan, Programming and Legislation Manager

SUBJECT: Review of 2021 Draft Strategic Plan (Discussion), Agenda Item No. 5

RECOMMENDATION

The Citizens' Oversight Committee (COC) reviews the draft 2021 Strategic Plan and provides comments.

On May 27, 2021, the TAM Board reviewed and released the draft 2021 Strategic Plan for the required 30-day public comment period. The 2021 Strategic Plan will be presented to the TAM Board at its June 24, 2021 meeting for approval after the 30-day public comment period.

BACKGROUND

Measure A, approved by 71.2% of Marin voters in November 2004, dedicates local sales tax revenues to transportation needs over a twenty-year period from 2005 to 2025. Measure A was a major source of transportation funding in Marin County for 14 years and was set to expire on March 31, 2025.

Subsequently, Measure AA was approved by 76.7% of Marin voters in November 2018. This renewed the current ½-cent transportation sales tax for another 30 years, until 2039. The Measure AA Expenditure Plan was based on the expectation that the transportation sales tax will continue the efforts started by Measure A.

Both Measure A and Measure AA Expenditure Plans list projects and programs that are eligible for transportation sales tax funds and establish the maximum percentage of funds that can be allocated to each strategy and category. They did not, however, establish exactly when allocations will be made. Both Expenditure Plans direct TAM to prepare Strategic Plans to identify the dates for project and program implementation based on project readiness, ability to generate matching or leveraged funds, need for borrowing and other relevant criteria.

While Measure A has stopped collecting revenues on March 31, 2019, TAM still has allocated Measure A funds that have not been reimbursed and remaining commitments that still need to be fulfilled. Therefore, TAM is required to maintain a Strategic Plan for Measure A for the foreseeable future until all funds have reimbursed and commitments have been honored.

Since Measure AA is an extension of Measure A, both measures are collecting the same transportation sales tax revenue stream over a consecutive period with most of the same project/program priorities. Staff is recommending an overall redesign of the current two Strategic Plans and combining them into a single document, with a unified development and update process. The new 2021 Strategic Plan will follow the same update and amendment process as specified in both Expenditure Plans.

DISCUSSION

As discussed with the Administration, Projects, and Planning (APP) Executive Committee, the TAM Board, and the COC in May 2021, staff has combined the two separate strategic plans for Measure A and Measure AA this year and developed the 2021 Strategic Plan to establish the timing of all allocations and procedures for funding priorities within the prescribed strategies/categories of the sales tax funding. The 2021 Strategic Plan provides a 5-year outlook on how local transportation sales funds will be allocated in the context of anticipated demands, timing, and other available revenues.

Some notable differences for the 2021 Strategic Plan include the introduction two new policies on equity and wildfire/evacuation awareness. Also, historical expenditure and allocation data are summarized for each strategy/category/program/project and five-years of future allocation or expected expenditure information has been provided, instead of the year by year historical and future data which could be too voluminous for the general public.

While the 2021 Strategic Plan will only include a five-year outlook, the data for the entire duration of both funding sources will still be maintained for reference and truing up the percentage for each strategy and category as required by both Expenditure Plans. Data for the duration of both funds 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.

The 2021 Strategic Plan must be approved by the TAM Board, following a noticed public hearing and a 30-day public comment period.

Highlights of the 2021 Strategic Plan

The draft 2021 Strategic Plan contains the following sections:

- Executive Summary
- Background
- Policies Guiding the Plan
- Revenue Forecast
- Programming/Allocation to Projects/Programs
- Implementation Guidelines
- Appendix

Guiding Principles of the Strategic Plan

The 2021 Strategic Plan includes revenue and programming of Measure A and Measure AA funds as one document. The Guiding Principles of previous Strategic Plans were incorporated in the 2021 Strategic Plan, which serves as the guide, resource book, and manual for the expenditure of the valuable local sales tax fund. However, the latter two principals were recently added to address contemporary issues of prominence to TAM. The Guiding Principles include:

a. Maximize Leveraging of Outside Fund Sources
b. Support Cost-Effective Project Delivery
c. Maximize the Cost-Effective Use of Sales Tax Funds
d. Promote a Balanced Use of Funds Throughout the County.
e. Promote High Environmental and Conservation Awareness
f. Promote Equity

g. Support Community Safety in Wildfire Evacuation Planning

Accountability

The 2021 Strategic Plan includes a section on accountability. TAM is entrusted to manage the Measure A and Measure AA Programs and administer valuable public funds to projects and programs in accordance with the voter-approved Expenditure Plans. To ensure accountability and transparency, TAM has established various oversight, audit and reporting requirements related to each of the project and program strategies/categories in the Measure A and Measure AA Expenditure Plans. TAM convenes the COC on a regular basis to review actions taken by TAM. The COC, created in 2004 as part of the original requirement of the Measure A Expenditure Plan, will continue to play a critical role as the citizens watchdog to monitor and report the expenditure of the sales tax in accordance with both the Measure A and Measure AA Expenditure Plans.

Financial and Program Policies

The 2021 Strategic Plan includes specific policies that TAM is required to follow in administering transportation sales tax funds. Policies were also adopted by the TAM Board over the years to augment those codified in the Measure A and Measure AA Expenditure Plans. TAM has incorporated the policies to guide the continuing implementation of the 2021 Strategic Plan, ensuring prudent stewardship of the funds. Policies identified in this section of the 2021 Strategic Plan will guide the financial decisions of TAM in managing Measure A and Measure AA funds.

Revenue Forecast

This section of the 2021 Strategic Plan discusses revenue projections on the collection of sales tax revenues. The ongoing receipt of sales tax revenues allows TAM to fund programs, deliver projects, pay operating expenses and service debt for financed capital projects when needed. The amount and timing of sales tax revenues influence the maximum amount of monies available for projects regardless of whether funding is pay-as-you-go or from bond proceeds. This section discusses revenue projections based on current economic conditions that impact collection and the duration of those impacts, including the recent COVID-19 pandemic. In total, the 2021 Strategic Plan expects a total of $1,057 million over the 30-year period. While this is 12% lower than the $1,200 million projected in the 2019 Strategic Plan update, it is still more than 21% higher than the $872 million estimated in the Measure AA Expenditure Plan.

Strategies of Measure A

The Measure A Expenditure Plan allocated funds for each strategy, by percentage, is shown in the table below.

Strategy 1 Bus Transit	**55%**
1.1 Maintain and Improve Local Service	37%
1.2 Maintain and Improve Rural Service	3%
1.3 Maintain and Improve Special Needs Service	9%
1.4 Transit Capital	6%
Strategy 2 Highway 101 Gap Closure	**7.5%**
Strategy 3 Local Transportation Infrastructures	**26.5%**
3.1 Major Roads and Related Infrastructures	13.25%

3.2 Local Roads and Related Infrastructures	13.25%
Strategy 4 School-Related Congestion and Safer Access to Schools	**11%**
4.1 Safe Routes to School Program	3.3%
4.2 Crossing Guard Program	4.2%
4.3 Safe Pathways to School Program	3.5%
TOTAL	**100%**

Since Measure AA was approved by Marin voters in November 2018, the Measure A Program officially ceded collecting transportation sales tax funds on March 31, 2019. Collection of transportation sales tax funds resumed under the Measure AA Program on April 1, 2019.

All funding commitments of Measure A have been fulfilled as of the date of this memo except for two areas noted below. Once the commitments for those areas have been fulfilled, reporting on Measure A in the Strategic Plan will be kept at a minimum.

The two areas where Measure A has remaining commitments are:

- Strategy 1.1 - Marin Transit was the sole recipient of Measure A funds from Strategy 1.1. However, Marin Transit allowed funds from Strategy 1.1 to be exchanged with Lifeline Transportation Program (LTP) funds to assist with Marin County and San Rafael with delivering LTP Projects. The exchange agreement included allocating Strategy 1.1 funds in the amounts of $68,000 to Marin County for Drake Avenue/Cole Drive Pedestrian Improvements and $248,000 to San Rafael for the Canal Neighborhood Uncontrolled Crosswalk Improvement Project. It is anticipated that the projects will be completed in FY 21/22 and funds will be requested. Upon reimbursement, all funding obligations for Strategy 1 will have been fulfilled. Until these projects are closed out and the funds are reimbursed, the Strategic Plan will continue to track their progress.

- Reserve Funds - The Measure A Expenditure Plan allowed TAM to set aside a reserve fund of up to 10% of the annual receipts from the tax for contingencies, to ensure that the projects included in this plan are implemented on schedule. In 2006, TAM established a policy in the Measure A Strategic Plan to set aside 5% annual reserve for the first five years of revenue collection. TAM collected approximately $5.4 million in reserve funds in the first five years of the Measure A Program. In June 2019, the TAM Board adopted a policy to release Measure A reserve funds at a rate that does not exceed the amount collected for Measure AA reserve funds, to maintain the $5.4 million reserve level. TAM will continue to release Measure A reserve funds in the same increments as Measure AA reserve funds are collected. Until all Measure A reserve funds are released, the Strategic will continue to monitor this commitment.

Categories of Measure AA

Measure AA funds are programmed to four Categories and their associated sub-categories are shown in the below table.

IMPLEMENTATION CATEGORY	Share	Est. Amount (in millions, in 2018 dollars)
Category 1 Reduce Congestion on Hwy 101 & Adjacent Roadways	**7.0%**	**$57.9**
1.1 Provide matching funds for the MSN Project	1.5%	$12.4
1.2 Provide matching funds for Hwy 101/I-580 Direct Connector	2.0%	$16.5
1.3 Improve Hwy 101 local interchanges and freeway access routes	3.0%	$24.8
1.4 Implement commute alternatives and trip reduction strategies	0.5%	$4.1
Category 2 Maintain, Improve, and Manage Marin's Local Transportation Infrastructure	**26.5%**	**$219.2**
2.1 Maintain and manage local roads	22.0%	$181.9
2.2 Provide safe pathways for safe walking and biking access to schools	3.0%	$24.8
2.3 Develop projects to address transportation impacts from sea level rise	1.0%	$8.3
2.4 Support operational improvements through innovative technology	0.5%	$4.1
Category 3 Reduce School-Related Congestion and Provide Safer Access to Schools	**11.5%**	**$95.1**
3.1 Maintain the Safe Routes to Schools Program	3.5%	$28.9
3.2 Expand the Crossing Guard Program	7.0%	$57.9
3.3 Provide capital funding for small school safety related projects	1.0%	$8.3
Category 4 Maintain and Expand Local Transit Services	**55.0%**	**$454.9**
4.1 Maintain and improve existing transit service	33.0%	$272.9
4.2 Maintain and expand rural and recreational bus services	3.0%	$24.8
4.3 Maintain and expand transit services for those with special needs	9.5%	$78.6
4.4 Provide transit services to schools	5.0%	$41.4
4.5 Invest in bus transit facilities	4.0%	$33.1
4.6 Expand access to ferries and regional transit, managed by Golden Gate Transit	0.5%	$4.1
TOTAL	**100%**	**$827.0**

This section of the Strategic Plan provides an overview of each category, including status of activities, amounts collected, and funds expended to date. Measure AA started collection on April 1, 2019, which is just a little more than two years of revenue. Since that time, funds have been allocated and projects have started.

One notable project is the Marin-Sonoma Narrows (MSN) Project. All of the $12.4 million committed by Measure AA has been allocated to the MSN Project. The MSN Project has a fully funded construction phase and will be advertised later in 2021.

Also, in the short time that Measure AA funds have been collected, TAM has issued Calls for Projects with Category 2.4 funds to fund Quick Build Projects and Categories 2.2 and 3.3 to fund large and small Safe Pathway Projects, some of which have been completed and opened for public use.

Lastly, programmatic categories that include Category 2.1 Local Infrastructure, Category 3.1 Safe Routes to School, Category 3.2 Crossing Guards, and Category 4 for transit have been receiving annual allocations of funds without interruption when Measure A was transitioned to Measure AA.

Strategic Plan Amendment

Per the Strategic Plan amendment policy, an amendment, including updates to the Strategic Plan, can be recommended as part of a regularly scheduled Board meeting. The update can be approved at the following Board meeting after allowing 30 days for public comments. On May 27, 2021, the TAM Board released the draft 2021 Strategic Plan for the required 30-day public comment period.

Any comments received will be thoroughly addressed by staff. All pertinent comments received and responses on the draft 2021 Strategic Plan will be included under Appendix 6 when the draft 2021 Strategic Plan returns to the TAM Board for approval.

A copy of the 2021 Strategic Plan was made available on TAM's website (http://www.tam.ca.gov) on May 28, 2021. Therefore, the 2021 Strategic Plan will be presented to the TAM Board at the June 24, 2021, meeting for approval, on the condition that no public comments received after June 24 and by June 26, 2021 would necessitate TAM Board attention.

FISCAL IMPACTS

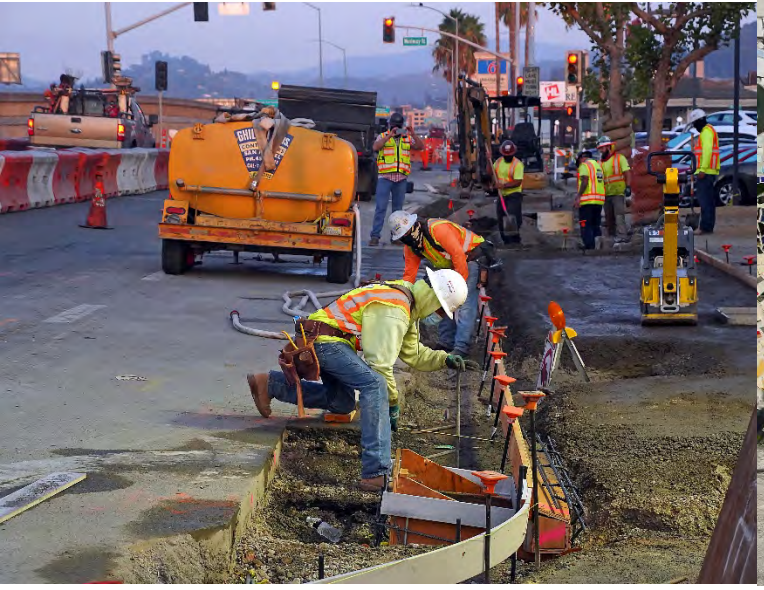
The planned spending needs for items included in FY 21/22 of the draft Strategic Plan are already included in the proposed FY 21/22 Annual Budget. Staff will continue to work with all Measure A and Measure AA funding recipients to confirm final programming and allocation requests.

NEXT STEPS

Staff will be recommending that the TAM Board approve the 2021 Strategic Plan on June 24, 2021 on the condition that no public comments received after June 24 and by June 26, 2021 necessitate TAM Board attention. The approved 2021 Strategic Plan will be posted on TAM's website after June 26, 2021.

ATTACHMENTS

Attachment A – Draft 2021 Strategic Plan
Attachment B – PowerPoint Presentation



Item 5 - Attachment A

2021 Measure A/AA Sales Tax Strategic Plan

MAKING THE MOST OF MARIN COUNTY TRANSPORTATION DOLLARS

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TAM Board of Commissioners

(May 2021)

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Novato - Eric Lucan

Vice Chairperson

County of Marin - Stephanie Moulton-Peters

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Corte Madera - Charles Lee
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Tiburon - Alice Fredericks
County of Marin - Damon Connolly
County of Marin - Katie Rice
County of Marin - Dennis Rodoni
County of Marin - Judy Arnold

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(May 2021)

Chairperson

Major Marin Employers - Peter Pelham

Vice Chairperson

League of Women Voters of Marin - Kevin Hagerty

Committee Member/Alternate

Central Marin Planning Area - Joy Dahlgren/Jeffrey Olson
Northern Marin Planning Area - Charley Vogt/Veda Florez
Ross Valley Planning Area - Paul Roye
Southern Marin Planning Area – Stephen Burke/Debbie Alley (To be Appointed May 27, 2021)
West Marin Planning Area – Scott Tye
Bicyclist & Pedestrian Groups - Vince O'Brien
Environmental Organizations - Kate Powers/Nancy Okada
Marin County Paratransit Coordinating Council - Allan Bortel
School Districts - Zack Macdonald
Taxpayer Group - Paul Premo/ Kingston Cole
League of Women Voters of Marin –Kay Noguchi (Alternate)

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Table of Contents

1. EXECUTIVE SUMMARY 2
Guiding Principles of the Strategic Plans 2
Overview of the 2021 Strategic Plan 3
2. BACKGROUND 4
About TAM 4
The Measure A Expenditure Plan 5
Accomplishments of Measure A 5
The Measure AA Expenditure Plan 6
Accountability 7
3. POLICIES GUIDING THE PLAN 8
3.1 Separation of Categories & Subcategories Policy 8
3.2 Reserve Policy 9
3.3 Bond Financing Policy 9
3.4 Leveraging and Funding Swap Policy 10
3.5 Audit Policy 10
3.6 Expenditure Plan Amendment 10
3.7 Investment of Cash Balance and Interest Fund Policy 11
3.8 New Agency Policy 11
3.9 Funding Restriction Policy 11
3.10 Cash Flow and Use of Sales Tax Fund Policy 11
3.11 Advancement of Fund Policy 12
3.12 Staffing and Administration Policy 12
3.13 Strategic Plan Amendment Policy 12
4. REVENUE FORECAST 14
Historical Sales Tax Data 14
2021 Revenue Forecast 15
5. PROGRAMMING/ALLOCATION TO PROJECTS/PROGRAMS 16
Measure A Projects/Programs 16
Strategy 1: Local Bus Transit 16
Strategy 2: U.S. 101 HOV Gap Closure Project 17
Strategy 3: Local Transportation Infrastructure 18

Strategy 4: School Related Congestion and Safer Access to Schools 19
Reserve Funds 20
Measure AA Projects/Programs 20
Category 1: Reduce Congestion on Hwy 101 & Adjacent Roadways 21
Category 2: Maintain, Improve, and Manage Marin's Local Transportation Infrastructure 24
Category 3: Reduce School-Related Congestion and Provide Safer Access to Schools 26
Category 4: Maintain and Expand Local Transit Services 27
Implementation Guidelines 31
Appendix 35
Appendix 1 – Measure A Five-Year Programming 35
Appendix 2 - Measure AA Five-Year Programming 35
Appendix 3 – Measure AA Category 2.1 Local Road Infrastructure Programming by Agencies 35
Appendix 4 - Measure A Expenditure Plan (available for download) 35
Appendix 5- Measure AA Expenditure Plan (Available for download) 35
Appendix 6 – Comments and Responses on Strategic Plan 35

1. EXECUTIVE SUMMARY

Guiding Principles of the Strategic Plans

The 2021 Strategic Plan is a combined and redesigned document that serves as the programming/allocation document for all projects/programs in both the Measure A (2004) and Measure AA (2018) ½-cent Transportation Sales Tax Expenditure Plans (Expenditure Plans). Both Plans were developed under the following guiding principles, which shall be incorporated in the 2021 Strategic Plan, which serves as the guide, resource book, and manual for expenditure of the valuable local sales tax dollars that Marin voters entrusted us with.

a. Maximize Leveraging of Outside Fund Sources

   The ability of local sales tax to serve as an incentive to match outside fund sources is a distinct advantage realized by the passage of the Transportation Sales Tax Measures. The ability to utilize these sources will provide TAM with the flexibility to respond to emerging transportation issues. The active pursuit of these opportunities, whereby sales tax within the framework of the Expenditure Plans can be utilized to bring additional funds to the County, will continue to be a primary focus of TAM.

b. Support Cost-Effective Project Delivery

   Local dollars should be actively delivering those projects with the greatest local impact based on measurable performance criteria. Projects or programs that progress towards delivering a public improvement should receive priority funding. Funding commitments should be examined for projects or programs that are not progressing adequately toward delivery, and remedies to promote progress should be actively supported by TAM. All strategies should progress towards measurable improvements.

c. Maximize the Cost-Effective Use of Sales Tax Funds

   The projects and programs envisioned in the Expenditure Plans may only be deliverable if they receive a concentrated influx of funding over a relatively short time period. The timing of sales tax collection may not exactly fit the delivery needs of projects. The Strategic Plan process will examine the need to advance funds for project delivery needs. This can be accomplished in a variety of ways, by the leveraging of outside fund sources, the loaning of revenue within or between Expenditure Plan strategies, and the advancing of sales tax through short or long-term debt financing, all of which will be considered as needed.

d. Promote a Balanced Use of Funds Throughout the County.

   The Expenditure Plans provide the basis for how funds are distributed throughout the County and among various programs/projects. TAM will remain committed to working with program and project sponsors to move all programs/projects forward in an effort to provide a balanced expenditure of sales funds throughout the County, particularly with unencumbered discretionary funds.

e. Promote High Environmental and Conservation Awareness

   TAM will remain committed to working with program and project sponsors in a cooperative manner to deliver the Measure AA program with attention to environmental and conservation awareness. Allocation of Measure AA funds for right of way capital and construction will be contingent upon demonstration of completed environmental documentation. Attention shall be paid to any impacts on

local traffic circulation, bike and pedestrian safety and accommodation, minimizing disruption to Marin County residents.

With changing social and environmental priorities and concerns, it's also important for the Strategic Plan to incorporate and reflect the following two guiding principles.

f. Promote Equity

TAM board discussions in 2020 and 2021 have directed staff to focus on equity in all TAM activities. The strategic plan incorporates the 2017 Vision Plan direction to focus on "providing transportation that is accessible, affordable, and convenient for all residents and workers in Marin County." Furthering this policy will require TAM to support access and representation of all members of the community in the decision-making process.

g. Support Community Safety in Wildfire Evacuation Planning

With devastating wildfire events in regular occurrence, TAM will serve as a resource to support local agencies tasked with implementing evacuation plans and capital and operational transportation improvements designed to aid in wildfire evacuation. When opportunities are permissible to include evacuation-related criterion in the project evaluation for Transportation Sales Tax funds, TAM will consider doing so. TAM also encourages funding recipients to coordinate with local emergency response authorities when designing and implementing new infrastructure projects.

Overview of the 2021 Strategic Plan

The 2021 Strategic Plan is a 5-year planning and programming document that also includes important policies. It provides a snapshot of commitment of funds to specific projects and programs for a five-year period. The revenue projections and funding commitments will be updated annually while the Strategic Plan document will be updated every other year. This Executive Summary provides an overview of the entire document.

Section 1-Executive Summary: highlights all the guiding principles for the development of the Strategic Plan and the framework of the newly designed 2021 Strategic Plan.

Section 2-Background: provides background information on both the Measure A and Measure AA Expenditure Plans and implementation to date. Section 2 also discusses the accountability requirements for TAM in managing Measure A and Measure AA, and the role of the Citizens' Oversight Committee (COC) in providing oversight. Lastly, Section 2 recognizes the accomplishments of Measure A as TAM transitions to Measure AA.

Section 3-Policies Guiding the Plan: outlines the policies that govern the administration of the Measures A and AA Programs, ensuring prudent stewardship of the funds. These policies provide guidance to TAM in managing the funds that are consistent with requirements from the Expenditure Plans, directions from the TAM Board, and from commonly accepted fiduciary practices with sales tax management.

Section 4-Revenue Forecast: provides historic revenue information and assessment of Marin's sale tax revenue trends, current revenue projections with comparison to past estimates, and also projected revenue available to each eligible Category over the life of the measure.

Section 5-Programming/Allocation to Projects/Programs: provides an overview of the fund programming to date and plans for the near-term future for each strategy and category of Measure A and Measure AA, respectively. Project sponsors can find the up-to-date funding commitment information over the 5-year period in Section 5, for each of the projects and programs identified in the Expenditure Plans. Section 5 also contains expected delivery schedules for each active major capital project.

2. BACKGROUND

About TAM

The Transportation Authority of Marin (TAM) plays a major role in improving the quality of life for Marin County residents and developing and maintaining the economic viability of our local region by funding transportation projects and programs that improve mobility, reduce congestion, and provide a transportation system with more options for those living, working, visiting, and traveling in Marin County.

TAM was created in 2004 by the Marin County Board of Supervisors to develop and administer the Expenditure Plan for the first Marin County Transportation Sales Tax, known as Measure A. TAM now administers Measure A, Measure AA, and Measure B, the $10 Vehicle Registration Fee passed in 2010.

The Strategic Plan implements the mission of TAM for Measure AA, as set forth in the Expenditure Plan:

TAM is dedicated to making the most of Marin County transportation dollars and creating an efficient and effective transportation system that promotes mobility and accessibility by providing a variety of high-quality transportation options to all users.

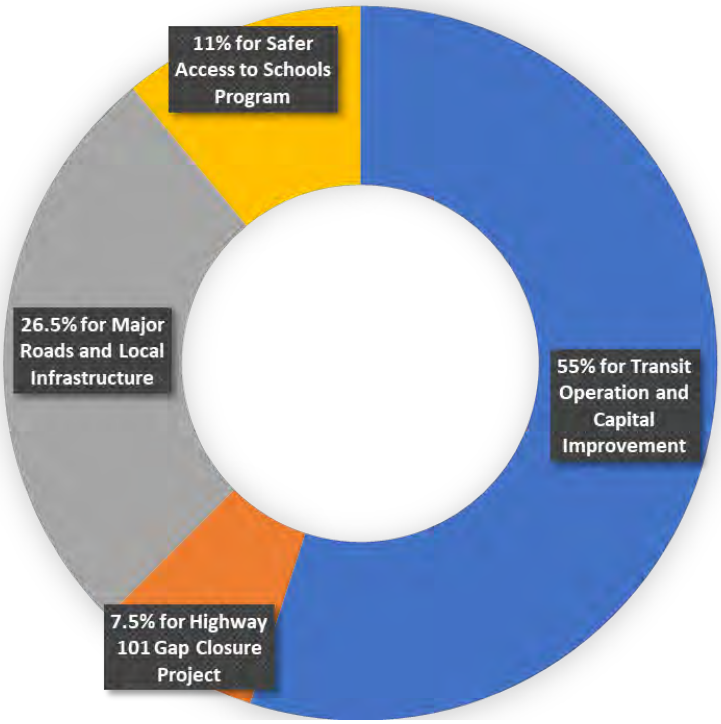
In addition to administering these voter-approved funding sources, TAM serves as the designated Congestion Management Agency (CMA) for the County, providing countywide planning and programming for transportation related needs. As the CMA, TAM is responsible for coordinating funding for many of the transportation projects and programs in the County. With these responsibilities, TAM plays a leading role in the planning, financing and implementation of transportation projects and programs in the County.

The TAM sixteen-member governing board comprises representatives from each of the cities and towns in Marin County, and all five members of the County Board of Supervisors. A twelve-member Citizens' Oversight Committee, made up of five representatives from the five planning areas and seven representatives from diverse interest groups in the County, report directly to the public on all issues related to the Expenditure Plan and sales tax use.

The Measure A Expenditure Plan

In 2004, Marin voters approved the Measure A 20-year half-cent sales tax measure to fund high priority local transportation projects and programs throughout the County with a 71.2% approval rate. The Measure A Expenditure Plan set out a clear path to fund our core transportation needs of highest priority to the public, including local street and road maintenance, Safe Routes to Schools programs, essential transit service and much needed funds for the Highway 101 Gap Closure Project.

CHART 1: MEASURE A FUNDING BY STRATEGY



The Measure A Expenditure Plan provided funding for 4 strategies as shown in Chart 1.

As of 2021, commitments to most of the strategies from the Measure A Expenditure Plan have been fulfilled. The residual commitments for a few projects under the Major Road Strategy of Measure A have been assigned to the Measure AA Expenditure Plan as an off-the-top funding set-aside for the first 14 years of the 30-year extension.

Accomplishments of Measure A

As TAM gradually transitions from Measure A to Measure AA, it is important to recognize the accomplishments and understand the foundations established by Measure A. Most of the categories in Measure AA began with the strategies established in Measure A. It is also important to note that Measure AA is not a replication of Measure A because Measure AA includes new categories not found in Measure A. These new categories were developed to address contemporary issues. Understanding the accomplishments of Measure A will provide insights on Measure AA.

TAM's 2004 half-cent transportation sales tax (Measure A) provided a reliable funding stream for local streets and roads maintenance, major roadway improvements, Safe Routes to Schools programs, and local transit services.

This funding stream has provided significant benefits that have helped improve mobility, reduce local congestion, protect the environment, enhance safety, and provide a variety of high-quality transportation options to meet local needs. Completed and successful efforts are highlighted below.

Highways

- Completion of the Highway 101 Gap Closure Project in San Rafael, the high-occupancy vehicle (HOV) lane, including the new Southbound 101 to eastbound I-580 high-speed two-lane connector. The project also included the separated (Class I) multi-use path over Lincoln Hill.

Local Transit

- Developed a local transit system designed to serve the needs of Marin residents and workers traveling within the county.
- Enabled Marin Transit to pay for and expand local transit services, paratransit services, the West Marin Stagecoach, and the Muir Woods Shuttle.
- Kept local transit and paratransit fares low.

Local Streets

- Completed major road improvements including 4th Street in San Rafael, Miller Avenue in Mill Valley, Sir Francis Drake Boulevard through Samuel P. Taylor Park in West Marin, and portions of Novato Boulevard in Novato.
- Paved and reconstructed hundreds of miles of local streets and roads, representing over $60 million in investment.

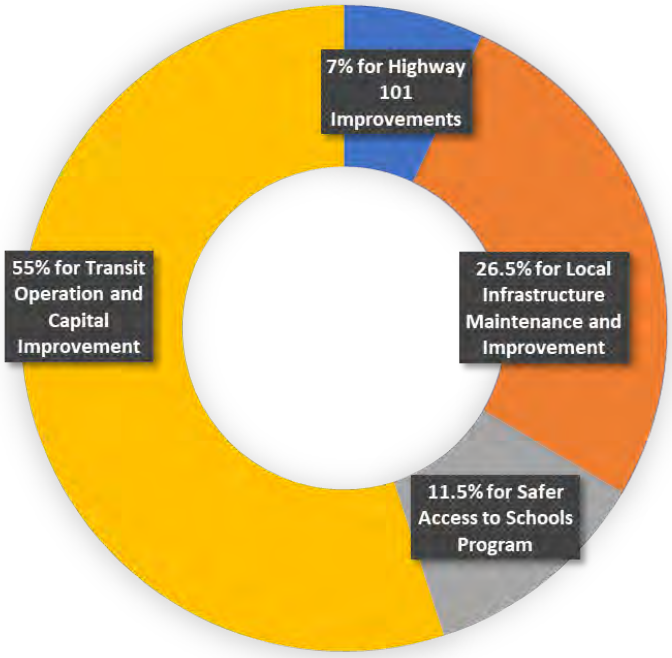
Safe Routes to Schools

- Ongoing success of the Safe Routes to Schools program, with an average of over 50% green trips in over 60 schools countywide, teaching kids the healthy habits of biking and walking, and reducing congestion on our roadways.
- Funded and implemented nearly $20 million in Safe Pathways capital projects to increase safe access to schools.
- Placement of 88 crossing guards near schools, providing an essential safety service for kids walking and biking to school.

The Measure AA Expenditure Plan

On November 6, 2018, after unanimous approval by the 11 Cities and Towns and the County of Marin, 76.7% of Marin voters approved the renewal and 30-year extension of the 1/2-cent transportation sales tax and Measure AA Expenditure Plan. The Measure AA Expenditure Plan, like the Measure A Expenditure Plan that came before, reconfirmed the core transportation needs in the County, including local street and road maintenance, Safe Routes to Schools programs, high quality transit service and highway and interchange improvements. The Measure AA Expenditure Plan also emphasizes the importance of addressing sea level rise, exploring innovative solutions for transportation problem, and focusing on multi-modal and more equitable travel options.

CHART 2: MEASURE AA FUNDING BY CATEGORY



The Measure AA Expenditure Plan provides funding for the four categories as shown in Chart 2.

Besides the continuing implementation of the reconfirmed high priority operational programs such as the crossing guards and education pieces of the Safe Routes to Schools program and essential transit operations, TAM has also been able to use the Measure AA funding to start the planning process of the Highway 101/580 Director Connector Project and the Highway 101 Interchange Study. Measure AA also provided upfront funding to make a completed funding plan possible for the construction of the B7 Project of the Marin Sonoma Narrows (MSN). During the pandemic, TAM was also able to use more than $200,000 of the Innovation Program funding under the Local Infrastructures Category to help all local jurisdictions in the County deliver "Quick Build" projects to help the local business communities and residents cope with the necessary physical and social distance requirements.

Accountability

To ensure accountability and transparency of the spending of the sales tax dollars, as described below TAM has established various oversight, audit and reporting requirements related to each of the project and program strategies/categories in the Measure A and Measure AA Expenditure Plans.

TAM will hire an independent auditor for auditing tax expenditures, ensuring that expenditures are made in accordance with the Expenditure Plans and the funding agreements/contracts between TAM and the funding recipients. In additional to the annual financial audit of TAM, an annual compliance audit process of the sales tax expenditure has also been in place since 2011 to provide additional check and assurance that the tax dollars are spent as voters approved.

TAM will ensure adequate public involvement for the preparation of all spending plans, and approval of all programming/allocations will be conducted in open public meetings according to state law.

The Citizens' Oversight Committee (COC), originally created in 2004 as part of the requirement of the Measure A Expenditure Plan, will continue to play a critical role as the citizens watchdog to monitor and report the expenditure of the sales tax in accordance with both the Measure A and Measure AA Expenditure Plans. The COC is designed to reflect the diversity of the county. The committee consists of 12 members (current member list is presented in Appendix 1) and each organization represented on the COC nominates its representative, with final appointments approved by TAM's Board.

3. POLICIES GUIDING THE PLAN

TAM has incorporated the following policies to guide the continuing implementation of the 2021 Strategic Plan, ensuring prudent stewardship of the funds. Policies incorporated into this document will guide the financial decisions of TAM in managing Measure A and Measure AA funds.

3.1 Separation of Categories & Subcategories Policy

The Strategic Plan captures the intent of the Measure AA Expenditure Plan in assigning funding commitments to the four key Categories. The Expenditure Plan is organized around four categories designed to reduce congestion and reduce greenhouse gas emissions in Marin County. Each Category is supported by specific but flexible programs that have been designed to "provide a high degree of accountability to the voters." In the Strategic Plan, a percentage share of Measure AA revenues is programmed to each category or subcategory within the four categories. As sales tax receipts increase or decrease, the dollar amounts programmed to each category and subcategory may fluctuate accordingly, but the overall percentage will be maintained over the 30-year period.

For purposes of developing the Revenue and Expenditure element of the Strategic Plan, financial assumptions concerning how Measure AA revenues would be programmed and funds borrowed between strategies were developed. These assumptions have guided the development of the fund tracking and monitoring systems, which track what levels of sales tax have been expended for each strategy and sub-strategy over time. In general, for tracking purposes, each category or subcategory is considered as a discreet and separate "fund" that is eligible for its percentage share of revenues annually. Sales tax revenue may be allocated for eligible projects and programs within the category or subcategory annually or they may be allocated at a later time.

Actual revenues will be programmed over the life of the Expenditure Plan based on the percentage distributions identified in the Plan. The actual requirements for funds in a specific program or subcategory may be higher or lower than the projected revenue availability in any given year. To address these variances, annual allocations may be greater than or be less than the amount available, depending on carryover or borrowing between sub-categories. The Strategic Plan will be updated annually when information on actual expenditures will be presented and reconciliation options discussed, to ensure that percentage distributions will be achieved over the life of the plan.

The actual requirement for funds in a specific project or program could be higher or lower than expected due to changes in funding outside of this transportation sales tax, or due to changes in project or program costs or feasibility. Funds are limited to what is available in this expenditure plan in the event project or program costs are higher. Should the need for funds for any project or program within one of the four major categories be less than the amount to be allocated by the sales tax, or should any project or program become infeasible for any reason, funds will first be reprogrammed to other projects or programs in the same major category with approval from the TAM Board at a noticed public hearing. Should the need for funds in the entire major category be less than the amount to be allocated by the transportation sales tax, TAM's Board may amend the Expenditure Plan to reallocate funds to any of the other major categories following its procedures for an amendment.

Borrowing between categories or subcategories is allowed to the extent it lessens debt financing and allows projects and programs to move forward based on their readiness. In the annual Strategic Plan updates, and the annual updates to the Revenue and Expenditure element, revenues and expenditures within each category and

subcategories will be reported and options for reconciling any share imbalance will be discussed. At the sunset of Measure AA, each of the categories will have received their respective percentage shares per the Expenditure Plan.

3.2 Reserve Policy

TAM is entrusted by the voters in Marin under the Measure AA Expenditure Plan to administer the Measure AA funds and deliver all the projects/programs to the voters in the most fiscal responsible and cost-effective way. The reserve policy is one of the key elements TAM needs to carry out its mission. In accordance with both the Measure A and the Measure AA Expenditure Plans, TAM has the ability to set aside a reserve fund of up to 10% of the annual transportation sales tax receipts for contingencies.

The establishment of a reasonable sales tax reserve allows TAM the ability to provide funding or cash flow support to eligible high priority projects and programs during economic difficult times, or under unforeseen emergency funding crises. Under Measure A, 5% of the first five-years of full revenue collection was set aside to allow TAM a reserve of $5.38 million, which helped the agency weather the 2008 economic recession and meet urgent project funding and cash needs. The TAM Board adopted the following policy under Measure AA at its June 27, 2019 meeting.

I. Start to build the Measure AA reserve with 5% set aside for the first 5 years off-the-top of the total revenue collection, estimated at $7.2 million;
II. Do not release the Measure A reserve all at once, but release it at the same rate that the Measure AA reserve is collected to maintain the current $5.38 million reserve level as the minimum level at all times;
III. Adopt a policy that a category or subcategory that uses the Measure AA reserve fund will be responsible for replenishing the used funds over an established period of time.

3.3 Bond Financing Policy

In accordance with both the Measure A and the Measure AA Expenditure Plans, TAM has the authority to bond and use other financing mechanisms for the purposes of expediting the delivery of transportation projects and programs pursuant to the Strategic Plan. If needed, a bond financing may be utilized to accelerate projects and address cash flow needs. In addition, short-term financial or intergovernmental loans may be utilized to address shorter term cash flow needs.

Under the Measure A Expenditure Plan, $2.35 million was taken off the top for potential bond financing needs of the Highway 101 Gap Closure and Major Road Projects, which was used to pay off the $12.5 million TAM secured from the Metropolitan Transportation Commission (MTC) at favorable financing terms compared to a municipal bond at the time.

Under the Measure AA Expenditure Plan, any project funded by borrowing or financing may not be amended unless or until the financing obligation has been met; any such amendment will be subordinate to any sales tax lien against any bond issuance.

Issuing debt is typically a last resort to avoid the cost associated with a bond issuance. Other methods such as borrowing between categories, borrowing against the reserve funds, and borrowing from other agencies will be explored if financing is needed.

Objectives of TAM's debt financing policy are to:

I. Maximize the use of Measure AA cash and other leveraged funds to capital projects, thereby eliminating or minimizing the amount of debt required to deliver projects cost effectively and in a timely manner;
II. Maintain cost effective access to the capital markets through prudent yet flexible policies;
III. Moderate debt principal and debt service payment through effective planning and project cash management in cooperation with TAM project sponsors; and,
IV. The sales tax revenue of the categories or subcategories requiring the issuance of debt will be used to satisfy payments on the debt.

3.4 Leveraging and Funding Swap Policy

The Expenditure Plan envisioned the role of other fund sources to help meet Marin's transportation needs. It recognized that the sales tax funding opened up new opportunities to compete for state and federal grants that require a local match. Matching or leveraging of outside funding sources is strongly encouraged. Any additional transportation sales tax revenues made available through their replacement by matching funds will be spent based on the principles outlined above. Funds shall remain in the major category unless all needs in the category are met, whereupon TAM can program funds to another category following the amendment procedures.

Leveraging funds through a "fund swap," i.e., exchanging sales tax funds for an equivalent or greater amount of state or federal dollars, is one mechanism that TAM will utilize in the delivery of the sales tax projects and programs. In its role as the Congestion Management Agency (CMA) for Marin, TAM is responsible for programming the majority of state and federal transportation funds that come to the county and can identify opportunities where such an exchange would be appropriate. Specifically, TAM looks for fund swap opportunities that meet one or more of the following criteria:

- The fund swap will reduce overall costs of projects/programs
- The fund swap will accelerate delivery of projects/programs
- The fund swap will accelerate or reduce delivery cost of projects/programs that would otherwise have been funded with federal funds.

3.5 Audit Policy

In additional to the agency overall financial audit, compliance audits of selected funding recipients for the spending of the eligible Measure A and Measure AA are conducted annually. The COC advises TAM on the selection of the audit teams and the fund recipients to be audited. TAM presents both the overall financial statements and compliance audit results to the COC for review and the COC reports the results to residents in Marin through in its annual report.

Marin Transit, the major funding recipient of the transit funds, is also required to present its Short Range Transit Plan, which shows how Measure A and Measure AA funds are used, to the TAM Board for review and approval every other year. TAM also requires each project sponsor to submit report letters annually indicating how Measure A and Measure AA funds are used.

3.6 Expenditure Plan Amendment

The Expenditure Plan must be reviewed every six years following passage to ensure that it responds to a rapidly evolving transportation landscape, incorporates innovations, and reflects current priorities. The TAM Board may also consider an amendment, adhering to the process below, at the point of the six-year review or at any time deemed necessary during the life of the Expenditure Plan.

The TAM Board cannot increase the sales tax through an amendment process; any increase in the level of tax must be approved by voters. The TAM Board cannot amend the plan to include prohibited categories including funds to extend or operate SMART, to support parks and open space, or to fund the planning, construction, or renovation of housing. The TAM Board Amendments must continue to fulfill obligations for long-term contracts, bonding and financing; any such amendments will be subordinate to any sales tax lien against any bond issuance.

To modify the Expenditure Plan, an amendment must be approved by a two-thirds majority of the total commissioners on TAM's Board, a noticed public hearing and a 45-day public comment period. Following the two- thirds vote, any plan amendment will be submitted to each of the cities and towns in Marin County and to the Board of Supervisors for their approval.

Amending the Expenditure Plan will require a majority vote of 50+% of the cities or towns representing 50+% of the incorporated population, as well as a majority vote of the Board of Supervisors.

3.7 Investment of Cash Balance and Interest Fund Policy

TAM currently invests most of the cash balance of the sales tax funds with CalTRUST, a Joint Powers Authority created by public agencies in 2005 to provide a convenient method for public agencies to pool their assets for investment purposes. Interest revenue from both the Measure A and Measure AA cash balances can only be spent for the transportation purposes authorized by the Measure A and the Measure AA Expenditure Plans. All use of sales tax interest revenue shall be solely determined by the TAM Board.

Interest funds should be only used in cases where no other funding source is available or when immediate action is required to keep a sales tax eligible project or program on schedule.

Commitments from previously allocated interest funds from Measure A will continue to be honored. Spending of the interest fund should be approved by the TAM Board in the following priority order:

I. Maintain commitment to fund a mitigation measure associated with the Central Marin Ferry Connector Project;
II. Provide funding to respond to bid opening and construction shortfalls;
III. Maintain funding commitments to routine bike/ped path maintenance;
IV. Other emerging unfunded immediate needs.

3.8 New Agency Policy

New incorporated cities/towns or new bus transit agencies that come into existence in Marin County during the life of the Expenditure Plan may be considered as eligible recipients of funds through an amendment to the Expenditure Plan, meeting amendment guidelines and policies outlined in this Strategic Plan.

3.9 Funding Restriction Policy

Measure A and AA funds may not be used for any transportation projects or programs other than those specified in the respective Expenditure Plan. Any transportation project or program not so specified will require an amendment to the Expenditure Plan.

Revenue generated by this sales tax will not be used to extend or operate SMART, support parks and open space, or to fund the planning, construction, or renovation of housing. The TAM Board cannot amend the plan to include these prohibited categories.

3.10 Cash Flow and Use of Sales Tax Fund Policy

In an effort to assist TAM in maintaining a positive cash flow and avoid the need to borrow funds, TAM reserves the right impose a reimbursement schedule for projects with large amount of funds allocated with

Transportation Sales Tax funds. The rate of reimbursement for the schedule will be determined by TAM at the time of allocation and will be incorporated in the funding agreement. A reimbursement schedule will not typically extend more than three fiscal years. A reimbursement schedule may be accelerated if TAM's cashflow can meet the project's cash demand, but acceleration will be determined on a case-by-case basis at the sole discretion of TAM.

For projects with multiple funding sources, TAM may also require project sponsors to use other funds before using TAM's Transportation Sales Tax Funds if the requirement is not prohibited by the other funds.

3.11 Advancement of Fund Policy

TAM will have the capability of loaning Measure AA sales tax receipts for the implementation of transportation projects or programs defined in the Expenditure Plan and pursuant to the Board approved Debt Management Policy.

Most of the Measure AA funds are distributed annually over the 30-year life of the measure. This is true with all of the categories except Category 1 for highway improvement projects, several of which are expected to need funds over a shorter period of time.

The two major projects (Marin Sonoma Narrows and Direct Connector from northbound Highway 101 to eastbound I-580) approved by the public and the planning for interchange improvements under Category 1 will likely require an advancement of funds from the sales tax stream. Major Road Projects and Richmond-San Rafael Bridge Approaches may also require advancement of funds. These projects are discussed below in the Section entitled, Programming/Allocation to Projects/Programs.

In addition, project sponsors, particularly local jurisdictions using the Local Streets and Roads funds under the Measure, sometimes need more than their annualized share to complete a priority project. TAM will continue to advance funds depending on overall funding availability. TAM may choose to assign interest costs to the advancing of funds.

3.12 Staffing and Administration Policy

TAM will hire the staff and professional assistance required to administer the proceeds of this tax and carry out the mission outlined in the Sales Tax Renewal Expenditure Plan. The total cost for administration and program management will not exceed 5% of the revenues generated by the transportation sales tax with administration staff cost capped at 1%. Other administrative and operational costs are included in the 5% allowance. This is consistent with the prior sales tax plan.

3.13 Strategic Plan Amendment Policy

The Strategic Plan is the programming document that directs the use of the transportation sales tax revenue for the life of the tax measure. The Strategic Plan provides the intent of the TAM Board and resultant assurance to sponsors. While the programming is a statement of intent, the Board must approve individual allocations before the sales tax can be used.

Annual adjustments to the Strategic Plan will occur, and at a minimum will include adjustments to the Revenue and Expenditure element of the Strategic Plan. These are envisioned to occur at the change of the Fiscal Year in June/July. For any other adjustments in the revenue and expenditure element that occur prior to the annual update, and which result in a reduced use of sales tax, the change will be noted in the allocation action of the Board, but an amendment to the Strategic Plan's revenue and expenditure element will not be necessary.

If changes in the revenue and expenditure element result in increased use in sales tax over $250,000, these changes will be noted in the allocations action of the Board, and an amendment to the Strategic Plan's revenue and expenditure element will be approved simultaneously.

For amendment changes $250,000 and under, the Board will have the authority to program funds from prior year(s) that were not allocated and/or unprogrammed carryover funds without formally amending the Strategic Plan and opening a formal public comment period. All TAM allocation actions will continue to be done at regularly scheduled and noticed TAM board meetings, allowing public comment and input.

The Annual Strategic Plan must be approved by the TAM Board, following a noticed public hearing on the draft Annual Strategic Plan and a 30-day public comment period. An amendment to the Strategic Plan will be implemented as part of a regularly scheduled Board meeting. Noticing of the amendment will occur as part of the current process for noticing Board meetings.

In all cases, the noticing shall comply with the Brown Act. Comments will be accepted at the meeting regarding the amendment. Approval of the amendment will occur at the following Board meeting, allowing time for additional comment. Any changes to policies contained in the Strategic Plan will also necessitate an amendment to the Strategic Plan, done simultaneously with changes to the policy.

4. REVENUE FORECAST

Projection of the sales tax revenue is critical to the programming and planning of all programs/projects that are allotted funds under the Measure A and Measure AA Expenditure Plans. The ongoing receipt of sales tax revenues allows TAM to fund programs, deliver projects, pay operating expenses and service debt for financed capital projects when needed. The amount and timing of sales tax revenues influences the maximum amount of monies available for projects regardless of whether funding is pay-as-you-go or from bond proceeds.

Collection of sales tax revenue fluctuates with the economic conditions. Major factors affecting the economy and sales tax revenues include population, personal income, and unemployment rate. Marin's economy is driven by various types of industries including financial services, healthcare, biotech, high technology and tourism. Its population is one of the wealthiest, healthiest and most highly educated in the nation, though significant disparities exist within the County. The expanding economy acts as a global talent magnet and employment hub over the years. Marin's unparalleled quality of life continues to attract new residents and reinforces residential property values, which together greatly helped the sales tax revenue collection over time.

Historical Sales Tax Data

The Measure A Expenditure Plan was very conservative with its revenue estimates. It set the annual revenue collection at $19.6 million with no growth over the 20-year period. The actual collection, starting in FY2005-06 as the first full year and up to FY2019-20, were all above the $19.6 million projected with the exception of a 2-year period following the 2008 global financial crisis when the economy and sales tax collection suffered greatly. During the development of the Measure AA Expenditure Plan, a still conservative but more realistic approach was taken based on an economic analysis conducted by the Marin Economic Forum in 2017 with a total of $872 million estimated for the 30-year renewal period.

The collection of the ½-cent Measure A sales tax began at the end of FY2004-05 and collection of FY2005-06 represented the first complete year of sales tax revenue collection. Table 1 shows the historic annual sales tax collection which serves as the basis for evaluating future trends.

TABLE 1: TAM HISTORICAL ½ CENT SALES TAX REVENUE

(Numbers in Million)

Fiscal Year	Sales Tax Revenue	Growth Rate
FY2006	$ 20.06	-
FY2007	$ 23.07	14.98%
FY2008	$ 22.43	-2.78%
FY2009	$ 19.32	-13.86%
FY2010	$ 18.98	-1.74%
FY2011	$ 20.26	6.72%
FY2012	$ 21.27	4.96%
FY2013	$ 23.62	11.07%
FY2014	$ 24.09	1.98%
FY2015	$ 25.27	4.90%
FY2016	$ 25.70	1.73%
FY2017	$ 25.76	0.21%
FY2018	$ 27.51	6.80%
FY2019	$ 28.99	5.40%
FY2020	$ 27.33	-5.74%
Average Growth Over the 15-Year Period		2.47%

2021 Revenue Forecast

With the COVID-19 pandemic likely easing up towards the second part of 2021 and full economic recovery not expected until 2023 or later, the potential further sales tax revenue loss weights on TAM's financial picture over the next few years. However, over the long-term, the strong sales tax drivers, including per capita personal income and the relatively low unemployment rate Marin has, will continue to support the strong taxable sales growth in Marin. The sales tax revenue forecast presented in the 2021 Strategic Plan is based on the TAM Board's adopted sales tax revenue level for FY2021-22. Growth is expected to continue over the course of the forecast period. However, the forecast considers the period of economic recession and the uncertainty around the economic recovery due to the COVID-19 pandemic and is based on a conservative estimate of 2% annual growth for the years after FY2021-22, which based on the 15-year average growth rate shown in Table 1, is a reasonable conversative approach.

Table 2 shows the total revenue projected by category comparing to the last Measure AA Strategic Plan (from 2019) and the Measure AA Expenditure Plan over the 30-year period.

TABLE 2: 2021 AND PRIOR STRATEGIC PLAN SALES TAX REVENUE PROJECTIONS

(Numbers in Million)

	2021 Projection	2019 Projection	AA EP Projection
Total Sales Tax Collection	***$ 1,057.00***	***$ 1,200.00***	***$ 872.00***
Change from Prior Projection - Overall %	***-12%***	***38%***	
Change from Prior Projection - $	*$ (143.00)*	*$ 328.00*	
Off the Top Major Roads Set-aside	$ 32.90	$ 32.90	$ 32.90
1% Administration and 4% Program Management	$ 52.85	$ 60.00	$ 43.60
Change from Prior Projection - $	*$ (7.15)*	*$ 16.40*	
Category 1: Highway 101 Improvements	$ 67.99	$ 77.50	$ 55.69
Change from Prior Projection - $	*$ (9.51)*	*$ 21.81*	
Category 2: Local Infrastructure Maintenance and Improvement	$ 257.38	$ 293.38	$ 210.81
Change from Prior Projection - $	*$ (36.00)*	*$ 82.57*	
Category 3: Safer Access to Schools Program	$ 111.69	$ 127.32	$ 91.48
Change from Prior Projection - $	*$ (15.62)*	*$ 35.83*	
Category 4: Transit Operation and Capital Improvement	$ 534.19	$ 608.91	$ 437.53
Change from Prior Projection - $	*$ (74.72)*	*$ 171.38*	

5. PROGRAMMING/ALLOCATION TO PROJECTS/PROGRAMS

Measure A Projects/Programs

The Measure A Expenditure Plan was based on the expectation that the ½-cent sales tax would be collected over 20-years with funds programmed to four strategies. The respective allocation for each strategy — by percentage — is shown in the table below.

Strategy 1 Bus Transit	**55%**
1.1 Maintain and Improve Local Service	37%
1.2 Maintain and Improve Rural Service	3%
1.3 Maintain and Improve Special Needs Service	9%
1.4 Transit Capital	6%
Strategy 2 Highway 101 Gap Closure	**7.5%**
Strategy 3 Local Transportation Infrastructures	**26.5%**
3.1 Major Roads and Related Infrastructures	13.25%
3.2 Local Roads and Related Infrastructures	13.25%
Strategy 4 School-Related Congestion and Safer Access to Schools	**11%**
4.1 Safe Routes to School Program	3.3%
4.2 Crossing Guard Program	4.2%
4.3 Safe Pathways to School Program	3.5%
TOTAL	**100%**

Per the Expenditure Plan, each of the four strategies is further divided into sub-strategies. Each sub-strategy is allocated a percentage specified in the Expenditure Plan.

Since Measure AA was approved by Marin voters in November 2018, the Measure A Program officially ceded collecting transportation sales tax funds on March 31, 2019. Collection of transportation sales tax funds resumed under the Measure AA Program on April 1, 2019.

The sections that follow provide a brief overview of each strategy of the Measure A Program and any remaining commitments from TAM in satisfying the obligations set forth by the Measure A Program.

Strategy 1: Local Bus Transit

Measure A Strategy 1 was intended to develop a seamless local bus transit system that improves mobility and serves community needs, including special transit for seniors and the disabled (paratransit services), whereby 55% of Measure A revenue was used on Strategy 1 to support and maintain a local bus (and paratransit) service that met the needs of the local community. Strategy 1 was divided into four sub-strategies:

1. Maintain and expand local bus transit service

2. Maintain and expand the rural bus transit system
3. Maintain and expand transit services and programs for those with special needs
4. Invest in bus transit facilities for a clean and efficient transit system

Marin Transit was the sole recipient for Strategy 1 funds, which account for the adopted Short-Range Transit Plan (SRTP) that provides a 10-year outlook of revenues and needs of local transit service in Marin County. The SRTP correlates specific programs and projects with the sub-strategies that make up Strategy 1.

As of the date of this Strategic Plan, all funds from Measure A Strategy 1 due to Marin Transit have been allocated and reimbursed to Marin Transit, including carried over funds that were unused from previous allocations. The remaining carried over funds for Marin Transit were allocated in FY 20/21 and all funds have been reimbursed.

The only remaining funds in Strategy 1.1 (Local Bus Transit Services) are funds due to Marin County and San Rafael. In June 2018, TAM adopted projects for the Fifth Cycle Lifeline Transportation Program (LTP) that included $68,000 to Marin County for Drake Avenue/Cole Drive Pedestrian Improvements and $248,000 to San Rafael for the Canal Neighborhood Uncontrolled Crosswalk Improvement Project. The funds programmed to Marin County and San Rafael projects were State Transit Assistance (STA) funds that are intended for transit operations and Marin County and San Rafael were ineligible direct recipients of STA funds. Marin Transit was an eligible recipient of STA funds and agreed to exchange Strategy 1.1 Measure A funds for the same amount of STA funds in FY 19/20. Under the fund exchange, Marin Transit received $316,000 in STA funds directly from the Metropolitan Transportation Commission (MTC) and Marin County and San Rafael received $68,000 and $248,000, respectively, in Strategy 1.1 Measure A funds from TAM.

The Measure A Strategy 1.1 funds were allocated to Marin County and San Rafael but reimbursements for those funds have not been requested. It is anticipated that the projects will be completed in FY 21/22 and funds will be requested. Upon reimbursement of $316,000 to Marin County and San Rafael, all funding obligations for Strategy 1 will have been fulfilled.

Strategy 2: U.S. 101 HOV Gap Closure Project

Strategy 2 of Measure A was intended to fully fund and accelerate completion of the Highway 101 carpool lane gap closure project through San Rafael. Eligible use of funds identified in the Expenditure Plan included completion of final construction segments through Central San Rafael and Puerto Suello Hill; noise reduction improvements for the adjacent neighborhoods; aesthetic and landscaping improvements; and completion of the north-south bicycle way through Puerto Suello Hill. All these facilities were completed. The HOV Gap Closure Project completion ceremony was held in March 2011.

In addition to funding the abovementioned facilities with Measure A Strategy 2 funds, TAM used Strategy 2 funds to exchange, also known “fund swaps,” with federal funds for local agencies to complete federally funded projects. The Gap Closure Project was already “federalized” so accepting more federal funds did not incur additional burdens for the Gap Closure Project. These fund swaps entailed the assignment of $5.9 million federal funds originally programmed to local agencies for 24 projects in exchange for $5.9 million in Measure Strategy 2 funds. All 24 projects were completed, and all Measure Strategy 2 funds were reimbursed to fulfill the commitments of the funding exchange.

In October 2007, the TAM Board approved an agreement with MTC to exchange $12.5 million in CMAQ funds for future Measure A funds from Strategy 2 to make funds available for the Gap Closure Project sooner than scheduled collection. MTC agreed to provide the entire amount of CMAQ funds in FY 08/09 while TAM repaid MTC with Measure A funds over seven years. The last payment from TAM was remitted in December 2015 to fulfill all obligations on the agreement.

The remaining commitments from Strategy 2 were assigned to a new category in Measure AA, called Set Aside for Major Roads and Richmond-San Rafael Bridge Approaches. These include fulfilling commitments to backfilled State-Local Partnership Program (SLPP) funds with Measure A Debt Reserved funds to projects in the Major Roads category and allocating funds collected for Bond Reserve that are available for projects after repaying MTC noted above. When these remaining funds were assigned to Measure AA, all commitments from Strategy 2 have been fulfilled.

Strategy 3: Local Transportation Infrastructure

The purpose of this strategy was to provide funding to maintain and improve transportation infrastructure that is of county-wide significance, as well as those that primarily serve local jurisdictions. Half of the funds were allocated for regionally significant facilities, while the other half are allocated for local facilities. Strategy 3 was divided into two sub-strategies:

3.1. Major Road Projects
3.2. Local Infrastructure Projects

3.1 Major Road Projects

The Measure A Expenditure Plan described the Major Road Projects as the most heavily traveled and significant roads and related infrastructure in Marin County. These are roads of countywide significance that may cross jurisdictional boundaries. Funds are allocated to the five County planning areas based on a formula weighted 50% by the population of the planning area and 50% by the number of road miles within the limits of the planning areas. Prioritized projects were identified and adopted in each of the five planning areas.

Since inception of the Measure A program, a number of Major Road projects were allocated funds from Strategy 3.1. The completed projects include San Rafael's Fourth Street Rehabilitation Project, Mill Valley's Miller Avenue Rehabilitation Project, and two West Sir Francis Drake Boulevard projects in West Marin County. Projects that have started but not completed include San Rafael's Third Street Rehabilitation Project, Marin County's Sir Francis Drake Boulevard in Ross Valley, Mill Valley's East Blithedale Avenue Rehabilitation Project, and Novato's Novato Boulevard Segment 1 Rehabilitation Project.

The uncompleted projects were assigned to a new Major Roads and Richmond-San Rafael Bridge Approaches Set Aside category in Measure AA. All commitments from Strategy 3.1 have been fulfilled.

3.2 Local Infrastructure Projects

The Measure A Expenditure Plan recognized that each jurisdiction has unique needs and that local priorities are best identified at the local level. Because of this, Local Infrastructure funds were distributed on a programmatic basis. Funds were allocated to local agencies based on a formula weighted 50% by the population of the local

agency's jurisdiction and 50% by the number of lane miles within the limits of that agency's jurisdiction. This formula was updated on a biennial basis to address changes in population and lanes mile figures. Eligible projects include street and road projects, local transit projects, and bicycle and pedestrian projects.

Since inception of the Measure A Program, Local Infrastructure funds were allocated annually to all eligible recipients by formula. The last allocations were approved in FY 19/20, fulfilling all commitments from the Measure A Program.

Strategy 4: School Related Congestion and Safer Access to Schools

The Measure A Expenditure Plan identified school-related trips as a "significant component of traffic congestion" in Marin. Strategy 4 was intended to make a significant improvement in local congestion while encouraging safe and healthy behavior in the County's young people. Strategy 4 was comprised of three sub-strategies designed to complement each other with the overall objective of providing safer access to Marin schools. Strategy 4 included:

4.1. Safe Routes to School Program
4.2. Crossing Guard Program
4.3. Safe Pathway Program

4.1 Safe Routes to School Program

Strategy 4.1 Safe Routes to School Program was an educational and promotional program that was implemented at over 60 schools throughout the county. The intent of the Safe Routes to School Program was to increase use of alternative modes of travel and reduce single-student occupant auto trips. Funds were made available annually to retain a consultant to manage the countywide Safe Routes to School Program. The last allocation was approved in FY 18/19 and fulfilled Measure A's commitment to the Safe Routes to School Program.

4.2 Crossing Guard Program

Strategy 4.2 Crossing Guard Program provided funding for trained crossing guards at approximately 88 key intersections throughout the County. Funds were used to retain a company that specialized in providing and managing crossing guards. All eligible funds from the Measure A Program were allocated to the Crossing Guard Program, fulfilling Measure A's commitment.

4.3 Safe Pathway Program

Strategy 4.3 Safe Pathway Program was the capital improvement element of the Safe Routes to School program. This program provided funds to design and construct projects identified through the implementation of the Safe Routes Plans developed under the Safe Routes to School program. Typical projects included the construction of pathways, sidewalk improvements, or traffic safety devices. A total of 54 projects were funded with $7.4 million in Measure A Strategy 4.3 funds. All Safe Pathway Projects have been completed except for four remaining projects. Measure A commitment to Strategy 4.3 will be fulfilled upon completion of the four remaining projects.

Reserve Funds

The Measure A Expenditure Plan allowed TAM to set aside a reserve fund of up to 10% of the annual receipts from the tax for contingencies, to ensure that the projects included in this plan are implemented on schedule. The purpose of establishing a reserve is to not only ensure that projects are implemented on time, but to allow for fluctuations in annual sales tax receipts that might negatively impact ongoing operating programs. In 2006, TAM established a policy in the Measure A Strategic Plan to set aside 5% annual reserve for the first five years of revenue collection.

TAM collected approximately $5.4 million in reserve funds in the first five years of the Measure A Program. In June 2019, the TAM Board adopted a policy to release Measure A reserve funds at a rate that does not exceed the amount collected for Measure AA reserve funds, to maintain the $5.4 million reserve level.

As allowed by the adopted policy, Measure A Reserve Funds in the amount equal to the estimated $1.43 million in Measure AA reserve collected from FY 19/20 and $320,000 collected in the last quarter of FY 18/19, a total of $1.75 million in Measure A reserve funds, was made available for allocations in FY 20/21 while maintaining the $5.4 million balance.

In accordance with the Measure A Expenditure Plan, collected revenues are to be distributed to four strategies in the percentage listed in the below table under the column labelled, Measure A Expenditure. However, the funding commitments for Strategy 2 was fulfilled when the lone project, Highway 101 Gap Closure Project, in Strategy 2 was completed. Therefore, it was not necessary to assign Measure A Reserve Funds to Strategy 2. The Reserve Funds that would have been assigned to Strategy 2 were proportionally assigned to the remaining strategies as shown in the table under the column labeled, Measure A Reserve Funds Programming.

	Measure A Expenditure Plan		**Measure A Reserve Funds Programming**	
Strategy 1	Transit	55%	Transit	59.46%
Strategy 2	Highway 101 Gap Closure	7.5%	Highway 101 Gap Closure	0.00%
Strategy 3	Streets and Roads 3.1 Major Roads – 11.25% 3.2 Local Roads – 11.25%	26.5%	Streets and Roads 3.1 Major Roads – 14.32% 3.2 Local Roads – 14.32%	28.64%
Strategy 4	Safe Routes to Schools 4.1 Safe Routes to School – 3.3% 4.2 Crossing Guards – 4.2% 4.3 Safe Pathway Projects – 3.5%	11%	Safe Routes to Schools 4.1 Safe Routes to School – 3.57% 4.2 Crossing Guards – 4.54% 4.3 Safe Pathway Projects – 3.79%	11.90%
	Total	**100%**	**Total**	**100%**

Measure AA Projects/Programs

The Measure AA Expenditure Plan Renewal was based on the expectation that the ½-cent sales tax would generate approximately $827 million over 30 years, net of expenses for administration and program management, debt service and bond issuance costs.

As outlined in the Measure AA Expenditure Plan, the revenues generated by Measure AA are programmed to four Categories and their associated Sub-Categories. The Categories and Sub-Categories are as follows, with a brief summary of what the Strategic Plan includes for each:

IMPLEMENTATION CATEGORY	Share	Est. Amount (in millions, in 2018 dollars)
Category 1 Reduce Congestion on Hwy 101 & Adjacent Roadways	**7.0%**	**$57.9**
1.1 Provide matching funds for the MSN Project	1.5%	$12.4
1.2 Provide matching funds for Hwy 101/I-580 Direct Connector	2.0%	$16.5
1.3 Improve Hwy 101 local interchanges and freeway access routes	3.0%	$24.8
1.4 Implement commute alternatives and trip reduction strategies	0.5%	$4.1
Category 2 Maintain, Improve, and Manage Marin's Local Transportation Infrastructure	**26.5%**	**$219.2**
2.1 Maintain and manage local roads	22.0%	$181.9
2.2 Provide safe pathways for safe walking and biking access to schools	3.0%	$24.8
2.3 Develop projects to address transportation impacts from sea level rise	1.0%	$8.3
2.4 Support operational improvements through innovative technology	0.5%	$4.1
Category 3 Reduce School-Related Congestion and Provide Safer Access to Schools	**11.5%**	**$95.1**
3.1 Maintain the Safe Routes to Schools Program	3.5%	$28.9
3.2 Expand the Crossing Guard Program	7.0%	$57.9
3.3 Provide capital funding for small school safety related projects	1.0%	$8.3
Category 4 Maintain and Expand Local Transit Services	**55.0%**	**$454.9**
4.1 Maintain and improve existing transit service	33.0%	$272.9
4.2 Maintain and expand rural and recreational bus services	3.0%	$24.8
4.3 Maintain and expand transit services for those with special needs	9.5%	$78.6
4.4 Provide transit services to schools	5.0%	$41.4
4.5 Invest in bus transit facilities	4.0%	$33.1
4.6 Expand access to ferries and regional transit, managed by Golden Gate Transit	0.5%	$4.1
TOTAL	**100%**	**$827.0**

The sections that follow provide a brief overview of each of the categories and the ongoing status for each category.

Category 1: Reduce Congestion on Hwy 101 & Adjacent Roadways

Category 1 of the Expenditure Plan is to "reduce congestion and reduce greenhouse gas emissions, maintain and improve local transportation infrastructure, and provide high quality transportation options for people of all ages who live, work, and travel in Marin County." The four subcategories are described below.

1.1 Provide Matching Funds for the MSN Project

The US101 Marin-Sonoma Narrows is expected to enter its final phase of construction in the Fall of 2021. A total of $12.4 million in Measure AA funds, representing 1.5% of the overall sales tax measure, will be used to augment other funds to complete the MSN Project. The distribution of Measure AA funds is shown in the below table.

Phase	Measure AA (in millions)
Design	$4.8
Right of Way (ROW)	$3.5
Construction	$4.1
Total	**$12.4**

Funds have been secured to fully fund the construction phase based on the engineer's estimate of $121 million. The funding plan for the construction phase is shown in the below table.

MSN Project Construction Phase	(in millions)
SB1 SCCP	$40.1
Measure AA	$4.1
STIP/CRRSSA	$1.1
Federal STP (for RM3)	$75.7
Total	**$121.0**

The completion of the Narrows HOV Lane and multi-use path system in Marin will be matched by the completion of the HOV Lane and path system in Sonoma County. The final Sonoma project stretches from East Washington to Petaluma Boulevard North in the City of Petaluma and began construction in the Fall of 2019.

1.2 Provide Matching Funds for Hwy 101/I-580 Direct Connector

The entry to the Richmond San Rafael Bridge from Northbound Highway 101 and Sir Francis Drake Boulevard in Marin is one of two toll bridge entries in the entire Bay Area that requires users to travel through low speed, local road traffic signals, causing significant delays to Highway 101 to I-580 in Marin, and to local roads, especially those in San Rafael and Larkspur. With the opening of the third lane eastbound on the Richmond San Rafael Bridge, it is critical that a new direct freeway-to-freeway connector be built that allows traffic from northbound Highway 101 to access the bridge in an efficient manner. Most importantly, the East Sir Francis Drake corridor through Larkspur Landing can then be utilized primarily for access to the SMART station and the Golden Gate Ferry, along with supporting local commercial, business, and residential access. Regional trips will be relocated to the direct freeway-to-freeway connector to the north.

The Project has been underway since the Summer of 2019 and an initial outreach process is concluding in Summer 2021 to help guide the selection of potential alternatives to continue to study. The outreach effort has included a Stakeholder Working Group consisting of over 20 representatives from the surrounding area. The environmental process is set to begin in Spring of 2022.

1.3 Improve Hwy 101 Local Interchanges and Freeway Access Routes

The Measure AA Expenditure Plan directs 3% of revenues towards a program to study potential improvements to Highway 101 interchanges and approaching local roadways. The studies will investigate enhancements for all users including vehicle, bicycles, pedestrians, and transit services. The funds are intended to be used as "seed money" to leverage possible federal, state, regional or local grant source. Studies at the twelve interchanges listed below were initiated in FY 20/21.

- Alexander Avenue
- Sausalito/Marin City

- Tiburon Blvd./East Blithedale Avenue
- Paradise Drive/Tamalpais Drive
- Sir Francis Drake Boulevard
- San Rafael On-Ramp at 2nd Street and Hetherton Avenue
- Merrydale Road/North San Pedro Road
- Manuel T. Freitas Parkway
- Lucas Valley Road/Smith Ranch Road
- Alameda del Prado/Nave Drive
- Ignacio Boulevard
- San Marin Drive/Atherton Avenue

The studies commenced in the Spring of 2020 and will conclude in the Fall of 2021. The consultant contract for the studies was $1.875 million. At the conclusion of the studies, three locations will be selected for an in-depth study.

1.4 Implement Commute Alternatives and Trip Reduction Strategies

Measure AA allocates 0.5% to the promotion and implementation of commute alternatives and trip reduction programs to decrease single occupant vehicle (SOV) trips, increase shared mobility and reduce peak hour congestion throughout the county. TAM has carried out commute alternatives programs since the passage of Measure B, Marin County's $10 vehicle registration fee, and this subcategory will supplement Measure B funding to allow for an increase of TAM's activities to promote non-automotive transportation.

Commute alternatives and trip reduction strategies encourage residents, employees, and visitors to use more environmentally friendly and efficient modes, with an emphasis on transit, bicycle riding, walking, and shared rides. Supporting first and last mile connections to transit through innovative approaches can also support congestion reduction and remove the need for vehicle ownership. Existing successful programs can be sustained with these funds, such as TAM's Marin Commutes Program, Vanpool Incentive Program, and Emergency Ride Home Program, along with new strategies building on the implementation of innovative programs including car sharing, TAM's Get SMART Pilot Program, and promotion of first/ last mile access to major transit hubs, through bike sharing support and other shared mobility programs.

As a primary method of promoting a variety of high-quality transportation options and alternatives to single occupant vehicle trips, TAM launched the Marin Commutes Program in 2019 as a comprehensive public engagement strategy emphasizing the benefits of alternative transportation options and building awareness of the incentives and tools available to Marin commuters. Many of the commute alternatives and trip reduction strategies under this category of Measure AA will be delivered through the Marin Commutes Program. (TAM funds transit programs under category 4 and public transit operations, maintenance or capital expenses are an ineligible expense.) Commute Alternatives and Trip Reduction strategies often include local employer and employee outreach, education, rewards and incentives. TAM will administer the Commute Alternatives program as part of its existing Commute Alternatives program, while offering assistance to partners and local jurisdictions to help support reductions in vehicle miles traveled (VMT) and equitable programs to support residents and the workforce to utilize encouraging transportation alternatives. This suite of programs has been deeply affected by the pandemic-related changes in travel patterns; TAM staff will continue to monitor and adapt the programs to meet evolving needs.

Category 2: Maintain, Improve, and Manage Marin's Local Transportation Infrastructure

Category 2 of the Expenditure Plan is to "maintain, improve, and manage Marin's local transportation infrastructure, including roads, bikeways, sidewalks, and pathways to create a well-maintained and resilient transportation system." The four subcategories are described below.

2.1 Maintain and Manage Local Roads

Subcategory 2.1 funds the maintenance of and improvements to local roads, which are the largest single public investment in the county. Funded projects must consider the needs of all roadway users. Local jurisdictions, as project sponsors, will be encouraged to coordinate with adjacent jurisdictions to maximize economic efficiency and minimize construction impacts.

The goal is to develop a comprehensive plan for improving critical roadways at the time an investment is made. Where feasible, locally defined bicycle and pedestrian projects will be implemented in conjunction with other roadway improvements. Funds utilized are eligible to be spent on the following:

- Paving, reconstruction, and repair to roadways, including drainage, lighting, landscaping and other roadways system components.
- Sidewalks, bikeways, and multi-use pathways.
- Safe pathways to transit and bus stop improvements.
- System enhancements to accommodate new technologies such as signal coordination and real time information.
- Facilities to support alternative fuel vehicles, including electric vehicles and autonomous vehicles.
- Municipal fleet conversions to alternative fuel vehicles.
- School bus service in local corridors as a mechanism to relieve congestion.

The Expenditure Plan recognized that each jurisdiction has unique needs and that local priorities are best identified at the local level. Because of this, Local Road funds are distributed on a programmatic basis. Funds are allocated to local agencies based on a formula weighted 50% by the population of the local agency's jurisdiction and 50% by the number of lane miles within the limits of that agency's jurisdiction. This formula is updated on a biennial basis to address changes in population and lane mile figures. The distribution shares will use the most current population data from the California Department of Finance and lane miles from MTC. The distribution shares shown in the Five-Year Programming table have been updated in 2021.

Since inception of the Measure AA Program, annual allocations of approximately $5 million in Category 2.1 funds have been distributed to local agencies. The allocations included funds collected for FY 18/19, FY 19/20, and FY 20/21.

2.2 Provide Safe Pathways for Safe Walking and Biking Access to Schools

Category 2.2 funds school-related projects known as Safe Pathways to Schools. Safe Pathways is the capital improvement element of the Safe Routes to Schools program. Where the Safe Routes program identifies circulation improvements needed for safe access to schools, the Safe Pathways program provides funding for the engineering, environmental clearance, and construction of pathway and sidewalk improvements in all Marin County communities, including safety improvements at street crossings. As defined in the Expenditure Plan, typical projects might include the construction of pathways, sidewalk improvements, circulation improvements, or traffic safety devices.

Category 2.2 can be used to fund Safe Pathway projects or as matching funds from other sources and may be used in combination with road funds to accelerate pathway improvements in school areas. Safe Pathways funds shall be available to local jurisdictions and will be distributed on a competitive basis to jurisdictions following a Call for Projects managed by TAM.

Category 2.2 is intended to fund larger projects. The allocation of funds under Category 2.2 is recommended to be capped up to $400,000 to assure equitable distribution of available funds but this amount can be adjusted depending on the amount of funds available and the bidding environment. A Call for Projects will be conducted approximately once every three to four years when the accumulation of funds has reached a sufficient level to fund more than seven projects. Smaller safe pathway projects discussed under Category 3.3 are generally included in a Call for Projects with Category 2.2.

Eligible Safe Pathways projects will be selected based on performance criteria that may including the following:

- Relieve an identified safety or congestion problem along a major school route
- Complete a "gap" in the bicycle and pedestrian system along a major school route
- Maximize daily uses by students and others
- Attract matching funds
- Respect geographic equity

All projects will come from approved Safe Routes plans. Approved Safe Routes plans are developed in a cooperative effort of schools' Safe Routes to Schools teams, which can include local Safe Routes Task Forces, school officials and staff, parents and children, local elected officials and representatives of public works departments of local jurisdictions, and at times, neighborhood representatives.

A primary element in development of the plans is the "walkabout" where the team identifies on-site, the routes to the school and areas for safety improvement. Plans resulting from this reconnaissance are reviewed and approved by the local jurisdictions' public works department. This thorough review means that the final approved concept reflects support of parents, school officials and local jurisdictions.

In October 2019, the TAM Board approved funds from Categories 2.2 and 3.3 for 13 large projects and 14 small projects in the amounts of $4.6 million and $900,000, respectively. The funds estimated to be collected from FY 18/19 to FY 22/23 were used to fund the programmed projects.

With over $5 million programmed, TAM could not have honored reimbursement requests if large amounts were requested at the same time. A reimbursement schedule was developed to let sponsors know when and how much they can request reimbursement in a given year over the five-year period. There were five outstanding projects from prior cycles. Sponsors of those five projects also were instructed to finish their previously funded projects before commencing projects funded from the current cycle as a way to spread the reimbursement demand. To date, actual reimbursement demands have not exceeded the amounts in the reimbursement schedule, preserving a positive cashflow for Categories 2.2 and 3.3.

2.3 Develop Projects to Address Transportation Impacts from Sea Level Rise

The realities of rising sea levels, higher tides, and flooding are Bay Area issues that are particularly challenging in Marin and will have a severe effect on the future of infrastructure facilities. Marin has been served well by the efforts to define the impacts of climate change through its evaluations of vulnerabilities - the 2015 BayWAVE and C-SMART reporting efforts, addressing both Marin's bayside and ocean coast impacts and opportunities for

solutions. Caltrans has evaluated its major facilities and their vulnerability and released their report in Spring 2018 – Caltrans District 4. Climate Change Vulnerability Assessments, followed by a Priorities report in 2021.

The funds in this category are reserved for the planning of infrastructure improvements to address sea-level rise, or as matches to grants sought for that purpose, as spelled out in the adopted Measure AA Expenditure Plan. The funds are small and no doubt insufficient for design or construction of these solutions but can be used to plan for improvements and serve as matching funds to grants from other sources.

TAM staff have been working closely with local agencies to consider future needs and opportunities and presented a framework for discussion to the TAM Board in November 2020. Based on this discussion and subsequent discussions, TAM staff have reserved $50,000 in the FY 21/22 budget to conduct a review of existing plans and studies at identified vulnerable transportation locations to sea level rise. This study will identify considerations, concerns and opportunities at vulnerable locations in Marin County both on major transportation facilities and adjacent to these facilities. If other near-term opportunities arise, the Strategic Plan will be amended to include programming of funds during this upcoming fiscal year, FY 21/22.

2.4 Support Operational Improvements through Innovative Technology

Over the last several years, the transportation industry has seen rapid changes in mobility from the use of smartphone applications, and new advancements in the technology sector and electric vehicle sector. It is impossible for transportation agencies to fully anticipate changes in the era of digital transformation that will occur over the next few years, further compounded by the Covid-19 pandemic, where a rapid shift in mobility occurred. TAM responded quickly with providing grant funds to support redesign of our local road networks and encourage the use of active transportation. A call for projects was conducted to local public works departments, and the TAM board programmed funds to support these projects using funds collected over FY 19/20 and 20/21.

As these funds continue to be replenished over FY 21/22, staff will look toward the use of the funds for further quick build projects or potentially planning activities to guide the implementation of emerging technology in alignment with the expenditure plan.

Category 3: Reduce School-Related Congestion and Provide Safer Access to Schools

Strategy 3 of the Expenditure Plan is to "reduce school related congestion and provide safer access to schools."

3.1 Maintain the Safe Routes to Schools Program

Safe Routes to Schools (SR2S) is a proven program designed to reduce local congestion around schools while instilling healthy and sustainable habits in our young people. The program includes several components including classroom education, special events, and incentives for choosing alternative modes to schools, as well as technical assistance to identify and remove the barriers to walking, biking, carpooling, or taking transit to school. The program, which is currently managed by TAM, is in its 20th year of operation and has proven its ability to increase alternative mode use to schools, with over 60 participating schools, and an average of over 50% green trips – walking, biking, and taking transit – to and from participating schools.

The Measure AA Program continues the efforts established by the Measure A Program to be the primary source of funds for the SR2S Program and has allowed it to operate at consistent funding level since 2004. The latest evaluation report was completed in 2019 and indicated continuing congestion relief around schools. The impacts of the current pandemic reduced the ability to hold in person educational programs; however, the team

has worked closely with the schools to accommodate the program in a virtual environment. It is expected that live programs will be possible during the 2021/2022 school year.

3.2 Expand the Crossing Guard Program

One of the greatest barriers to using alternative modes to schools is the difficulty of crossing Marin's busiest streets. Even with infrastructure improvements, parents are reluctant to allow their children to walk or bike to school if they must cross a busy street. While some schools operate volunteer crossing guard programs, experience suggests that this is not a reasonable long-term strategy, as volunteers can be difficult to maintain. Since county voters approved transportation sales taxes, TAM has expanded its crossing guard program to 100 locations throughout the county. These services are contracted to a professional company that specializes in crossing guard programs to ensure that there are trained crossing guards with back-ups for every critical intersection, and the program is professionally managed with reduced risk and liability.

The Program was able to accommodate the extra shifts required during the current pandemic to serve schools with block scheduling. It is expected that the 2021/2022 school year will return to normal scheduling. The counts associated with guard deployment locations have been postponed one year due to the pandemic. A new deployment list will be in place for the 2023-2024 school year.

3.3 Provide Capital Funding for Small School Safety Related Projects

While Category 2.2 funds "large" Safe Pathway projects with allocation of funds of $400,000 or more, funds for "small" Safe Pathway projects are covered by Category 3.3. Small Safe Pathway projects are limited to $50,000 per project maximum.

Small-scale safety improvement devices that may not compete well for larger grant programs such as signal upgrades, rectangular rapid flashing beacons, and other flexible technology improvements would be included in this program. Small Safe Pathways funds will be available to local jurisdictions and will be distributed on a competitive basis following a Call for Projects managed by TAM.

In October 2019, the TAM Board approved funds from Category 3.3 for 14 small projects in the amounts of $900,000. Approximately $200,000 is collected annually for Category 3.3. The amount allocated in October 2019 will be funded from estimated revenues collected from FY 18/19 to FY 22/23.

Category 4: Maintain and Expand Local Transit Services

Category 4 of the Expenditure Plan is to "maintain and expand efficient and effective local transit services in Marin County, including services to schools and specialized service for seniors and persons with disabilities, to reduce congestion and meet community needs."

It was a goal of the Expenditure Plan to support diverse, efficient, and sustainable transportation options that promote mobility and maintain the quality of life for residents of Marin County. This category contains a variety of transit programs that work together with the other Expenditure Plan strategies to develop sustainable and responsive alternatives to driving for a variety of trip purposes in Marin. It provides Marin with an efficient transit system that reduces greenhouse gas emissions and meets the needs of those who travel between and within the county's many communities. Transit services were affected worldwide by the pandemic, and Marin was no exception. However, the local agencies adapted quickly and continue to make adjustments in order to manage their budgets and meet the needs of riders while meeting public health mandates. TAM will continue to monitor the changes to transit brought by the last two years.

Although Measure A stopped collection on March 31, 2019, Measure A funds from Strategy 1 were still available to Marin Transit in FY 19/20 and FY 20/21 because of unused and carry over funds from prior years. All Measure A Strategy 1 funds due to Marin Transit have been allocated and reimbursed to Marin Transit in FY 20/21. Starting in FY 21/22, Marin Transit will only be allocated Measure AA funds.

4.1 Maintain and Improve Existing Transit Service

Category 4.1 allows Marin Transit to plan long term and contract Marin's local transit service. Funding will ensure that service levels are maintained and increased in the long term, with focus on the leveraging of other funds. This category will provide funding to maintain and improve intercommunity bus transit service and service along major bus transit corridors throughout Marin County. Marin Transit operates a number of bus transit corridors that have frequent service and boast high ridership numbers at peak hours. These include:

- All day services in the Canal – downtown San Rafael – Marin City corridor.
- Services between San Rafael and San Anselmo.
- Services to local colleges.
- Peak period services to major employers in Novato, San Rafael, and other locations.

While frequent service is critical along major corridors, there are transit markets and communities within Marin County that may be better served with low-cost services such as smaller transit vehicles or on-demand services, such as the West Marin Stagecoach.

Category 4.1 will also fund programs that provide discounts to low-income riders to support mobility and access to jobs and basic services for those with no alternatives. Approximately $7.5 million is collected annually and made available to Marin Transit upon annual request.

4.2 Maintain and Expand Rural and Recreational Bus Services

Category 4.2 funds Marin's rural and recreational bus services that reduce congestion and improving mobility for Marin County residents and visitors. These are primarily the West Marin Stagecoach, Muir Woods Shuttle, and Tomales-Dillon Beach Dial-A-Ride that serve the rural and recreational areas of Marin County. Approximately $650,000 is collected annually.

4.3 Maintain and Expand Transit Services for Those with Special Needs

Category 4.3 funds transit services for those with special needs who are not able to use fixed-route services. Included in special needs are traditional paratransit for seniors and the disable, travel training, subsidized taxi services, and volunteer drive programs. Marin Transit contracts with Whistlestop Wheels to provide specialized services for older adults and persons with disabilities. These services are essential to keep Marin's resident's mobile and independent as they get older.

Services for seniors and persons with disabilities are planned with the support of the Marin Mobility Consortium, which advises Marin Transit on the needs of these communities and receives public input from all areas of the county. With support of the 2004 sales tax, there have been many successful programs, including new shuttle services and scheduled group trips. Measure AA funding will allow these innovations to continue and expand to serve Marin's aging population.
This program will also extend funding for low- income seniors and people with disabilities. Approximately $2.2 million is collected annually.

4.4 Provide Transit Services to Schools

Safe Routes to Schools programs benefit students and families in close proximity to Marin schools by educating and encouraging walking and biking. Public transit and yellow school bus services provide service for students with longer trips to school. Category 4.4 dedicates funds to maintain yellow bus services in partnership with local schools and parent organization. Category 4.4 also funds enhanced school-oriented bus services is also integral to this category.

The school service category also provides ongoing assistance for our youth and the lowest income families who are unable to afford current transit fares. The youth discount program funded from this category works in tandem with other school enhancements to develop early and life-long transit riding habits. Approximately $1.2 million is collected annually.

4.5 Invest in Bus Transit Facilities

Category 4.5 funds investment in vehicles and facilities. This will include funding for a green transit fleet, new bus transit hubs for efficient and safe transferring between routes, constructing a local bus maintenance facility, and new amenities at bus stops including real-time transit information.

Transitioning to a fleet of green transit vehicles (such as electric buses) will help the county reduce its carbon footprint and save costs in the long term. Many Marin Transit routes are well suited to electric bus operations, with transit centers at one or both termini, and varied topography (regenerative braking and downhill power generation helps with battery charging).

Category 4.5 is intended to provide Marin County with an efficient transit system that fully meets the needs of those who need or wish to travel both between and within communities via bus or shuttle transit. Increasing support for mobility alternatives will provide options for those who either cannot or choose not to drive for all of their trips.

Approximately $950,000 is collected annually. Unlike operational services like Categories 4.1 to 4.3 that need annual funding, allocations for Category 4.5 are based on Marin Transit's capital needs that may vary from year to year.

4.6 Expand Access to Ferries and Regional Transit, Managed by Golden Gate Transit

Marin County residents and workers now have expanded regional transportation options to improve regional mobility, particularly during commute hours. Local residents and workers often require first and last mile connections to make these regional options accessible, including access to the ferry and express bus services.

Category 4.6 helps to expand and maintain connecting ferry shuttle services, remote parking locations adjacent to transit hubs, and other last mile solutions that provide regional access for Marin's residents and commuters.

Category 4.6 provides dedicated funding to improve access to regional bus and ferry service provided by the Golden Gate Bridge, Highway, and Transportation District. These funds support Golden Gate Transit in their regional transit efforts and are contingent on Golden Gate maintaining their bridge toll revenue that currently funds these regional services and meeting their performance and operations subsidy goals. Approximately $115,000 is collected annually.

Set Aside for Major Road and Richmond-San Rafael Bridge Approaches

In addition to funding the four categories noted above, the Measure AA Expenditure Plan also directed TAM to set aside up to $2.35 million annually to fund commitments from the Measure A Program to several major road projects and to the Richmond-San Rafael Bridge approaches (on East Sir Francis Drake and Bellam Boulevard).

Funding for the Major Road Projects would have continued until the expiration of the Measure A Program in 2024. Measure AA funds will be made available to the jurisdictions with remaining originally programmed projects over the life of the new Measure AA, under as-needed timing of the project sponsor. Only those Major Roads projects specifically mentioned below will receive Measure AA funds.

Under the original Measure A Program, $2.35 million per year was set-aside as a "Bond Debt Reserve" to pay for the needed advancement of sales tax funds to enable the Highway 101 Gap Closure to be built in the early years of the Measure A Program. TAM was able to obtain an advantageous loan from MTC at a much-reduced cost than a formal market-based sales tax bond.

The Bond Debt reserve was used to pay back the MTC loan, completed in 2015. From 2015 to 2018, and projected into the future, the majority of the Bond Debt reserve was programmed for unfinished Major Road projects. A small amount of the Bond Debt reserve set-aside was used on a one-time basis by TAM for an urgent need, the Bellam Boulevard Off-Ramp and Intersection Project, East Sir Francis Drake Boulevard (ESFD) Project, and Highway 101/I-580 Direct Connector Feasibility Study. These projects are known as the Richmond-San Rafael Bridge Approach Projects.

Starting in FY 19/20, the first full year of sales tax under the new Measure AA plan, the original $2.35 million off the top reserve will be set-aside for the Major Road and Richmond-San Rafael Bridge Approach Projects. The total amounts are delineated as follows, under their original prioritized road segments:

- Southern Marin Planning Area, East Blithedale (Mill Valley) $1.89 million
- Central Marin Planning Area, Third Street (San Rafael) $12.5 million
- Ross Valley Planning Area, Sir Francis Drake Blvd, Hwy 101 to Ross, (County of Marin) $11.87 million
- West Marin Planning Area, Sir Francis Drake, (County of Marin) $74,000
- North Marin Planning Area, Novato Boulevard (Novato) $11.59 million
- Richmond-San Rafael Bridge Approach Projects (TAM) $3.8 million

The amounts noted above for Central Marin, Ross Valley, and Northern Marin include the State Local Partnership Program (SLPP) backfilled funding commitment approved by the TAM Board in July 2010 and July 2011. The projects in Southern Marin and West Marin have already received full allocations of SLPP backfilled funds from TAM so the amounts shown only included sales tax funds.

This Set Aside category replaces the Bond Debt Reserve identified original Measure A Expenditure Plan. Measure AA funds will be set-aside for approximately 14 years, or until unallocated commitments as defined are met.

As of the date of this Strategic Plan, all funds in this category have been allocated except for the funds programmed in the North Marin Planning Area for Novato's Novato Boulevard Rehabilitation Project and the nominal amount in the West Marin Planning Area.

The Novato Boulevard Rehabilitation Project is currently in the design and right of way (ROW) phases. Novato will request the remaining available funds for the construction phase when the design and ROW phases are complete.

The nominal amount for the West Marin Planning Area was the amount accumulated after Marin County completed the second prioritized project, Sir Francis Drake Boulevard between Lagunitas Road and Wild Iris Drive. The funds can be used any eligible project on Sir Francis Drake Boulevard between Fairfax Limit and Platform Bridge Road.

Implementation Guidelines

Before Measure AA Transportation Sales Tax funds can be spent on a project or program, the sponsoring agency will need to request an allocation of funds and execute a funding agreement with TAM. In general, the funding agreement will describe the project/program scope, the anticipated schedule, and an estimated cash flow of Measure AA funds. The agreement will also specify the responsibilities of both TAM and the project sponsor, as described in this section. The TAM Executive Director shall have the authority to execute such funding agreements on behalf of the TAM Board of Commissioners.

A. Claimant Policies

The following claimant policies provide a framework for the funding agreements that will be developed for the allocation of Measure AA funds. These policies clarify TAM's expectations of sponsors to deliver their projects and have been designed to support the Implementation Guidelines provided in the Expenditure Plan and the Strategic Plan Guiding Principles.

1. Eligibility for Funding
   - Project types and sponsors are to be as identified in the Marin County Transportation Sales Tax Expenditure Plan.
   - The addition of new project types and/or sponsors can only be accomplished through an Expenditure Plan amendment.
   - Projects are to be consistent, as applicable, with regional and state plans, such as Marin Transit's SRTP, Marin County's Congestion Management Plan, and the Metropolitan Transportation Commission's (MTC's) Regional Transportation Improvement Plan (including Air Quality Conformity).

2. Application Process
   - There are two paths for the allocation of funds:
     a. Programmatic funding, such as Category 2.1, Local Roads.
     b. Project specific funding, such as Category 1.3, Local Interchange projects.
   - Allocations for programmatic funding will be on an annual basis, in accordance with formulas specified in the Strategic Plan. For Local Roads projects, sponsors need to submit an allocation request form that specifies projects anticipated for implementation. The proposed projects should come from sponsors' Capital Improvement Programs (CIP) or equivalent. Sponsors may also use Local Roads funds for unanticipated emergency projects not in their CIP. If sponsors use such funds for projects not mentioned in the allocation request form, a revised allocation request form needs to be submitted to TAM before proceeding to implementation. Sponsors are also required to document the changes in the annual report.

- For an allocation of project specific Measure AA funds, project sponsors will need to submit a complete application package, consisting of the following information:
  a. Identification of Lead Sponsor
  b. Inclusion in local and/or regional plans (as required)
  c. Status of environmental review (as required)
  d. Notice of impediments to project or program
  e. Scope of Work / Description of Service
  f. Adherence to Performance Measures (as required)
  g. Delivery Schedule (by Phase)
  h. Funding Plan
     i. Cost and funding for each phase of the project, including the status on non-Measure AA funds on whether these funds have been secured or have expiring deadlines
     ii. Cash flow needed on Measure AA funds
     iii. Expenditures to Date

3. Allocation and Disbursement of Funds
   - All allocations of Measure AA funds by TAM will be reviewed for the following:
     a. Consistency with the Strategic Plan [Program of Projects]
     b. Completeness of the application via the Allocation Request Form and consistency with Strategic Plan requirements.
   - All allocations of Measure AA funds will be governed by a funding agreement between TAM and the sponsoring agency. The TAM Board will approve such allocations. TAM's Executive Director will have the authority to execute funding agreements.
   - Programmatic funding will be approved annually, and project specific funding will be approved based on project readiness. For multi-year projects, funding allocations and funding agreements may be for the term of project phases (i.e., environmental, design, construction).
   - All agreements will document the following (See Appendix 3b):
     a. Scope of Work
     b. Project Schedule
     c. Funding Plan
     d. Adherence to Performance Measures (if applicable)
     e. Reporting requirements
     f. Acceptance of TAM's Claimant Policies
   - Funding agreements shall be executed by resolution of the sponsor's governing board.
   - Prior to the disbursement of funds, a project must have:
     a. an approved allocation resolution from the TAM Board
     b. an executed funding agreement between the sponsoring agency and TAM.
   - The standard method of payment will be through reimbursement, with the exceptions of Category 4.1, 4.2, 4.3, and 4.4, which can be distributed one month before costs have been incurred, and Category 2.1 (Local Roads), which are distributed on a formula basis. Project advances will require approval from the TAM Board.
   - Funds may be accumulated by TAM over a period of time to pay for larger and long-term projects. All interest income generated by these proceeds will be used for the transportation purposes described in the Expenditure Plan and Strategic Plan as approved by the TAM Boards.
   - Timely use of funds requirement will be specified in each agreement.

- Project reimbursement requests must be accompanied by evidence of payment. Reimbursement requests shall be submitted no more frequently than monthly.
- Measure AA funds will not substitute for another fund source that has been programmed or allocated previously to the project or program without prior approval of TAM.
- Other fund sources committed to the project or program will be used in conjunction with Measure AA funds. To the maximum extent practicable, other fund sources will be spent down prior to Measure AA funds. Otherwise, Measure AA funds will be drawn down at a rate proportional to the Measure AA share of the total funds programmed to that project phase or program.
- After a multi-year allocation of funds has been made to a project phase, the release of funds in any subsequent fiscal year will be subject to the submittal and acceptance by TAM's Executive Director of a complete Progress Report meeting the requirements for progress reports as adopted by the TAM Board.
- Measure AA funds will be allocated to phases of a project or to a program based on demonstrated readiness to begin the work and ability to complete the project phase.
- Measure AA allocations for right-of-way and construction will be contingent on a completed environment document.

4. Monitoring and Reporting Requirements
   - Recipients of Measure AA funds will be required to submit status reports per the provisions of the funding agreement.
   - The report will provide information on compliance to established performance measures.
   - Audit requirements will be specified in the agreement.

5. Eligible and Ineligible Costs
   - Funds are to be expended in accordance with the applicable provisions of the Expenditure Plan and the Public Utilities Code Section 180000 et seq.
   - Eligible phases are as follows:
     a. Planning / Conceptual Engineering
     b. Preliminary Engineering / Environmental Studies
     c. Design Engineering (PS&E)
     d. Right of Way Support / Acquisition
     e. Construction
   - Eligible project sponsor costs include the following:
     a. Direct staff time (salary and benefits)
     b. Consultants selected through a competitive selection process
     c. Right of way acquisition costs
     d. Competitively bid construction contracts
   - TAM oversight costs are eligible costs.
   - Indirect costs (as defined by OMB Circular A-87) will not be considered an eligible expense.
   - Retroactive expenses are ineligible. No expenses will be reimbursed that are incurred prior to TAM Board approval of the Measure AA allocation for a project or program. TAM will not reimburse expenses incurred prior to fully executing a Funding Agreement.

6. Other
    - Project sponsor will provide signage at construction sites for projects funded partially or wholly by Measure AA sales tax revenue so that the Marin County taxpayers are informed as to how funds are being used.
    - Project cancellation will require repayment of all unexpended funds and funds determined by audit not to have been expended as provided for in the funding agreement.

Appendix

Appendix 1 - Measure A Five-Year Programming

Appendix 2 - Measure AA Five-Year Programming

Appendix 3 - Measure AA Category 2.1 Local Road Infrastructure Programming by Agencies

Appendix 4 - Measure A Expenditure Plan (available for download)

Appendix 5 - Measure AA Expenditure Plan (Available for download)

Appendix 6 - Comments and Responses on Strategic Plan

Appendix 1 - Measure A Five-Year Programming

Measure A 1/2 Cent Sales Tax Programming	PRIOR	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	TOTAL
	Numbers in '000's							
Strategy 1 - Transit								
Strategy 1.1 Local Bus Transit Service	110,435	244	316	-	-	-	-	110,995
Strategy 1.2 Rural Bus Transit Service	8,795	-	-	-	-	-	-	8,795
Strategy 1.3 Special Needs Transit Services	27,022	-	-	-	-	-	-	27,022
Strategy 1.4 Bus Transit Facilties	17,154	-	-	-	1,424	-	-	18,578
Total	***163,406***	***244***	***316***	***-***	***1,424***	***-***	***-***	***165,390***
Strategy 3 - Local Transportation Infrastructure								
Strategy 3.1 Major Roads								
Active Projects								
County of Marin - Ross Valley Sir Francis Drake Blvd	4,924	4,748	4,748	-	-	-	-	14,420
Mill Valley - E. Blithedale	250	-	-	-	-	-	-	250
San Rafael - Third Street	300	-	-	-	-	-	-	300
Novato - Novato Blvd - Segment 1	401	-	-	-	-	-	-	401
Completed Projects	24,101	-	-	-	-	-	-	24,101
Strategy 3.2 Local Streets and Roads	38,011	-	-	-	-	-	-	38,011
Total	***67,987***	***4,748***	***4,748***	***-***	***-***	***-***	***-***	***77,483***
Strategy 4 - Safer Access to Schools								
Strategy 4.1 Safe Routes to Schools	8,715	470	-	-	-	-	-	9,185
Strategy 4.2 Crossing Guards	11,576	-	-	-	-	-	-	11,576
Strategy 4.3 Safe Pathways								
Active Projects								-
Corte Madera-Co. Day & Montessori, La Perouse	244	-	-	-	-	-	-	244
Mill Valley Camino Alto Bike Ped	350	-	-	-	-	-	-	350
Larkspur-Doherty Dr Bike Ped	350	-	-	-	-	-	-	350
San Anselmo - Brookside Elementary	350	-	-	-	-	-	-	350
Completed Projects	6,159	-	-	-	-	-	-	6,159
Total	***27,744***	***470***	***-***	***-***	***-***	***-***	***-***	***28,214***

Appendix 2 - Measure A A Five-Year Programming

Measure AA 1/2 Cent Sales Tax Programming		PRIOR	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	TOTAL
		Numbers in '000's							
Major Road Set-Aside									
Active Projects									
	Mill Valley - E. Blithedale	1,000	1,106	-	-	-	-	-	2,106
	San Rafael - Third Street	931	-	3,477	5,795	2,318	-	-	12,521
	Novato - Novato Blvd - Segment 1	946	-	-	-	-	5,320	5,321	11,587
	Richmond San Rafael Bridge Approaches	559	1,562	561	1,118	-	-	-	3,800
	Total	***3,436***	***2,668***	***4,038***	***6,913***	***2,318***	***5,320***	***5,321***	***30,014***
Category 1 - Reduce Congestion									
Category 1.1	Completion of Marin-Sonoma Narrows	2,733	4,000	5,600	-	-	-	-	12,333
Category 1.2	Match for Completion of 101/580 Direct Connector	944	-	-	5,300	4,000	4,000	1,800	16,044
Category 1.3	Enhance Interchanges	53	628	586	601	616	631	692	3,807
Category 1.4	Transportation Demand Management	-	104	97	100	102	105	115	623
	Total	***3,730***	***4,732***	***6,283***	***6,001***	***4,718***	***4,736***	***2,607***	***32,807***
Category 2 - Local Transportation Infrastructure									
Category 2.1	Local Roads	5,971	5,125	4,824	4,933	5,044	5,157	5,600	36,654
Category 2.2	Large Safe Pathway Capital Projects	113	3,787	-	-	-	703	763	5,366
Category 2.3	Sea Level Rise	-	233	219	224	229	234	254	1,393
Category 2.4	Innovative Technology	-	208	109	112	114	117	127	787
	Total	***6,084***	***9,353***	***5,152***	***5,269***	***5,387***	***6,211***	***6,744***	***44,200***
Category 3 - Safer Access to Schools									
Category 3.1	Safe Routes to Schools	-	756	708	725	743	761	831	4,524
Category 3.2	Crossing Guards	728	1,512	1,415	1,450	1,486	1,522	1,663	9,776
Category 3.3	Small Safe Pathway Capital Projects	124	776	-	-	-	217	237	1,354
	Total	***852***	***3,044***	***2,123***	***2,175***	***2,229***	***2,500***	***2,731***	***15,654***
Category 4 - Transit									
Category 4.1	Local Bus Transit Service	7,007	8,055	7,374	7,495	7,661	7,832	8,496	53,920
Category 4.2	Rural Bus Transit Service	966	564	509	681	696	711	772	4,899
Category 4.3	Special Neeeds Transit Service	2,253	1,931	2,275	2,158	2,206	2,255	2,446	15,524
Category 4.4	School Transit Service	1,167	1,200	1,033	1,136	1,161	1,187	1,287	8,171
Category 4.5	Bus Transit Facilities	-	2,041	679	908	929	949	1,030	6,536
Category 4.6	Expand Access to Transit	141	99	99	114	116	119	129	817
	Total	***3,561***	***5,271***	***4,086***	***4,316***	***4,412***	***4,510***	***4,892***	***31,048***

Appendix 3 – Measure AA Category 2.1 Local Road Infrastructure Programming by Agencies

Measure AA 1/2 Cent Sales Tax Programming		PRIOR [1]	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	TOTAL [2]
Category 2 - Local Transportation Infrastructure	**POP/Mile [3]**								
Category 2.1 Local Roads									
Belvedere	**0.98%**	58,647	50,058	47,117	48,180	49,265	50,372	54,698	358,338
Corte Madera	**3.68%**	210,990	188,561	177,482	181,488	185,575	189,743	206,041	1,339,880
Fairfax	**2.75%**	165,237	140,930	132,649	135,643	138,697	141,813	153,994	1,008,963
Larkspur	**3.95%**	238,280	202,218	190,336	194,632	199,015	203,485	220,963	1,448,928
Mill Valley	**5.65%**	337,273	289,498	272,487	278,638	284,912	291,312	316,334	2,070,454
Novato	**18.05%**	1,080,648	924,930	870,583	890,235	910,280	930,726	1,010,671	6,618,073
Ross	**1.05%**	60,789	53,620	50,469	51,609	52,771	53,956	58,590	381,804
San Anselmo	**4.43%**	264,940	227,003	213,665	218,488	223,408	228,426	248,046	1,623,977
San Rafael	**19.52%**	1,169,592	1,000,630	941,835	963,095	984,781	1,006,900	1,093,388	7,160,221
Sausalito	**2.76%**	167,240	141,606	133,285	136,294	139,363	142,493	154,733	1,015,015
Tiburon	**3.47%**	206,680	177,932	167,477	171,258	175,114	179,047	194,426	1,271,934
County	**33.72%**	2,011,066	1,728,400	1,626,842	1,663,565	1,701,024	1,739,231	1,888,621	12,358,749
Total	***100.00%***	***5,971,382***	***5,125,387***	***4,824,226***	***4,933,126***	***5,044,204***	***5,157,504***	***5,600,505***	***36,656,335***

1 - Collection of Measure AA commenced April 1, 2019. Prior includes 15 months of funds collected from April 1, 2019 to June 30, 2020.

2 - Total includes Prior and 5-Years of Programmed Funds.

3 - The Population/Lane Miles Percentage was updated in 2021 with the latest available population data from the Department of Finance and lane miles data from MTC.

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Item 5 - Attachment B

2021 Strategic Plan

TAM Citizens' Oversight Committee Meeting

June 21, 2021

Transportation Authority of Marin

Making the Most out of Marin Transportation Dollars

Background

- Measure A, approved by 71.2% of Marin voters in November 2004, dedicates local sales tax revenues to transportation needs over a twenty-year period
- Subsequently, Measure AA was approved by 76.7% of Marin voters in November 2018, renewed Measure A for another 30 years, until 2039
- The Measure AA Expenditure Plan was based on the expectation that the transportation sales tax will continue the efforts started by Measure A

Background, cont.

- Both Expenditure Plans direct TAM to prepare Strategic Plans to identify the dates for project and program implementation based on project readiness
- While Measure A has stopped collection, not all Measure A funds have been reimbursed and a few remaining commitments still need to be fulfilled
- TAM is required to maintain a Strategic Plan for Measure A for the foreseeable future until all funds have reimbursed and commitments have been honored

Background, cont.

- Measure AA is an extension of Measure A so both measures are collecting the same transportation sales tax revenue stream over a consecutive period
- Staff is recommending an overall redesign of the current two Strategic Plans and combining them into a single document
- The new 2021 Strategic Plan will follow the same update and amendment process as specified in both Expenditure Plans.

Measure A and AA Fund Summaries

CHART 1: MEASURE A FUNDING BY STRATEGY

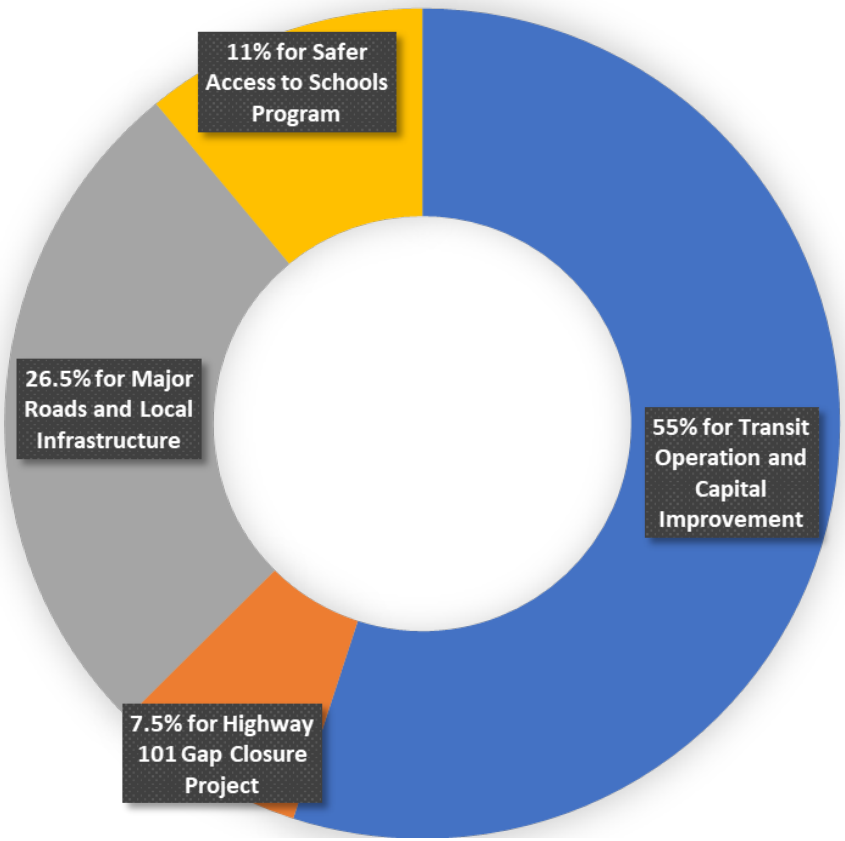
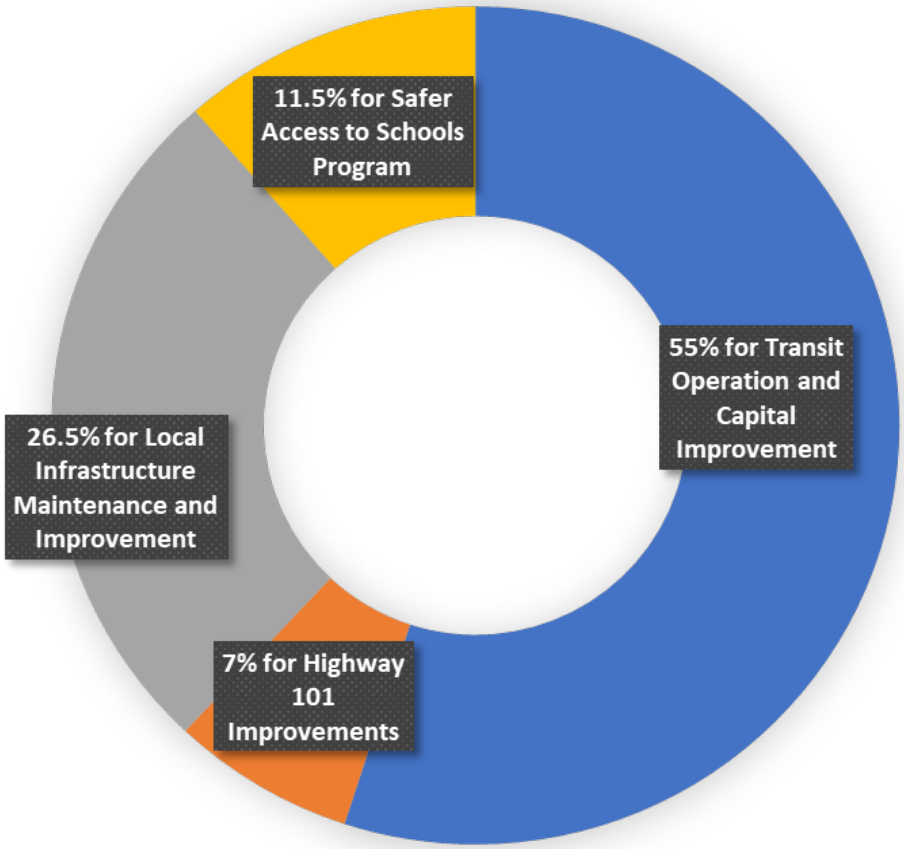


CHART 2: MEASURE AA FUNDING BY CATEGORY



Purpose of the Strategic Plan

- Establishes the timing of all allocations and procedures for funding priorities within the prescribed categories of funding
- Provides a 5-year outlook on how local transportation sales funds will be allocated in the context of anticipated demands, timing, and other available revenues.

Notable Changes for 2021

- Two new guiding principles:
  - Equity
  - Wildfire/evacuation awareness
- Five Year Outlook - a five-year outlook on the revenues and expenditures provides a more succinct and usable document
  - Data for the entire duration of both funding sources will still be maintained for reference and truing up the percentage
  - Data for the duration of both funds will always be available upon request

Guiding Principles

The Guiding Principles of previous Strategic Plans were incorporated in the 2021 Strategic Plan that includes:

a. Maximize Leveraging of Outside Fund Sources

b. Support Cost-Effective Project Delivery

c. Maximize Cost-Effective Use of Sales Tax Funds

d. Promote a Balanced Use of Funds

e. Promote High Environmental/Conservation Awareness

f. Promote Equity

g. Support Community Safety in Wildfire Evacuation Planning

Accountability

- To ensure accountability and transparency:
  - Comply with all audit and reporting requirements
  - Ensure public involvement in allocation of funds
  - Conduct open public meetings according to state law
  - Convene the Citizens' Oversight Committee (COC) on a regular basis to review actions taken by TAM

Revenue Forecast

- Revenue projections will be updated annually
- Projections are used to determined if funds are sufficient to proceed with “pay-as-you-go” model or if borrowing is necessary
- Updated projections are used in the 5-Year Programming sheets to show available funds for each category

Revenue Forecast, cont.

- Based on FY2021-22 Revenue Level and Growth Rate adopted by Board in March 2021

Measure AA Revenue Projections, Life of Measure

($ millions)

	Original AA Expenditure Plan	2019 Strategic Plan	Draft 2021 Strategic Plan
Total Sales Tax Collection	$872	$1,200	$1,057
Change from Prior Est. ($)	--	N/A	($143)
Change from Original EP ($)	--	$328	$185

Measure A

- Measure A Program officially ceded collecting transportation sales tax funds on March 31, 2019.
- All funding commitments of Measure A have been fulfilled except for Strategy 1.1 and Reserve Funds
- Once these commitments have been fulfilled, reporting on Measure A in the Strategic Plan will be kept at a minimum

Measure AA

- Provides an overview of each category, including status of activities, amounts collected, and funds expended to date
- Measure AA started collection on April 1, 2019, funds have been allocated and projects have started
- Calls for Projects have been issued
  - Category 2.4 Quick Build Projects
  - Category 2.2 Large Safe Pathway Projects
  - Category 3.3 Small Safe Pathway Projects

Measure AA (cont.)

- Programmatic categories have been receiving annual allocations of funds without interruption when Measure A was transitioned to Measure AA, including
  - Category 2.1 Local Infrastructure
  - Category 3.1 Safe Routes to School
  - Category 3.2 Crossing Guards
  - Category 4 Transit
- Category 1 Projects underway
  - Marin-Sonoma Narrows, 101-580 Direct Connector, Interchanges

Next Steps

- The TAM Board reviewed and released the draft 2021 Strategic Plan for the required 30-day public comment period on May 27, 2021
- Per the Strategic Plan amendment policy, updates to the Strategic Plan can be approved after allowing 30 days for public comments
- A copy of the 2021 Strategic Plan was made available on TAM's website on May 28, 2021
- The 2021 Strategic Plan will be presented to the TAM Board at the June 24th meeting for approval, on the condition that no public comments received after June 24th and by June 26th would necessitate TAM Board attention

Questions

Transportation Authority of Marin

Making the Most out of Marin Transportation Dollars