



DATE: May 11, 2026

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

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

SUBJECT: Review the Draft 2026 Measure AA Strategic Plan (Action), Agenda Item No. 6

RECOMMENDATION

The Administration, Projects and Planning (AP&P) Executive Committee reviews the draft 2026 Measure AA Strategic Plan (hereinafter referred as “Strategic Plan”), as shown in Attachment A, and refers it to the TAM Board to open the required 30-day public comment period.

BACKGROUND

On November 6, 2018, Marin voters approved Measure AA by 76.7% to renew and extend the original Measure A Transportation Sales Tax. The Measure AA Expenditure Plan includes directions to fund Marin’s core transportation needs, including local street and road maintenance, Safe Routes to Schools programs, transit service, and highway and interchange improvements.

In Measure AA, a policy was included for TAM to review the Expenditure Plan every six years on the rationale that four reviews can be conducted before expiration. Staff began the process for the first Measure AA Expenditure Plan Review in the fall of 2024 and is concluding the amendment process this spring with jurisdiction considerations/approvals following the March 26, 2026 TAM Board approval of the amended Measure AA Expenditure Plan.

Measure AA Strategic Plan

The Measure AA Expenditure Plan (page 30) also directs TAM to prepare the Measure AA Strategic Plan to identify the timing and process of funding allocations for project and program implementation based on project readiness, ability to generate matching or leveraged funds, need for borrowing and other relevant criteria and policies. The Strategic Plan for Measure AA has been in existence since 2019 and updated periodically.

In 2021, the Strategic Plan was developed to combine Measure A and Measure AA funds into a single document since Measure AA was an extension of Measure A, and both measures were collecting the same transportation sales tax revenue stream over a consecutive period with generally the same project/program priorities. It was necessary to monitor and track Measure A funds until all funds were exhausted through allocations.

The 2023 Strategic Plan included residual Measure A funds for transit under Strategy 1. However, the remaining Measure A funds for transit were allocated to Marin Transit in July 2023 for FY23/24 implementation, thereby fulfilling the commitment to exhaust Measure A funds under the 2023 Strategic Plan.

The 2023 Strategic Plan also tracked the Measure A reserve funds that were incrementally released by the TAM Board. The remaining Measure A reserve funds were fully allocated to all strategies of the Measure A Expenditure Plan in July 2024 for FY24/25 implementation.

As anticipated in the 2023 Strategic Plan, tracking Measure A funds in the 2026 Strategic Plan is no longer needed after fulfilling the remaining commitments on Measure A Strategy 1 and Measure A reserve funds. Therefore, the 2026 Strategic Plan under the amended Measure AA Expenditure Plan only includes Measure AA funds.

DISCUSSION

The Strategic Plan outlines how the revenues are distributed to projects and programs, as well as the oversight process. It establishes the timing of allocations and addresses funding priorities. It also reconciles the timing of expected revenues with the schedule for when those revenues are needed in order for sponsors to deliver projects and services. The Strategic Plan also incorporates policies periodically adopted by the TAM Board to guide the continuing implementation of Measure AA funds. In general, the Strategic Plan provides the overall structure for the management of the revenues and guidance to sponsors on requesting, utilizing, and reporting on the spending of the funds allocated.

The Strategic Plan itself does not constitute a final funding commitment. Actual funding commitments to individual projects and programs are secured through allocation requests by eligible designated recipients and TAM Board approvals.

The Strategic Plan contains the following sections:

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

The 2026 Strategic Plan is consistent with the adopted amended Measure AA Expenditure Plan. The changes from the previously adopted Strategic Plan in 2023 primarily include updating the language, revenue numbers, and new policies from the adopted amended Measure AA Expenditure Plan. Policies, programming, and implementation guidelines that were not mandated for change by the adopted amended Measure AA Expenditure Plan were primarily retained in the 2026 Strategic Plan.

Below are the notable changes included in the 2026 Strategic Plan:

Amended Measure AA Expenditure Plan

The amended Measure AA Expenditure Plan was adopted by the TAM Board on March 26, 2026. It is required to go to every jurisdiction for consideration. The amended Measure AA Expenditure Plan must be approved by the majority of the jurisdictions representing the majority of the incorporated population, as well as a majority of the Board of Supervisors.

As of May 4, 2026, the following jurisdictions have approved the amended Measure AA Expenditure Plan:

- Corte Madera
- Larkspur
- Mill Valley
- Novato
- San Anselmo
- San Rafael
- County of Marin

The amended Measure AA Expenditure Plan will be presented to the remaining jurisdictions in the coming weeks and expected to conclude in June 2026. If approved by the requisite vote, the amended Measure AA Expenditure Plan becomes effective July 1, 2026 and the 2026 Strategic Plan will effectuate the newly established policies.

If the requisite vote is not obtained, Measure AA will revert back to the original Expenditure Plan and the Strategic Plan adopted in 2023.

If approved by the requisite vote, the following changes have been incorporated in the 2026 Strategic Plan as shown in the table below.

Categories with Changes	2018 EP	Rev EP	Approved Changes in Strategic Plan
Category 1.3 Local Interchanges	3.0%	2.5%	Reduction of 0.5%.
Category 2.1 Local Transportation Infrastructure	22.0%	18.0%	Funding for new Category 2.4
Category 2.3 Sea Level Rise	1.0%	1.0%	Change eligible recipients to include TAM and remove call for projects requirement
Category 2.4 Innovative Technology	0.5%	0.0%	Fold into funding for new Reimagined Roadways.
Category 2.4 Reimagined Roadway	0.0%	4.5%	New Category. Maintain 0.5% from 2.4 plus 4% from Category 2.1.
Category 3.2 Crossing Guard Program	7.0%	7.5%	Add 0.5% from Category 1.3, Revise language to specify number of guards rather than number of sites/locations.
Category 4.6 Ferries and Regional Transit	0.5%	0.5%	Change eligible recipients and broaden to First/Last Mile at Major Transit Stops.

Measure AA Revenue Forecast

The revenue projection for the 2023 Strategic Plan was prepared on a \$35.68 million (FY2023-24) base year with a 2% annual growth rate, which yields a \$1.3 billion estimated total revenue collection over the 30-year period, compared to \$1.2 billion in the original 2019 Strategic Plan.

Staff have prepared updated financial forecasts for the remaining years of Measure AA as part of the Measure AA Expenditure Plan review to confirm approximate funds available for each category with TAM’s consultant, HdL, Inc. In August 2025, the TAM Board was presented with two scenarios for Measure AA revenue collection for the 30-year period: the optimistic scenario assumes growth between 2.8 and 3.0%, and the pragmatist scenario assumes 0% growth for two years, 1% growth for the three subsequent years, and 2% thereafter, similar to TAM’s recent annual budget documents.

Measure AA Revenue Projections			
	FY18-24	FY25-30	Measure Total
2018 Estimate	151,624,034	198,746,290	1,200,330,289
Actual	168,417,962		
2025 Optimist		221,607,056	1,376,928,205
2025 Pragmatist		207,786,343	1,194,455,529

It was also reported that many uncertainties both globally and nationally are casting a shadow on the economic future. Therefore, these projections are just a snapshot in time. Actual collection may continue to fluctuate due to unforeseen circumstances. Given such tenuous conditions, Marin has been fortunate to benefit from more fiscal stability than many other counties in the state.

Because of this stability, it is likely that Marin’s sales tax revenue will not fluctuate greatly in the upcoming years. Over the long term, the strong sales tax drivers, including per capita personal income and the relatively low Marin unemployment rate, are expected to continue to support strong taxable sales growth.

Based on these conditions, the TAM Board in February 2026 adopted Measure AA revenue for FY26/27 at \$36.44 million with a modest growth factor of 1.5% for FY27/28 and 2.0% annually thereafter, resulting in a 30-year revenue collection at \$1.26 billion for the 2026 Strategic Plan, which is coincidentally near the midpoint between the Optimist and Pragmatist projections noted in the above table.

While the 2026 Strategic Plan projection of \$1.26 billion for the 30-year period is less than the projection from the 2023 Strategic Plan, it is still greater than the 2019 Strategic Plan and far greater than projections during the post-pandemic period.

Category 2.1 Local Transportation Infrastructure

Category 2.1 Local Transportation Infrastructure of Measure AA currently provides annual funding in arrears (collect funds before allocating) to jurisdictions. As such, Category 2.1 funds can be distributed upfront before projects commence. However, every other category in Measure AA and Measure B allocate funds are allocated based on projected collection and funds are reimbursed after expenses have been incurred.

Under the 2026 Strategic Plan, Category 2.1 funds will be converted from allocating in arrear to reimbursement-based, making Category 2.1 consistent with the other categories of Measure AA and Measure B. The consistency would help avoid confusion with managing the funds and reduce reporting requirements for recipients, needed for upfront fund distribution. MPWA does not object to the conversion.

In order to reconcile the allocate in arrear and reimbursement processes, already collected funds from FY25/26, and projected to be collected FY26/27 funds will be requested and allocated together, amounting to a “double allocation” of Category 2.1 funds for FY26/27.

In addition to providing consistency with other Measure categories, the shift to a reimbursement-based process could assist local agencies with the transition in category 2.1 and 2.4 funding shifts. The “double allocation” would more than offset the reduction in category 2.1 for FY27, and agencies could use the additional funds in one year or spread them out over several years depending on what best meets their needs.

Language to Allow Future Community Oversight Committee (COC) Membership Change

The current 12-member COC membership structure was originally established in the 2004 Measure A Transportation Sales Tax Expenditure Plan. To accurately represent the voices of the communities in Marin, especially to timely address the needs and voices of Equity Priority Communities (EPCs), the TAM Board has the authority to review and amend the COC membership structure when necessary. This authority is noted in the Strategic Plan.

Measure AA Expenditure Plan Review Schedule

The Measure AA Expenditure Plan must be reviewed periodically to ensure that it responds to a rapidly evolving transportation landscape, incorporates innovations, and reflects current priorities. Under the amended Measure AA Expenditure Plan, the TAM Board directed the timing of the Measure AA Expenditure Plan review and the Measure B Expenditure Plan review to occur together for one consolidated, concurrent review for efficiency and effectiveness. The timing of the two review processes will occur concurrently during the second scheduled review for both Measures B and AA in 2032 to 2033 and will establish an eight-year cycle for both thereafter. This would provide four review cycles for Measure AA, including a final one the year before the measure is due to sunset in 2049.

Strategic Plan Update

The Strategic Plan is scheduled for update every other year with 2028 as the next scheduled update. Strategic Plan updates must be approved by the TAM Board, following a noticed public hearing and a 30-day public comment period.

RELATIONSHIP TO COUNTYWIDE TRANSPORTATION PLAN (CTP)

The CTP was factored into the development of the amended Measure AA Expenditure Plan, which is also reflected in the development of the 2026 Strategic Plan.

FISCAL CONSIDERATION

There are no immediate fiscal impacts associated with opening a 30-day public comment period on the draft 2026 Strategic Plan. After the 30-day public comment period and after the 2026 Strategic Plan is adopted, Measure AA funds will be made available upon requests from eligible recipients, and the requested amounts will be included in TAM's Annual Budget.

NEXT STEPS

Upon adoption by the TAM Board, the 2026 Strategic Plan will be posted on TAM's website and communicated to local agencies and stakeholders. Initial allocation requests of Measure AA funds from the 2026 Strategic Plan will be presented to the TAM Board for adoption in June or July 2026 for Local Infrastructure Projects and Marin Transit's Annual Operations and Capital Request.

ATTACHMENTS

Attachment A – Draft 2026 Measure AA Strategic Plan
Attachment B – PowerPoint Presentation

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2026 Measure AA Sales Tax Strategic Plan

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County of Marin - Dennis Rodoni

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League of Women Voters of Marin - Kevin Hagerty

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Major Marin Employers - Peter Pelham

Committee Member/Alternate

Central Marin Planning Area - Jeffrey Olson/Philip Mooney

Northern Marin Planning Area - Charley Vogt/Jessica Deakyne

Ross Valley Planning Area - Paul Roye/Susannah Saunders

Southern Marin Planning Area - vacant/Charlie Vogelheim

West Marin Planning Area - Scott Tye/vacant

Bicyclist & Pedestrian Groups – Dave Rhoads/vacant

Environmental Organizations - Kate Powers/Nancy Okada

Marin County Paratransit Coordinating Council – Allen Bortel/Jane Gould

School Districts - Heather McPhail Sridharan/vacant

Taxpayer Group - vacant/vacant

League of Women Voters of Marin - Susan Clark (Alternate)

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1. EXECUTIVE SUMMARY

The goal of the Measure AA Expenditure Plan approved by Marin County voters in 2018 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.”** In implementing the AA Expenditure Plan, Guiding Principles were adopted in the AA Strategic Plan.

Guiding Principles of the Strategic Plans

The 2021 Strategic Plan was the first time that the Measure A (2004) and Measure AA (2018) ½-cent Transportation Sales Taxes were combined into one document that served as the programming/allocation document for all projects/programs receiving sales tax funding. The 2023 Strategic Plan follows the same format established by the 2021 Strategic Plan. Since all Measure A funds have been exhausted through allocations, tracking Measure A funds in the 2026 Strategic Plan is no longer needed after fulfilling the remaining commitments under the 2023 Strategic Plan. The 2026 Strategic Plan serves as the guide, resource book, and manual for expenditure of the valuable local sales tax dollars that Marin voters entrusted with TAM and are developed under the following guiding principles.

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 Plan 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 and reducing greenhouse gas emissions. 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.

f. Promote Equity

TAM Board discussions in recent years have directed staff to focus on equity in all TAM activities. The 2026 Strategic Plan incorporated the 2017 Vision Plan direction to focus on “providing transportation that is accessible, affordable, and convenient for all residents and workers in Marin County.”

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. If 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 2026 Strategic Plan

The 2026 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 2026 Strategic Plan.

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

Section 3-Policies Guiding the Plan: outlines the policies that govern the administration of the Measures AA Program, 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 category of Measure AA. 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 Plan.

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 Community 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 AA Expenditure Plan

On November 6, 2018, 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.

In Measure AA, a policy was included for TAM to review the Expenditure Plan every six years on the rationale that four reviews can be conducted before expiration. The review process for the first Measure AA Expenditure Plan Review began in the fall of 2024 and concluded the amendment process on March 26, 2026 when the TAM Board approved the amended Measure AA Expenditure Plan that goes into effect on July 1, 2026.

The original and amended Measure AA Expenditure Plans provide funding for the four categories as shown in the table below.

Measure AA Expenditure Plan		
	Original EP	Amended EP Effective July 1, 2026
Highway 101 Improvements	7.0%	6.5%
Local Infrastructure Maintenance and Improvements	26.5%	26.5%
Safe Access to Schools Program	11.5%	12.0%
Transit Operation and Capital Improvement	55.0%	55.0%
Total	100.0%	100.0%

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 AA Expenditure Plan.

TAM retains an independent auditor for auditing tax expenditures, ensuring that expenditures are made in accordance with the Expenditure Plan and the funding agreements/contracts between TAM and the funding recipients. In addition 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 Community 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 the Measure AA Expenditure Plan. The COC is designed to reflect the diversity of the county. It consists of 12 members (current memberlist is presented in Appendix 1) and each organization represented on the COC nominates its representative, with final appointment by the TAM Board. To accurately represent the voices of the communities in Marin, especially to timely address the needs and voices of Equity Priority Communities (EPCs), the TAM Board has the authority to review and amend the COC membership structure when necessary.

3. POLICIES GUIDING THE PLAN

TAM has incorporated the following policies to guide the continuing implementation of the 2026 Strategic Plan, ensuring prudent stewardship of the funds. Policies incorporated into this document will guide the financial decisions of TAM in managing 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 is 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 fiscally responsible and cost-effective way. The reserve policy is one of the key elements TAM needs to carry out its mission. In accordance with the Measure AA Expenditure Plan, 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 \$5.39 million, which helped the agency weather the 2008 economic recession and meet urgent project funding and cash needs. This reserve policy was maintained with Measure AA and \$5.39 million in Measure AA reserve funds have been collected.

3.3 Bond Financing Policy

In accordance with the Measure AA Expenditure Plan, 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, 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 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, borrowing from other agencies, and other short-term borrowing instruments will be explored first 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 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 CMA for Marin, TAM is responsible for programming certain 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 addition to TAM’s overall financial audit, compliance audits of selected funding recipients for the spending of eligible 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 AA funds are used, to the TAM Board for review and approval every other year. TAM also requires each project sponsor to submit a report annually indicating how Measure AA funds are used.

3.6 Expenditure Plan Amendment

The Expenditure Plan must be reviewed periodically to ensure that it responds to a rapidly evolving transportation landscape, incorporates innovations, and reflects current priorities. The timing of the Measure AA Expenditure Plan review and the Measure B Expenditure Plan review have been merged to occur together for one consolidated, concurrent review for efficiency and effectiveness. The timing of the two review processes will occur concurrently during the second scheduled review for both Measures B and AA in 2032 to 2033 and will establish an eight-year cycle for both thereafter. This would provide four review cycles for Measure AA, including a final one the year before the measure is due to sunset in 2049. The TAM Board may consider an amendment at the point of the review or at any time deemed necessary during the life of the Expenditure Plan.

3.7 Investment of Cash Balance and Interest Fund Policy

TAM currently invests most of the cash balance of the sales tax funds with the Investment Trust of California (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 Measure AA cash balances can only be spent for the transportation purposes authorized by the Measure AA Expenditure Plan. 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 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, or 6-month after the project is completed. A reimbursement schedule may be accelerated if TAM has sufficient cash to 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, of which several of the highway improvement projects are expected to need funds over a shorter period of time.

The two major projects (Marin Sonoma Narrows and US 101/I-580 Multi-Modal and Local Access Improvement Project) 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 shares to complete priority projects. 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 assistance required to administer the proceeds of this tax and carry out the mission outlined in the 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 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 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. 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 AA Expenditure Plan. 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 has acted as a global talent magnet and employment hub over the years. Even though the overall population is declining, Marin's unparalleled quality of life continues to attract new residents and reinforces home values, which together greatly helped the sales tax revenue collection over time.

2026 Revenue Forecast

The revenue projection for the 2023 Strategic Plan was established at a \$35.68 million (FY2023-24) base year with a 2% annual growth rate, which yields a \$1.3 billion estimated total revenue collection over the 30-year period, compared to \$1.2 billion in the original 2019 Strategic Plan.

Staff have prepared updated financial forecasts for the remaining years of Measure AA as part of the Measure AA Expenditure Plan review to confirm approximate funds available for each category with TAM's consultant. In August 2025, the TAM Board was presented two scenarios for Measure AA revenue collection for the 30-year period: the optimistic scenario assumes growth between 2.8 and 3.0%, and the pragmatist scenario assumes 0% growth for two years, 1% growth for the three subsequent years, and 2% thereafter, similar to TAM's recent annual budget documents.

Measure AA Revenue Projections			
	FY18-24	FY25-30	Measure Total
2018 Estimate	151,624,034	198,746,290	1,200,330,289
Actual	168,417,962		
2025 Optimist		221,607,056	1,376,928,205
2025 Pragmatist		207,786,343	1,194,455,529

Many uncertainties both globally and nationally are casting a shadow on the economic future. Actual collection may continue to fluctuate due to unforeseen circumstances. Given such conditions, Marin has been fortunate to benefit from more fiscal stability than many other counties in the state.

Because of this stability, it is likely that Marin's sales tax revenue will not fluctuate greatly in the upcoming years. Over the long term, the strong sales tax drivers, including per capita personal income and the relatively low Marin unemployment rate, are expected to continue to support strong taxable sales growth.

Based on these conditions, the TAM Board adopted Measure AA revenue for FY 26/27 at \$36.44 million with a modest growth factor of 1.5% for FY 27/28 and 2.0% annually thereafter, resulting in a 30-year revenue collection at \$1.26 billion for the 2026 Strategic Plan.

5. PROGRAMMING/ALLOCATION TO PROJECTS/PROGRAMS

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 \$5.39 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 a minimum \$5.39 million reserve level.

TAM has since allocated all Measure A reserve funds to each strategy in the proportionate rates that were collected. TAM has also collected the \$5.39 million in Measure AA funds to replenish the returned Measure A reserve funds.

Measure AA Projects/Programs

The Measure AA Strategic Plan was based on the expectation that the ½-cent sales tax would generate approximately \$1.2 billion over 30 years. The current projected revenues generated by Measure AA have slightly risen to \$1.26 billion compared to \$1.3 billion projected in the 2023 Strategic Plan. With allowable deductions for administration and program/project management, approximately \$1.1567 billion for programming.

As outlined in the Measure AA Expenditure Plan, the current projected 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	Current 30-year Amount (in millions)
Category 1 Reduce Congestion on Hwy 101 & Adjacent Roadways	6.5%	\$76.2
1.1 Provide matching funds for the MSN Project	1.5%	\$16.0
1.2 Provide matching funds for Hwy 101/I-580 Direct Connector	2.0%	\$21.3
1.3 Improve Hwy 101 local interchanges and freeway access routes	2.5%	\$27.5
1.4 Implement commute alternatives and trip reduction strategies	0.5%	\$5.3
Category 2 Maintain, Improve, and Manage Marin's Local Transportation Infrastructure	26.5%	\$306.5
2.1 Maintain and manage local roads	18.0%	\$214.2
2.2 Provide safe pathways for safe walking and biking access to schools	3.0%	\$34.3
2.3 Develop projects to address transportation impacts from sea level rise	1.0%	\$11.4
2.4R Develop and advance projects for the Reimagined Roadway category	4.5%	\$42.3

Category 3 Reduce School-Related Congestion and Provide Safer Access to Schools	12.0%	\$137.8
3.1 Maintain the Safe Routes to Schools Program	3.5%	\$38.4
3.2 Expand the Crossing Guard Program	7.5%	\$81.4
3.3 Provide capital funding for small school safety related projects	1.0%	\$11.0
Category 4 Maintain and Expand Local Transit Services	55.0%	\$626.2
4.1 Maintain and improve existing transit service	33.0%	\$380.2
4.2 Maintain and expand rural and recreational bus services	3.0%	\$34.6
4.3 Maintain and expand transit services for those with special needs	9.5%	\$109.5
4.4 Provide transit services to schools	5.0%	\$57.6
4.5 Invest in bus transit facilities	4.0%	\$46.1
4.6 Expand access to ferries and regional transit, managed by Golden Gate Transit	0.5%	\$5.7
TOTAL	100%	\$1,156.7*

* Total for the four categories after deducting the allowable 1% for administration and 4% for project/program management.

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 project has largely been completed with the HOV lanes opened in 2025; only some off-highway work remains. A total of \$12.4 million in Measure AA funds, representing 1.5% of the overall sales tax measure, was 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 were secured to fully fund the construction phase of approximately \$121 million.

1.2 Provide Matching Funds for 101-580 Multi-Modal and Local Access Improvement Project

Traffic congestion continues to increase for vehicles headed towards eastern San Rafael including the disadvantaged Canal neighborhood. This Project will separate regional traffic from local traffic allowing for greater access for local traffic utilizing Bellam Boulevard and Sir Francis Drake Boulevard. The 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.

1.3 Improve Hwy 101 Local Interchanges and Freeway Access Routes

The Measure AA Expenditure Plan directs 2.5% 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 vehicles, bicycles, pedestrians, and transit users. The funds are intended to be used as “seed money” to leverage possible federal, state, regional or local grant sources. Studies at the twelve interchanges listed below were initiated in FY 20/21 and completed in FY22/23.

- Alexander Avenue / Vista Point
- Donahue Street / N. Bridge Road/ Bridgeway
- SR131Tiburon Blvd. / East Blithedale Avenue
- Tamalpais Drive / Paradise Drive
- Sir Francis Drake Boulevard / Fifer. / Industrial Way
- 2nd Street / Heatherton Street
- North San Pedro Road / Merrydale Road
- Manuel T. Freitas Parkway /Civic Center Drive
- Lucas Valley Road/Smith Ranch Road
- Alameda Del Prado/Nave Drive
- Ignacio Boulevard / Bel Marin Keys / Nave Drive
- San Marin Drive/Atherton Avenue

An implementation plan was prepared that evaluated study results from each interchange against a set of priorities and goals. The plan recommended three interchanges be advanced for further study. They are as follows:

- SR131 Tiburon Blvd. / East Blithedale Avenue
- Manuel T. Freitas Parkway /Civic Center Drive
- Alameda del Prado/Nave Drive

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 utilize 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.

[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, drainage, lighting, landscaping, and other roadways system components including integrated environmental protections and mitigations.
- 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.

Category 2.1 Local Transportation Infrastructure of Measure AA in prior Strategic Plans provide annual funding in arrears (collect funds before allocating) to jurisdictions. As such, Category 2.1 funds can be distributed upfront before projects commence. However, every other category in Measure AA and Measure B allocate funds are allocated based on projected collection and funds are reimbursed after expenses have been incurred.

Category 2.1 funds will be converted in the 2026 Strategic Plan from allocating in arrear to reimbursement-based, making Category 2.1 consistent with the other categories of Measure AA and Measure B.

In order to reconcile the allocate in arrear and reimbursement processes, already collected funds from FY25/26, and projected to be collected FY26/27 funds will be requested and allocated together, amounting to a "double allocation" of Category 2.1 funds for FY26/27.

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 \$450,000 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 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. The next Call for Projects with Categories 2.2 and 3.3 funds is anticipated to commence in 2029.

2.3 Develop Projects to Address Transportation Impacts from Sea Level Rise

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 likely 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. Consultant support was retained to conduct a review of existing plans and studies at identified transportation locations vulnerable to sea level rise and begin conceptual design efforts at vulnerable locations in Marin County both on major transportation facilities and adjacent to these facilities, and the TAM Board adopted the Plan in 2025. Follow on tasks are now underway.

2.4 R Develop and advance projects for the Reimagined Roadway Category

This new category will receive 4.5% of Measure AA funds. The purpose of this program is to:

- Get Projects “Shovel Ready” - Advance large roadway capital projects through environmental clearance to best compete for future construction funds
- Create an avenue for multi-jurisdiction, multi-agency, and multi-modal project development
- Advance CTP goals and strategies and tackle functional purpose and modal priority tradeoffs through a holistic project development process

- Identify and prioritize corridor projects with countywide significance

TAM will manage the initial planning phase to identify key corridors collaboratively with local agencies and key stakeholders, such as transit agencies. Within the key corridors, prioritized projects and project elements will be identified with project partners. These prioritized projects will be advanced to the environmental and preliminary engineering phases before they are transitioned to local agencies to proceed with final design and construction.

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, has proven its ability to increase alternative mode use to schools, with over 60 participating schools, and an average of over 30% active greentrips – walking, biking, and taking transit – to and from participating schools.

3.2 Expand the Crossing Guard Program

Since county voters approved transportation sales taxes, TAM has expanded its crossing guard program to nearly 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 prioritized intersection, and the program is professionally managed with reduced risk and liability.

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 \$450,000 or more, funds for “small” Safe Pathway projects are covered by Category 3.3. Small Safe Pathway projects are limited to \$100,000 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. As noted above, the next Call for Projects with Categories 2.2 and 3.3 funds is anticipated to commence in 2029.

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.”

The goal of the Expenditure Plan is 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.

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.

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 \$9 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 improve 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

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 disabled persons, travel training, subsidized taxi services, and volunteer driver programs. Marin Transit contracts with vendors to provide specialized services for older adults and persons with disabilities. These services are essential to keep Marin's residents 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. Measure AA funding will allow these innovations to continue and expand to serve Marin's aging population.

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 many students with longer trips to school. Category 4.4 dedicates funds to maintain yellow bus services in partnership with local schools and parent organizations. Category 4.4 also funds enhanced school-oriented bus services, 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.

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 in accordance with state requirements. 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.

4.6 Expand Access to Ferries and Regional Transit

Expand and maintain shared mobility services, and new transit connections to address first and last mile connections to rail and ferry stations.

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. This category helps to expand and maintain first and last mile solutions that provide access to regional transit stops for Marin's residents and commuters. The funds can be accessed by TAM, Marin Transit or Golden Gate Bridge Highway and Transit District as sponsors of shared mobility services such as bikeshare systems or new first/last mile connections (e.g. Shuttle service, new transit connections, or other shared mobility services) at major transit stops working in coordination with TAM.

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 \$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 Boulevards), until the \$32.90 million remaining funding commitment is fully fulfilled.

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 phase. Novato will request the remaining available funds for the construction phase when the design phase is 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 for 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 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 made 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. 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 establish 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 sponsors 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 AA Five-Year Programming

Appendix 2 - Measure AA Category 2.1 Local Road Infrastructure Programming by Agencies

Appendix 3 - Measure AA Expenditure Plan ([available for download](#))

Appendix 4 - Comments and Responses on Strategic Plan (if any)

Appendix 1 - Measure AA Five-Year Programming

		Numbers in '000's						
			Five Year Programming Availability					
Measure AA 1/2 Cent Sales Tax Programming		Prior	FY26/27	FY27/28	FY28/29	FY29/30	FY20/31	5-Year Total
Major Road Set-Aside								
<i>Active Projects</i>								
	Novato - Novato Blvd - Segment 1		8,300			-		8,300
	Total		8,300					8,300
Category 1 - Reduce Congestion								
Category 1.1	Completion of Marin-Sonoma Narrows ¹	12,400						-
Category 1.2	Match for Completion of 101/580 Direct Connector ¹	7,560	100	100	100	100	100	500
Category 1.3	Enhance Interchanges	4,743	750	1,000	1,000	1,500	1,500	5,750
Category 1.4	Transportation Demand Management	506	175	175	175	175	175	875
	Total	25,209	1,025	1,275	1,275	1,775	1,775	7,125
Category 2 - Local Transportation Infrastructure								
Category 2.1	Local Infrastructure	37,731	12,876	5,817	5,943	6,072	6,204	36,912
Category 2.2	Large Safe Pathway Capital Projects	6,121	954	969	991	1,012	1,034	4,960
Category 2.3	Sea Level Rise	2,040	318	323	330	337	345	1,653
Category 2.4	Innovative Technology	1,020						-
Category 2.4R	Reimagined Roadway		1,431	1,454	1,486	1,518	1,551	7,440
	Total	46,912	15,579	8,563	8,750	8,939	9,134	50,965
Category 3 - Safer Access to Schools								
Category 3.1	Safe Routes to Schools	1,005	1,029	1,052	1,077	1,101	1,127	5,386
Category 3.2	Crossing Guards	2,011	2,057	2,105	2,153	2,202	2,253	10,770
Category 3.3	Small Safe Pathway Capital Projects	287	294	301	308	315	322	1,540
	Total	3,303	3,380	3,458	3,538	3,618	3,702	17,696
Category 4 - Transit								
Category 4.1	Local Bus Transit Service	67,573	10,356	10,580	10,809	11,041	11,279	54,065
Category 4.2	Rural Bus Transit Service	5,196	963	978	999	1,020	1,043	5,003
Category 4.3	Special Needs Transit Service	19,453	3,048	3,097	3,164	3,232	3,301	15,842
Category 4.4	School Transit Service	10,238	1,604	1,630	1,665	1,701	1,738	8,338
Category 4.5	Bus Transit Facilities	8,191	1,283	1,304	1,332	1,361	1,390	6,670
Category 4.6	Expand Access to Transit	1,024	160	432	101	170	174	1,037
	Total	111,675	17,414	18,021	18,070	18,525	18,925	90,955

Appendix 2 - Measure AA Category 2.1 Local Road Infrastructure Programming by Agencies

Measure AA Sales Tax Programming			PRIOR ¹	FY26/27 ⁴	FY27/28	FY28/29	FY29/30	FY30/31	TOTAL ²
Category 2 - Local Transportation Infrastructure		POP/Mile³							
Category 2.1	Local Roads								
	Belvedere	0.97%	368,007	125,213	56,484	57,713	58,966	60,244	726,626
	Corte Madera	3.70%	1,380,728	474,542	215,451	220,136	224,915	229,789	2,745,560
	Fairfax	2.78%	1,042,591	356,687	161,700	165,216	168,803	172,461	2,067,459
	Larkspur	4.10%	1,518,107	525,429	238,304	243,486	248,772	254,164	3,028,261
	Mill Valley	5.51%	2,103,603	709,316	320,393	327,360	334,467	341,716	4,136,854
	Novato	17.90%	6,789,757	2,309,050	1,041,155	1,063,797	1,086,891	1,110,447	13,401,097
	Ross	0.98%	380,251	126,370	56,816	58,052	59,312	60,597	741,398
	San Anselmo	4.43%	1,673,198	571,318	257,522	263,122	268,834	274,660	3,308,654
	San Rafael	19.81%	7,429,362	2,552,330	1,152,257	1,177,315	1,202,873	1,228,943	14,743,080
	Sausalito	2.76%	1,041,030	353,338	160,461	163,950	167,510	171,140	2,057,429
	Tiburon	3.39%	1,291,138	435,200	197,187	201,475	205,849	210,310	2,541,158
	County	33.68%	12,713,441	4,336,929	1,958,814	2,001,411	2,044,860	2,089,178	25,144,633
	Total	100.00%	37,731,213	12,875,722	5,816,543	5,943,032	6,072,050	6,203,649	74,642,209
1 - Collection of Measure AA commenced April 1, 2019. Prior includes 15 months of funds collected from April 1, 2019 to June 30, 2025.									
2 - Total includes Prior and 5-Years of Programmed Funds.									
3 - The Population/Lane Miles Percentage was updated in 2026 with the latest available population data from the Department of Finance and lane miles data from MTC.									
4 - Includes actual funds collected for FY 25/26 and projected funds collected for FY 26/27 based on 22% and 18% of total Measure AA revenue, respectively.									

Appendix 3 - Measure AA Expenditure Plan

The Measure AA Expenditure Plan and amendments are available for download at:

http://tamwebsite900.wenginepowered.com/wp-content/uploads/2018/07/TAM_2018FinalExpenditurePlan_062918.pdf

https://www.tam.ca.gov/wp-content/uploads/2026/03/7b-Attachment-B-Measure-AA-EP-Proposed-Amendments_Revised.pdf



Draft 2026 Measure AA Strategic Plan

Transportation Authority of Marin
Administration, Projects and Planning Executive Committee

May 11, 2026

Measure AA Strategic Plan

Measure AA Expenditure Plan requires the Measure AA Strategic Plan

Difference between the Expenditure and Strategic Plans

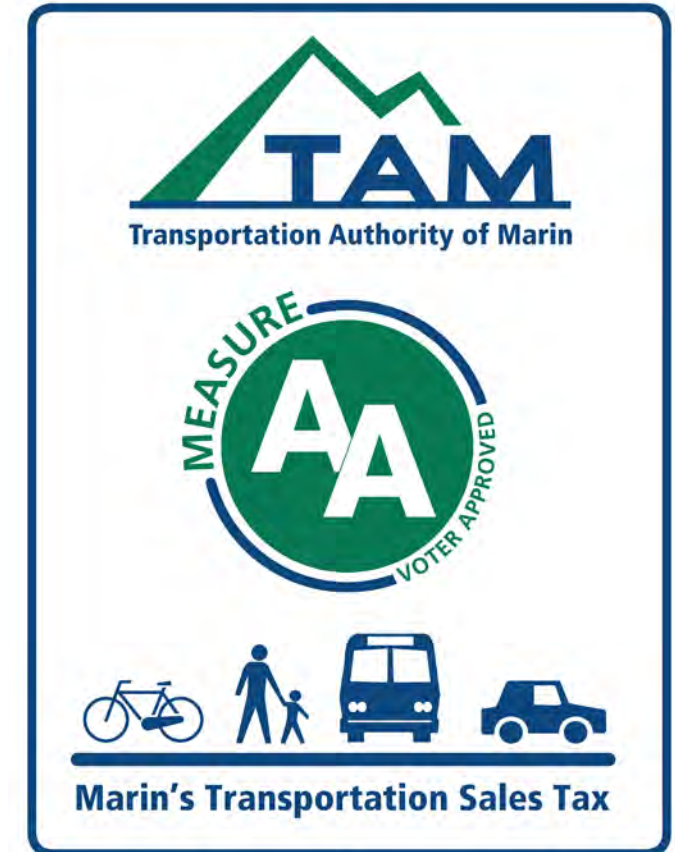
- Expenditure Plan defines what can be expended and how much can be expended
- Strategic Plan explains when funds can be expended and how much in a given year

Purpose of the Strategic Plan

- identifies the timing and process of funding allocations for project and program implementation based on project readiness
- provides guidance for recipients
- determines need for borrowing
- incorporates policies adopted by the TAM Board

Expenditure Plan Amendments

- As required by Measure AA, the Measure AA Expenditure Plan must be reviewed every six years.
- The first Measure AA Expenditure Plan Review started in the fall of 2024; TAM Board adopted amendments in March 2026.
- Did not change requirement for Strategic Plan



Prior Strategic Plans

Strategic Plan for Measure AA first adopted in 2019, updated in 2021 & 2023

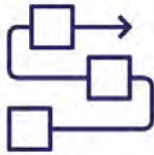
2021 Strategic Plan

- Combined Measure A and Measure AA funds into one Strategic Plan
- Needed to monitor and track Measure A funds until all funds were exhausted through allocations

2023 Strategic Plan

- Continued to include Measure A and Measure AA funds
- However, remaining Measure A funds were allocated by July 2024
- Tracking Measure A funds in the next Strategic Plan is no longer needed
- As anticipated, the 2026 Strategic Plan under the amended Measure AA Expenditure Plan only includes Measure AA funds

2026 Strategic Plan



- 2026 Strategic Plan developed to be consistent with the amended Expenditure Plan
- Policies, programming, and implementation guidelines not mandated for change by amended Expenditure Plan were primarily retained in the 2026 Strategic Plan

Changes Incorporated from Amended EP

Categories with Changes	2018 EP	2026 EP	Proposed Changes in Strategic Plan
Category 1.3 Local Interchanges	3.0%	2.5%	Reduction of 0.5%.
Category 2.1 Local Transportation Infrastructure	22.0%	18.0%	Funding for new Category 2.4
Category 2.3 Sea Level Rise	1.0%	1.0%	Change eligible recipients to include TAM and remove call for projects requirement
Category 2.4 Innovative Technology	0.5%	0.0%	Fold into funding for new Reimagined Roadways.
Category 2.4 Reimagined Roadway	0.0%	4.5%	New Category. Maintain 0.5% from 2.4 plus 4% from Category 2.1.
Category 3.2 Crossing Guard Program	7.0%	7.5%	Add 0.5% from Category 1.3, Revise language to specify number of guards rather than number of sites/locations.
Category 4.6 Ferries and Regional Transit	0.5%	0.5%	Change eligible recipients and broaden to First/Last Mile at Major Transit Stops.

Revenue Forecast

2023 Strategic Plan

- Established \$35.68M (FY23/24 base year) with 2% annual growth rate
- Resulted in estimated \$1.3B total revenue collection over the 30-year period
- Compared to \$1.2B in the original 2019 Strategic Plan

2026 Strategic Plan

- Updated financial forecasts as part of the Measure AA Expenditure Plan Review
- February 2026 – TAM Board adopted Measure AA revenue at \$36.44M for FY26/27 with modest growth factor of 1.5% for FY27/28 and 2.0% annually thereafter
- Estimated \$1.26B for the 30-year collection period

2019 Strategic Plan	2023 Strategic Plan	2026 Strategic Plan
\$1.2 billion	\$1.3 billion	\$1.26 billion

Other Notable Changes

- Category 2.1 Local Infrastructure – One-time “double allocation” for FY26/27, and expanded eligibility language approved by Board
- Language to allow future COC membership change
- Measure AA Expenditure Plan Review schedule to merge with Measure B Expenditure Plan Review



Strategic Plan Update and Approval



- Update every other year with 2028 as the next scheduled update
- Approval Requirement – must be approved by the TAM Board, following a noticed public hearing and a 30-day public comment period

Next Steps

- Approve the recommendation for the TAM Board to release the Draft and open a 30-day public comment period at the May 28th TAM Board meeting
- Hold the public hearing at the June 25th TAM Board meeting
- If no material changes are needed, request the TAM Board approve the 2026 Strategic Plan at the June 25th TAM Board meeting
- Upon approval, post the 2026 Strategic Plan on TAM's website and communicate the information to local agencies and stakeholders

Questions & Feedback

Thank you!