



Date: May 4, 2017
Current Meeting: May 10, 2017
Board Meeting: June 1, 2017

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Technical Advisory Committee
THROUGH: General Manager, Nuria I. Fernandez
FROM: Interim Director - Planning & Program Development, Carolyn M. Gonot
SUBJECT: 2016 Measure B Program Area Guidelines

Policy-Related Action: No **Government Code Section 84308 Applies:** No

ACTION ITEM

RECOMMENDATION:

Recommend that the VTA Board of Directors adopt the 2016 Measure B Program Area Guidelines.

BACKGROUND:

On November 8, 2016, the voters of Santa Clara County overwhelmingly approved a 30-year, ½ cent sales tax measure supporting transportation projects and services known as 2016 Measure B. The ½ cent sales tax collection began on April 1, 2017. 2016 Measure B, lists and describes the following nine program categories and corresponding amounts:

Program Category	Amount (in 2017 Dollars)
Local Streets & Roads	\$1.2 Billion
BART Phase II	\$1.5 Billion*
Bicycle & Pedestrian	\$250 Million
Caltrain Grade Separations	\$700 Million
Caltrain Corridor Capacity Improvements	\$314 Million
Highway Interchanges	\$750 Million
County Expressways	\$750 Million
SR 85 Corridor	\$350 Million
Transit Operations	\$500 Million

*Capped at 25% of Program Tax Revenue

The VTA Board adopted Resolution No. 2016.06.17 can be found in Attachment A.

With the passage of the 2016 Measure B sales tax, VTA must develop guidelines for each of the nine program areas. VTA presented a work plan to the Board and advisory committees in December 2016. The work plan primarily focused on receiving input and recommendations from VTA’s advisory committees. A summary of the outreach to date is as follows:

January 2017 - VTA held a workshop with the Technical Advisory Committee (TAC) to receive their initial input and recommendations regarding all nine programs.

February 2017 - VTA presented staff’s initial draft guidelines and received feedback for the Bicycle & Pedestrian Program, Caltrain Corridor Capacity Program and the Caltrain Grade Separations Program from VTA’s TAC, Citizen’s Advisory Committee (CAC), Policy Advisory Committee (PAC) and the Congestion Management Program & Planning Committee (CMPP). Additionally, VTA presented the draft guidelines for the Bicycle & Pedestrian Program to the VTA Bicycle & Pedestrian Advisory Committee (BPAC).

March 2017 - VTA presented staff’s initial draft guidelines and received feedback for the SR 85 Corridor Program, Local Streets & Roads Program and the BART Phase II Program from the TAC, CAC, PAC and CMPP. Additionally, staff presented the draft SR 85 Program guidelines to the SR 85 Policy Advisory Board.

April 2017 - VTA presented staff’s initial draft guidelines and received feedback for the County Expressway Program, Highway Interchanges Program and Transit Operations Program from the TAC, CAC, and PAC. VTA presented the same set of draft guidelines to CMPP at their April 20, 2016, meeting. Additionally, VTA presented the draft guidelines for the Transit Operations Program to the VTA Committee for Transportation Mobility and Accessibility (CTMA).

DISCUSSION:

Based on the discussions with the advisory committees and CMPP, VTA developed and presented draft guidelines for each of the nine program areas, as well as recommended projected allocations for FY18 & FY19 to the VTA Board of Directors at their April Workshop. Based on input from the Board Members, VTA made minor modifications to the proposed guidelines.

A summary of the recommended guidelines for each of the nine program areas is included in Attachment B.

The proposed program area guidelines are intended to direct the implementation for each program area and propose how the program area funds should be allocated. VTA is recommending that projected 2016 Measure B funds be allocated in two-year increments in conjunction with VTA’s two-year budget cycle. VTA will maintain a ten-year outlook to assist Member Agencies and other staff to help project when funds will be available for various program areas. A summary of the proposed FY18 & FY19 allocations for 2016 Measure B is located in Attachment C.

Below is a brief description of the guidelines for each program area.

Local Streets & Roads

Proposed Guidelines

The Local Streets and Roads Program will allocate funds to the cities and the County on a formula basis to be used to repair and maintain the street system. The allocation is based on the population of the cities and the County of Santa Clara's road and expressway mileage.

To distribute the funds, VTA is proposing that the cities and County submit an annual program of projects that will utilize 2016 Measure B funds. The expenditures will be reimbursable on a monthly, bi-monthly or quarterly basis - whichever is more convenient for the cities or County.

2016 Measure B requires that cities and the County demonstrate that these funds will be used to enhance and not replace their current investments in road system maintenance and repair. VTA is recommending similar Maintenance of Effort requirements to 2017 Senate Bill 1: Road Maintenance and Rehabilitation Program.

Under this recommendation, a baseline calculation of expenditures for each agency will be determined. The proposed baseline calculation will be based on the average expenditures on roadway and related maintenance activities from a city's/County's general fund during FY10 to FY12. Individual agencies must submit, with their annual program of projects, a certification that they are maintaining a level of non-2016 Measure B Local Streets & Roads fund expenditures on roadway and related maintenance activities equivalent to the baseline calculation.

The Measure also requires that Complete Streets best practices be applied in order to improve bicycle, pedestrian and transit elements of the street system. VTA has been working with Member Agencies and stakeholders on complete streets reporting requirements. It is anticipated that the VTA Board of Directors will consider the complete streets reporting requirements in June 2017.

Finally, 2016 Measure B specifies that jurisdictions that have a Pavement Condition Index (PCI) score of at least 70 may use the funds for other congestion relief projects at their discretion. Jurisdictions who qualify will submit their congestion relief projects as part of their annual program of projects. Should a Member Agency with a PCI of 70 or over fall below the threshold the following cycle, they will need to redirect their 2016 Measure B Local Streets & Roads funding to pavement maintenance at the next two-year budget allocation.

Recommended Funding for FY 2018-19

To provide certainty for Member Agencies, VTA is recommending that funding for the Local Streets & Roads Program be consistent from year to year over the 30-year life of 2016 Measure B. Therefore, the proposed funding for FY 2018-19 is \$80 million, which represents a two-year allocation based on \$1.2 billion over the life of the program. Future allocations will vary depending on the amount of sales tax revenue collected.

To prevent potential cash-flow issues, VTA is proposing a one-time advance, no sooner than October 1, 2017, to local agencies. The advance will be equivalent to the percentage of the local agency's allocation of the Local Streets and Roads Program Area's percentage share of revenue collections from April 2017 to June 2017. This one-time advance will be distributed upon

execution of the Master Funding Agreement between VTA and the jurisdiction, as well as the jurisdiction’s submittal of their annual program of projects, Maintenance of Effort certification and Complete Streets Checklist reporting requirements. The remaining balance of the local agency’s allocation will be reimbursable.

The proposed FY18 and FY19 Local Streets and Roads allocations by agency is listed in Attachment D.

BART Phase II

Proposed Guidelines

The BART Phase II project will be designed and constructed by VTA. The total cost is estimated at \$4.7 billion. Any debt financing costs will be covered by tax revenues as described in 2016 Measure B.

VTA is recommending that BART Phase II apply Complete Streets best practices in order to improve transit, bicycle and pedestrian elements as applicable.

Recommended Funding for FY 2018-19

Funds for BART Phase II will not be needed at this time. Therefore, VTA is not recommending any funding for BART Phase II for FY 2018-19.

Bicycle & Pedestrian Program

Proposed Guidelines

To deliver the projects and programs described above, VTA is recommending a program that will consist of three categories:

2016 Measure B Bicycle & Pedestrian Program	
Program Area	Funding Allocation (Proposed)
Education & Encouragement	15%
Planning Projects	5%
Capital Projects	80%

The Education & Encouragement Program will allow member agencies to fund projects and programs that will encourage the use of bicycling and walking and/or provide education regarding these modes. These include, but are not limited to, Safe Routes to School, walk audits, open streets events, and bicycle/pedestrian safety campaigns. After much discussion with VTA’s advisory committees, VTA is recommending this program be funded by a formula based on the following: a) \$250,000 will be set aside for countywide (including targeting unincorporated areas) education and encouragement programs; and b) the remaining funds will be allocated by city population formula with a \$10,000 annual minimum allocation.

The Planning Projects Program will be administered as a competitive grant program, where Member Agencies may apply for planning funds that will allow them to advance projects of

countywide significance into shovel-ready status or construction.

The Capital Projects Program will also be administered as a competitive grant program. Member Agencies may apply for activities leading to/including: Environmental Clearance; Design; Right of Way; and Construction for projects currently identified in 2016 Measure B. Construction grant requests must include cost estimates supported by 30% to 35% design.

VTA is recommending a minimum contribution of 10% non-2016 Measure B funds be identified for all planning and capital projects. The contribution will help maximize 2016 Measure B revenues and allow more projects to be delivered.

VTA is also recommending that the Bicycle & Pedestrian Program apply Complete Streets best practices to projects in the Planning Projects and Capital Projects Programs order to improve transit, bicycle and pedestrian elements.

Recommended Funding for FY 2018-19

To provide certainty for Member Agencies, VTA is recommending that funding for the Bicycle & Pedestrian Program be consistent from year to year over the 30-year life of 2016 Measure B. Therefore, the proposed funding for FY 2018-19 is \$16.7 million which represents a two-year allocation based on \$250 million over the life of the program. Future allocations will vary depending on the amount of sales tax revenue collected.

The proposed FY18 and FY19 Education & Encouragement Program allocations by agency is listed in Attachment E.

Caltrain Grade Separations

Proposed Guidelines

This program will fund grade separations in the cities of Sunnyvale, Mountain View, and Palo Alto. VTA, working in collaboration with the three cities and other partners, is proposing to develop an implementation plan for delivering the eight grade separation projects. Once the implementation plan is complete, funds will be distributed as candidate projects move forward in readiness.

The amount of funding in 2016 Measure B will likely not be enough to fully fund all eight projects listed in the Caltrain Grade Separation Program. To complete all eight projects, VTA would allocate 2016 Measure B funding to the most cost-effective grade separation alternatives possible. Additionally, VTA anticipates that outside funding sources will need to be secured to complete the program.

VTA is also recommending that the grade separation projects apply Complete Streets best practices in order to improve transit, bicycle and pedestrian elements at the intersections.

Recommended Funding for FY 2018-19

VTA is recommending \$7 million for FY 2018-19 which will be used to fund the implementation plan, as well as any potential design and/or environmental work that cities may

be able to advance.

Caltrain Corridor Capacity Improvements

Proposed Guidelines

This program will fund capacity improvements and increased service in Santa Clara County. The funds will be used for the following:

- Improvement projects identified by VTA and Caltrain after the completion of the Peninsula Corridor Electrification Project
- Increased Caltrain service to Morgan Hill and Gilroy

While there is uncertainty regarding the funding for the Peninsula Corridor Electrification Project at this time, Caltrain is anticipating that the project will move forward. Once the Peninsula Corridor Electrification Project is completed, 2016 Measure B funds will be available for enhancement projects in Santa Clara County to improve the system further. VTA and Caltrain will identify the most cost-effective projects for funding. If other projects (including station improvements) should arise prior to completion of the electrification project that VTA believes should move forward, VTA will work with Caltrain to develop and recommend an early implementation schedule to the VTA Board of Directors.

As the first step for additional service to Morgan Hill and Gilroy, VTA is working with Caltrain to optimize the current schedule to Morgan Hill and Gilroy to better serve current and future customers. Discussions with Caltrain executive management have been held to determine how and when a fourth south county train could be added. Caltrain is preparing approaches that should be available in late spring 2017.

VTA is also recommending that Caltrain Corridor Capacity program area capital projects apply Complete Streets best practices in order to improve transit, bicycle and pedestrian elements.

Recommended Funding for FY 2018-19

VTA is recommending \$2 million for FY 2018-19 to provide funding for potential additional service to Morgan Hill and Gilroy. Funding for capacity improvements will be programmed once projects are identified at the conclusion of the Peninsula Corridor Electrification Project.

Highway Interchange Program

Proposed Guidelines

To deliver the projects contained in 2016 Measure B, VTA’s Project Development staff will generate a master candidate project timeline based on the following:

- Project Readiness
- Level of Contribution from non-2016 Measure B sources
- Geographic Considerations

Additionally, 2016 Measure B contains a category for “Noise Abatement Projects in Santa Clara County to implement treatments to address existing freeway noise levels throughout the county.” Noise abatement projects identified in the 2011 VTA Soundwall Study will receive higher consideration for funding.

If an agency other than VTA delivers the project, the agency and VTA will enter into an agreement. The agreement will include the reporting requirements and processes for delivering the project. Funding for the project will be available on a reimbursable basis, and the agency may submit receipts for work performed on a monthly, bi-monthly or quarterly basis.

It is expected that the level of contribution from non-2016 Measure B sources will be a minimum of 10%. However, projects that have higher levels of non-2016 Measure B contribution will have a greater chance of advancing.

VTA is also recommending that all capital projects apply Complete Streets best practices in order to improve bicycle, pedestrian and transit elements of the system.

Recommended Funding for FY 2018-19

VTA is proposing \$87 million for FY 2018-19. This funding will allow shovel-ready projects to proceed into construction and help prepare the planning and environmental work for other projects to move forward.

The cost of each phase of a proposed Highway Interchanges project will be finalized with execution of agreements with VTA for project funding.

The list of the proposed Highway Interchanges projects for FY18 and FY19 are identified in Attachment F.

County Expressways

Proposed Guidelines

To deliver the program, VTA will be working with the County of Santa Clara, the owner and operator of the County Expressway system. As part of this process, VTA, the County, and the County Expressway Policy Advisory Board will work together to develop an implementation schedule.

VTA and the County of Santa Clara will execute a Master Agreement for the administration of the 2016 Measure B County Expressways Program. The agreement will include the reporting requirements and processes for delivering projects. As part of the agreement, a 10% non-2016 Measure B contribution will be required for the program. Funding for the projects will be available on a reimbursable basis, and the County may submit receipts for work performed on a monthly, bi-monthly or quarterly basis.

VTA is also recommending that all projects apply Complete Streets best practices in order to improve transit, bicycle and pedestrian elements throughout the system.

Recommended Funding for FY 2018-19

The County of Santa Clara has several projects that are ready to move forward. VTA is recommending \$50 million in FY 2018-19 to advance those projects.

SR 85 Corridor

Proposed Guidelines

VTA staff has launched the SR 85 Transit Guideway Study to identify the most effective transit and congestion relief projects on SR 85. This study is expected to take approximately 18 months to complete. Projects identified from this study will be candidates for funding from the 2016 Measure B SR 85 Corridor Program Area. Upon completion of the SR 85 Transit Guideway Study, VTA is proposing to develop an implementation plan for SR 85 improvements.

VTA is recommending that Complete Streets best practices be applied to all capital projects in order to improve bicycle, pedestrian and transit elements of the transportation system. Additionally, VTA is recommending a minimum contribution of 10% non-2016 Measure B funds be identified for all projects. The contribution will help maximize 2016 Measure B revenues and allow more projects and programs to be delivered to this corridor.

The SR 85 Corridor Noise Reduction Study was completed in September 2016. The Noise Reduction Study identified five pilot project sites for noise reduction applications. As part of the SR85 Corridor Program Area, these five noise reduction pilot projects may be initiated/completed.

Recommended Funding for FY 2018-19

VTA is recommending \$12 million for FY 2018-19 to help fund the SR 85 Transit Guideway Study, an implementation plan for SR 85 Corridor improvements, and advancement of the noise reduction pilot projects.

Transit Operations

Proposed Guidelines

The program is divided into the following categories:

- Enhance frequent core bus network.
- Support new/innovative transit service models to address first/last mile connections and services to transit dependent and paratransit customers.
- Expand mobility services and affordable fare programs for seniors, disabled, students and low income riders.
- Improve amenities at bus stops to increase safety, security and access, as well as on-going maintenance.

The proposed allocation of funds for the categories includes input from community stakeholders and is shown below:

2016 Measure B Transit Operations Program Area	
Area	Funding Allocation (Proposed)
Enhance Frequent Core Bus Network	73%
Innovative Mobility Models & Programs	8%
Fare Programs	15%
Bus Stop Amenities	4%

VTA is also recommending that all capital improvements projects apply Complete Streets best practices in order to improve transit, bicycle and pedestrian elements.

Recommended Funding for FY 2018-19

Because the majority of this program will be used for operations, it is important that the funding be consistent from year to year over the 30-year life of 2016 Measure B. Therefore, the proposed funding for FY 2018-19 is \$33.3 million, which represents a two-year allocation based on \$500 million over the life of the program. Future allocations will vary depending on the amount of sales tax revenue collected.

For this two-year budget allocation, the “Frequent Core Bus Network” and “Bus Stop Amenities” programs will provide funds for VTA to increase or gradually increase bus service and make improvements to bus stops. The “Fare Programs” will fund discount ticket programs for low-income residents and youth. The “Innovative Mobility Models & Programs” will provide funding for VTA and Member Agencies to develop innovative pilot programs to address first/last mile connections, as well as services for the transit dependent and paratransit customers. VTA will be working with Member Agencies and stakeholders over the coming months to further refine this program and develop a process for identifying the most effective projects and programs throughout the county. This will allow VTA, Member Agencies and stakeholders to consider the impacts and opportunities of the Next Network.

Next Steps

Once the guidelines are adopted by the VTA Board of Directors, VTA will work with Member Agencies to execute funding agreements for the various program areas. VTA will also begin establishing the criteria, process and schedules for the competitive grant programs.

In addition, VTA will be working with project sponsors to ensure that project costs include funding for any ongoing operations and maintenance for 2016 Measure B capital projects owned and operated by VTA.

ALTERNATIVES:

The Board of Directors can choose to modify the proposed 2016 Measure B program area guidelines and/or FY 18-19 allocations or not approve them at this time. However, delays in approval of the guidelines and/or allocations may delay steps in developing agreements with

Member Agencies as well as establishing competitive grant programs.

FISCAL IMPACT:

There is no direct fiscal impact from adoption of the 2016 Measure B Program Area Guidelines. However, the approved guidelines will inform the timing and amount of funding allocated to each program area in subsequent 2016 Measure B Program budgets.

Prepared by: Jane Shinn
Memo No. 6078

ATTACHMENTS:

- MT6078_AttachmentA_Resolution (PDF)
- MT6078_AttachmentB_ProposedGuidelines_050417 (PDF)
- MT6078_AttachmentC_ProposedAllocation (PDF)
- MT6078_AttachmentD_ProposedLocalStreetsandRoadsAllocation (PDF)
- MT6078_AttachmentE_ProposedEducandEncAllocation (PDF)
- MT6078_AttachmentF_ProposedHwyICProjects (PDF)

RESOLUTION NO. 2016.06.17

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA) CALLING AND PROVIDING FOR A SPECIAL ELECTION ON NOVEMBER 8, 2016 AND REQUESTING THE CONSOLIDATION OF SUCH SPECIAL VTA ELECTION WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON NOVEMBER 8, 2016 FOR THE PURPOSE OF SUBMITTING TO THE VOTERS OF SANTA CLARA COUNTY A MEASURE SEEKING AUTHORIZATION FOR ADOPTION OF A RETAIL TRANSACTIONS AND USE TAX ORDINANCE BY THE BOARD OF DIRECTORS.

WHEREAS, the Board of Directors of the Santa Clara Valley Transportation Authority (VTA) deems it advisable to submit a measure to the voters within the territory of VTA at a special election to be held on November 8, 2016, to authorize the VTA Board of Directors to adopt a one-half of one percent retail transactions and use tax ordinance pursuant to Public Utilities Code section 100250 et seq., which tax shall be in effect for 30 years,

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY that the measure hereinafter set forth in full be submitted to the voters within the territory of VTA, which is the incorporated and unincorporated territory lying within the County of Santa Clara, at a special election to be held and conducted on November 8, 2016, and that the Registrar of Voters be, and thereby is, directed to publish such notice as may be required by law for the time and in the manner so required, and to place the same on the ballot at an election to be held throughout the territory of VTA on November 8, 2016. The full text of the proposed measure, which shall be printed in the voter information that accompanies the official vote by mail ballot and in the appropriate sample ballot pamphlet, is set forth as follows:

To repair potholes and fix local streets; finish the BART extension through downtown San Jose and to Santa Clara; improve bicycle and pedestrian safety; increase Caltrain capacity, in order to ease highway congestion, and improve safety at crossings; relieve traffic on the expressways and key highway interchanges; and enhance transit for seniors, students, low-income, and disabled, shall the Board of Directors of the Santa Clara Valley Transportation Authority (VTA) enact a retail transactions and use tax ordinance, Ordinance No. 2016.01, imposing (a) a tax for the privilege of selling tangible personal property at retail upon every retailer in Santa Clara County, the territory of VTA, such tax to be at the rate of one-half of one percent of the gross receipts of the retailer from the sale of tangible personal property sold by him/her at retail in the territory of VTA; and (b) a complementary tax upon the storage, use, or other consumption in Santa Clara County, the territory of VTA, such tax to be at the rate of one-half of one percent of the sales price of the property whose storage, use, or other consumption is subject to the tax; collection of such tax to be limited to thirty years?

VTA shall be the administrator of the tax, shall establish a program and develop program guidelines to administer the tax revenues received from the enactment of

Resolution No. 2016.06.17

this measure (the "Program"). Tax revenues received for the 30-year life of the tax, including any interest or other earnings thereon, less any funds necessary for satisfaction of debt service and/or cost of borrowing and costs of program administration and oversight, such as costs of grant administration and financial management, shall be referred to herein as "Program Tax Revenues."

VTA shall allocate the Program Tax Revenues to the following categories of transportation projects: Local Streets and Roads; BART Phase II; Bicycle and Pedestrian; Caltrain Grade Separation; Caltrain Capacity Improvements; Highway Interchanges; County Expressways; SR 85 Corridor; and Transit Operations.

The present value (i.e., present day purchasing power) of the Program Tax Revenues, as of April 2017, is forecasted to be approximately \$6.3 Billion. The actual revenues to be received over the 30-year life of the tax will be affected by various economic factors, such as inflation and economic growth or decline. The estimated amounts for each category reflect the allocation of approximately \$6.3 Billion. The estimated amounts for each category, divided by \$6.3 Billion, establishes ratios for the allocation among the categories. The VTA Board of Directors may modify those allocation amounts following the program amendment process outlined in this resolution.

- **Local Streets and Roads – Estimated at \$1.2 Billion of the Program Tax Revenues in 2017 dollars.**
 To be returned to cities and the County on a formula basis to be used to repair and maintain the street system. The allocation would be based on the population of the cities and the County of Santa Clara's road and expressway lane mileage. Cities and the County will be required to demonstrate that these funds would be used to enhance and not replace their current investments for road system maintenance and repair. The program would also require that cities and the County apply Complete Streets best practices in order to improve bicycle and pedestrian elements of the street system. If a city or the County has a Pavement Condition Index score of at least 70, it may use the funds for other congestion relief projects.
- **BART Phase II—Estimated at \$1.5 Billion of Program Tax Revenues in 2017 dollars (capped at a maximum of 25% of Program Tax Revenues).**
 To fund the planning, engineering, construction, and delivery costs of BART Phase II, which will create a new regional rail connection by extending BART from the Berryessa Station in San Jose to Santa Clara with stations at Alum Rock/28th Street, downtown San Jose, San Jose Diridon Station, and Santa Clara.
- **Bicycle/Pedestrian – Estimated at \$250 Million of Program Tax Revenues in 2017 dollars.**
 To fund bicycle and pedestrian projects of countywide significance identified by the cities, County, and VTA. The program will give priority to those projects that connect to schools, transit, and employment centers; fill gaps in the existing bike and pedestrian network; safely cross barriers to mobility; and

Resolution No. 2016.06.17

make walking or biking a safer and more convenient means of transportation for all county residents and visitors. Bicycle and pedestrian educational programs, such as Safe Routes to Schools, will be eligible for funding. Candidate Projects are set forth in Attachment A.

- **Caltrain Grade Separation – Estimated at \$700 Million of Program Tax Revenues in 2017 dollars.**
 To fund grade separation projects along the Caltrain corridor in the cities of Sunnyvale, Mountain View, and Palo Alto, separating the Caltrain tracks from roadways to provide increased safety benefits for drivers, bicyclists, and pedestrians and also reduce congestion at the intersections.
- **Caltrain Corridor Capacity Improvements – Estimated at \$314 Million of Program Tax Revenues in 2017 dollars.**
 To fund Caltrain corridor capacity improvements and increased service in Santa Clara County in order to ease highway congestion, including: increased service to Morgan Hill and Gilroy, station improvements, level boarding, extended platforms, and service enhancements.
- **Highway Interchanges – Estimated at \$750 Million of Program Tax Revenues in 2017 dollars.**
 To fund highway projects throughout the valley that will provide congestion relief, improved highway operations and freeway access, noise abatement, roadway connection overcrossings, and deploy advanced technology through Intelligent Transportation Systems (ITS). Candidate Projects are set forth in Attachment B.
- **County Expressways – Estimated at \$750 Million of Program Tax Revenues in 2017 dollars.**
 To fund Tier 1 improvement projects in the County's Expressway Plan in order to relieve congestion, improve safety and increase the effectiveness of the expressway system in the county. Candidate Projects are set forth in Attachment C.
- **State Route 85 Corridor – Estimated at \$350 Million of Program Tax Revenues in 2017 dollars.**
 To fund new transit and congestion relief projects on SR 85, including a new transit lane from SR 87 in San Jose to U.S. 101 in Mountain View. Additionally this category will fund noise abatement along SR 85 and will provide funding to study transportation alternatives that include, but are not limited to, Bus Rapid Transit with infrastructure such as stations and access ramps, Light Rail Transit, and future transportation technologies that may be applicable.

Resolution No. 2016.06.17

• Transit Operations – Estimated at \$500 Million of Program Tax Revenues in 2017 dollars.

The revenue from this program category will provide additional funds specifically for bus operations to serve vulnerable, underserved, and transit dependent populations throughout the county. The goals of the program category are to increase ridership, improve efficiency, enhance mobility services for seniors and disabled, and improve affordability for the underserved and vulnerable constituencies in the county. As VTA considers modifications to bus operations and routes to improve ridership and efficiencies, these funds may also be utilized to maintain and expand service to the most underserved and vulnerable populations. The funds may be used to increase core bus route service frequencies, extending hours of operations to early morning, evenings and weekends to improve mobility, safe access and affordability to residents that rely on bus service for critical transportation mobility needs. Attachment D describes the list of Candidate Projects and Programs.

The Program Categories will be administered in accordance with program guidelines and policies to be developed and approved by the VTA Board of Directors.

An independent citizen's oversight committee shall be appointed to ensure that the funds are being expended consistent with the approved Program. Annually, the committee shall have an audit conducted by an independent auditor. The audit shall review the receipt of revenue and expenditure of funds. The committee shall hold public hearings, and issue a report annually to inform the Santa Clara County residents how the funds are being spent. The hearings will be public meetings subject to the Brown Act.

To support and advance the delivery of projects in the Program, VTA may issue or enter into financial obligations secured by the tax revenues received from the State Board of Equalization (SBOE), including but not limited to, bonds, notes, commercial paper, leases, loans and other financial obligations and agreements (collectively, "Financing Obligations"), and may engage in any other transactions allowed by law. Notwithstanding anything to the contrary, to obtain the strongest credit ratings and lowest financing costs, VTA may pledge up to the full amount of tax revenues received from the SBOE as security for any Financing Obligations of the Program and may contract with the SBOE to have pledged amounts transferred directly to a fiduciary, such as a bond trustee, to secure Financing Obligations to fund any project in the Program. Any Financing Obligation shall be fully paid prior to the expiration of this tax measure.

If approved by a 3/4 majority of the VTA Board of Directors, and only after a noticed public meeting in which the County of Santa Clara Board of Supervisors, and the city council of each city in Santa Clara County have been notified at least 30 days prior to the meeting, VTA may modify the Program for any prudent

Resolution No. 2016.06.17

purpose, including to account for the results of any environmental review required under the California Environmental Quality Act of the individual specific projects in the Program; to account for increases or decreases in federal, state, and local funds, including revenues received from this tax measure; to account for unexpected increase or decrease in revenues; to add or delete a project from the Program in order to carry out the overall purpose of the Program; to maintain consistency with the Santa Clara Valley Transportation Plan; to shift funding between project categories; or to take into consideration new innovations or unforeseen circumstances.

BE IT FURTHER RESOLVED that such measure will appear in summarized form upon the ballot as follows:

Measure _____

<p>To relieve traffic, repair potholes; shall VTA enact a 30-year half-cent sales tax to:</p> <ul style="list-style-type: none"> • Repair streets, fix potholes in all 15 cities; • Finish BART extension to downtown San Jose, Santa Clara; • Improve bicycle/pedestrian safety, especially near schools; • Increase Caltrain capacity, easing highway congestion, improving safety at crossings; • Relieve traffic on all 9 expressways, key highway interchanges; • Enhance transit for seniors, students, disabled; <p>Mandating annual audits by independent citizens watchdog committee to ensure accountability.</p>	<p>YES _____</p>
	<p>NO _____</p>

BE IT FURTHER RESOLVED that the Board of Supervisors is hereby requested to consolidate this election with the statewide general election and any other elections to be held within the County of Santa Clara on November 8, 2016, and that it include in its proclamation or notice of the special election that Article 3 of Chapter 2 of Division 9 of the Elections Code relating to arguments concerning county measure applies, and that the Office of the County Counsel is directed to prepare an impartial analysis.

BE IT FURTHER RESOLVED that pursuant to Elections Code section 10403, VTA acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code section 10418.

BE IT FURTHER RESOLVED that the Santa Clara County Board of Supervisors is requested to permit the Registrar of Voters to render all services specified by Elections Code section 10418 relating to the election, for which services VTA agrees to reimburse the County.

BE IT FURTHER RESOLVED that pursuant to Elections Code section 10418, all proceedings related to, connected with, and incidental to the election shall be regulated and performed in accordance with the provisions of law regulating the statewide election.

BE IT FURTHER RESOLVED that the returns of such VTA election shall be canvassed by the Registrar of Voters of the County of Santa Clara and the returns, when canvassed, shall be reported to the Board of Directors of the Santa Clara Valley Transportation Authority.

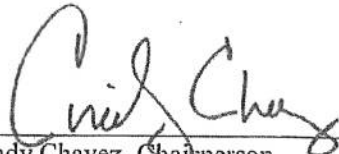
BE IT FURTHER RESOLVED that the Board Secretary is hereby directed to file a certified copy of this Resolution with the Santa Clara County Board of Supervisors and to submit certified copies of this Resolution to the County Clerk and to the Registrar of Voters of the County of Santa Clara no later than 88 days prior to the date of the election.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June 24, 2016 by the following vote:

AYES: DIRECTORS: Baker, Bruins, Carr, Chavez, Hendricks, Khamis, Liccardo, Nguyen, O'Neill, Peralez, Yeager

NOES: DIRECTORS: None

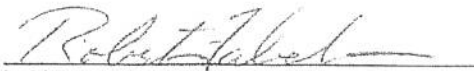
ABSENT: DIRECTORS: Carrasco


Cindy Chavez, Chairperson
Board of Directors

ATTEST:


Elaine Baltas, Board Secretary

APPROVED AS TO FORM:


ROBERT FABELA
General Counsel

Resolution No. 2016.06.17

ATTACHMENT A**ENVISION SILICON VALLEY BICYCLE AND PEDESTRIAN CANDIDATE LIST****Project**

Implementation of Santa Clara Countywide Bicycle Plan*

Trails in Expressway Rights-of-Way

Alum Rock Trail

Coyote Creek Trail Completion

Lions Creek Trail

Lower Silver Creek Trail

Miramonte Ave Bikeways

Fremont Road Pathway

Los Gatos Creek Trail Connector to SR 9

Berryessa Creek Trail

West Llagas Creek Trail

Gualadupe River Trail-Extension to Almaden

Three Creeks Trail East from Guadalupe River to Coyote Creek Trail

Five Wounds Trail from William Street to Mabury Road/Berryessa

Hwy 237 Bike Trail: Great America Parkway to Zanker (Class I, II, and IV)

Lower Gualadupe River Access Ramps

Los Gatos Creek Trail Gap Closure

Calabazas Creek Trail

San Tomas Aquino Trail Extension to South & Campbell Portion

Union Pacific Railroad Trail

Stevens Creek Trail Extension

Hamilton Avenue/Highway 17 Bicycle Overcrossing

Ped/Bike Bridge over SR 17 from Railway/Sunnyside to Campbell Technology Pkwy

Mary Avenue Complete Streets Conversion

UPRR Bike/Ped Bridge Crossing: Stevens Creek Boulevard to Snyder Hammond House/Rancho San Antonio Park

Montague Expwy Bike/Ped Overcrossing at Milpitas BART Station
Shoreline/101 Bike Ped Bridge
Mayfield Tunnel Ped/Bike under Central Expressway connecting to San Antonio Caltrain station
South Palo Alto Caltrain Bike/Ped Crossing
Matadero Creek Trail Undercrossing
Caltrain Capitol Undercrossing
Phelan Avenue Pedestrian & Bike Bridge over Coyote Creek
Newhall Street Bike/Ped Overcrossing over Caltrain Tracks
Kiely Bicycle & Pedestrian Overcrossing
Winchester Bicycle and Pedestrian Overcrossing
Bernardo Caltrain Undercrossing
San Tomas Aquino Creek Trail Underpass at 49er Stadium
Latimer Avenue Bicycle/Pedestrian Overcrossing
Bike & ped safety education at approximately ~200 schools
Implementation of Pedestrian Access to Transit Plan (VTA)*
Bike amenities at transit stops and on transit vehicles
Countywide Vision Zero Program (VTA)*
Highway 9 Pedestrian Safety Improvements

*These plans are currently being developed/updated and projects are being identified.

ATTACHMENT B
ENVISION HIGHWAY PROGRAM CANDIDATE LIST

Project

US 101 Improvements in the cities of Palo Alto and Mountain View to address regional connectivity and circulation between San Antonio Road and Charleston Road at the US 101/San Antonio Road, US 101/Rengstorff/Charleston Road and US 101/Shoreline Boulevard interchanges.

SR 85/SR 237 Area Improvements in Mountain View to address mainline congestion and regional connectivity through the SR 85/SR 237 connector, SR 85/El Camino Real interchange, and the SR 237/El Camino/Grant Road interchange.

SR 237/US 101/Mathilda Avenue Area Improvements in Sunnyvale to address local roadway congestion.

SR 237 Corridor Improvements in the cities of San Jose, Santa Clara and Milpitas to address mainline congestion and regional connectivity by addition of SR 237 westbound/eastbound auxiliary lanes between Zanker Road and North First Street, improvements at the SR 237/Great America Parkway westbound off-ramp, and replacement/widening of the Calaveras Boulevard structures over the UPRR tracks.

West County Improvements along I-280 in Cupertino, Los Altos, Los Altos Hills and Sunnyvale to address mainline congestion with mainline and interchange improvements from Magdalena Avenue to the San Mateo County line.

SR 85/I-280 Area Improvements in Cupertino, Los Altos, and Sunnyvale to address regional connectivity through a northbound I-280 braided ramp between SR 85 and Foothill Boulevard and improvements at the northbound I-280 off-ramp to Foothill Boulevard.

US 101/Trimble Road/De La Cruz Boulevard to Zanker Road Area Improvements to address local roadway connectivity and mainline congestion in San Jose and Santa Clara with US 101/Trimble Road/De La Cruz Boulevard interchange improvements, southbound US 101/SB 87 connector improvements, and a new US 101/Zanker Road interchange.

US 101/Old Oakland Road Improvements in San Jose to address local roadway congestion, access and connectivity.

A new interchange at US 101/Mabury Road in San Jose to address regional access.

I-680 Corridor Improvements in San Jose to address mainline congestion and regional connectivity by improving the I-680/Alum Rock Avenue and I-680/McKee Road interchanges.

I-280/Lawrence Expressway/Stevens Creek Boulevard Interchange Improvements to address mainline and local roadway congestion.

I-280/Saratoga Avenue Interchange Improvements to address local circulation and mainline congestion.

I-280/Winchester Boulevard Area Improvements in Santa Clara and San Jose to address regional connectivity and local circulation.

SR 87 Corridor Technology-based Improvements in San Jose to address mainline congestion and system reliability through the implementation of technology-based operational improvements to the freeway.

Highway 17 Corridor Congestion Relief: Upgrade Highway 17/9 interchange to improve pedestrian and bicycle safety, mobility, and roadway operations; deploy advanced transportation technology to reduce freeway cut thru traffic in Los Gatos, including traffic signal control system upgrades in Los Gatos, Traveler Information System, advanced ramp metering systems; support Multi-Modal Congestion Relief Solutions, including enhanced Highway 17 Express Bus service, implementing local bus system improvements that reduce auto trips to schools, work, and commercial areas in Los Gatos; and develop park and ride lots to serve as transit hubs for express bus, shuttles, local bus system connections.

SR 17 Southbound/Hamilton Avenue Off-ramp Widening Improvements in Campbell to address mainline congestion and local circulation.

SR 17/San Tomas Expressway Improvements in Campbell to address mainline congestion and local circulation.

US 101/Blossom Hill Boulevard improvements in San Jose to address local roadway congestion and connectivity including for bicyclists and pedestrians.

US 101 Improvements in Gilroy to address mainline congestion and regional connectivity with a new US 101/Buena Vista Avenue interchange and US 101/SR 152 10th Street ramp and intersection improvements.

SR 152 Corridor Improvements in Gilroy including US 101/SR 25 interchange improvements to address regional connectivity and goods movement network improvements.

I-280/Wolfe Road Interchange Improvements in Cupertino to address mainline congestion and improve local traffic circulation.

I-880/Charcot Avenue Overcrossing in San Jose to address local relief circulation and adjacent I-880 interchanges congestion relief.

Noise Abatement Projects in Santa Clara County to implement treatments to address existing freeway noise levels throughout the county.

Intelligent Transportation Systems (ITS) Projects in Santa Clara County such as integrated corridor management systems, traffic operations systems, ramp metering, managed lanes, and local traffic signal control systems to address freeway mainline congestion and local roadway congestion caused by cut-through traffic.

ATTACHMENT C

SANTA CLARA COUNTY EXPRESSWAY IMPROVEMENTS (TIER 1)

Project

Almaden Expressway at SR-85 - Interim Improvements

Almaden Expressway at Branham Lane Intersection Improvement

Almaden Expressway at Camden Ave Intersection Improvements

Capitol Expressway Widening and Interchange Modifications between I-680 and Capitol Avenue

Central Expressway at Thompson Intersection Improvement

Foothill Expressway Auxiliary Lanes between El Monte and San Antonio

Lawrence Expressway at Homestead Road Interim Improvements

Lawrence Expressway at Homestead Road Grade Separation

Lawrence Expressway from Reed/Monroe to Arques Grade Separation

Montague Expressway Complete 8-lane Widening including HOV lanes and Auxiliary Lanes between Great Mall and McCarthy/O'Toole

Oregon-Page Mill Widening (possible HOV lanes) and Trail between I-280 and Foothill Expressway

Oregon-Page Mill Intersection Improvements between Porter and Hansen

Oregon-Page Mill/El Camino Real Intersection Improvements

San Tomas Expressway Widening and Trail between Homestead and Stevens Creek

Santa Teresa-Hale Corridor Road and Trail between Dewitt and Main

Santa Teresa-Hale Corridor Widening and Trail between Long Meadow and Fitzgerald

SR 17/San Tomas Expressway Interim Improvements

I-280/Foothill Expressway Interchange Modifications and Auxiliary Lane to Homestead

I-280/Oregon-Page Mill Road Interchange Reconfiguration

Expressway ITS/Signal System Countywide

ATTACHMENT D

TRANSIT OPERATIONS CANDIDATE PROJECTS AND PROGRAMS LIST

- Expand mobility services and affordable fare programs for seniors, disabled, students and low-income riders.

This project would provide funds to develop and expand senior and disabled transportation mobility programs and services. The proposed program would provide mobility options such as coordinated eligibility services and enhanced mobility options provided in a secure and safe manner for the most vulnerable and underserved residents in the County, such as seniors and persons with disabilities. It would support mobility options including maintaining the paratransit service coverage area and service expansion by extending hours of operation and weekend service. The funds would also establish permanent and augment discount fare programs to increase transit access for low-income, underserved and vulnerable populations unable to afford standard fares.

- Enhance Frequent Core Bus Network.

The project would upgrade service frequency on VTA's top core network routes to 15-minutes or faster. Some specific examples include expanding the number of high frequency core routes and expanding the schedule of existing services. This may also include enhancing frequency of services during early mornings, evenings and weekends in order to improve convenience, reliability, connectivity, ridership, farebox recovery and support local land use plans. The upgrade would improve the quality of service for vulnerable, underserved and transit dependent populations as well as existing riders and attract new riders which would decrease vehicle miles traveled, traffic congestion and pollution.

- Improve amenities at bus stops to increase safety, security and access.

The project would provide funds for system wide improvements to bus stops, transit centers and stations including new and replacement shelters, lighting, access improvements including safe sidewalk connections, passenger information signs and security.

- Support new innovative transit service models to address first/last mile connections.

The project would support affordable new innovative transit service models to address first/last mile connections including FLEX type services, dynamic on-demand subscription shuttles and partnerships with other demand responsive service providers serving vulnerable, underserved and transit dependent populations.

Proposed Local Streets & Roads Program Guidelines

Definition from Resolution No. 2016.06.17

To be returned to the cities and the County on a formula basis to be used to repair and maintain the street system. The allocation would be based on the population of the cities and the County of Santa Clara's road and expressway lane mileage. Cities and the County will be required to demonstrate that these funds would be used to enhance and not replace their current investments for road system maintenance and repair. The program would also require that cities and the County apply Compete Streets best practices in order to improve bicycle and pedestrian elements of the street system. If a city or the County has a Pavement Condition Index score of at least 70, it may use the funds for other congestion relief projects.

Total Funding

- \$1.2 billion in 2017 dollars.

Distribution

- Formula-based distribution to Cities and County (agencies) as contained in 2016 Measure B.
- Agencies will be informed of allocation amount for a two-year period.
- VTA anticipates that allocations will be programmed based upon the total allocation for Local Streets & Roads contained in 2016 Measure B divided by the number of years in the measure.
- Future allocations will vary depending on the amount of sales tax revenue collected.
- After a one-time advance, no sooner than October 1, 2017, funds will be available on a reimbursement basis.

Implementation

- VTA and individual agencies will enter into funding agreements.
- Agencies are required to submit an annual program of projects. For agencies with a Pavement Condition Index (PCI) of 70 or higher, the program of projects may also include "congestion relief projects." For agencies with a PCI of 69 or lower, the program of projects is limited to projects that repair and maintain the street system.
- VTA will review the program of projects to ensure that all projects are eligible for funding.
- If an agency with a PCI of 70 or higher should have their PCI fall below 70, the agency must redirect all funding to repair and maintenance of the street system in the following cycle.
- A one-time advance, no sooner than October 1, 2017, equivalent to the percentage of the local agency's allocation of the Local Streets and Roads Program Area's percentage

share of revenue collections from April 2017 to June 2017 will be distributed to individual agencies upon:

- Execution of the Master Funding Agreement between VTA and the Agency
- Submittal of annual program of projects
- Maintenance of Effort certification
- Complete Streets Checklist reporting requirements
- Remaining funds will be available on a reimbursable basis.
- Agencies may submit invoices to VTA on a monthly, quarterly or annual basis. Invoices must be submitted within one year of the date posted on the contractor's invoice.

Requirements

- Individual agencies must certify and submit on an annual basis, a Maintenance of Effort report to maintain a level of expenditures on 2016 Measure B Local Streets & Roads eligible activities equivalent to the average expenditures on roadway and related maintenance activities from the agency's general fund during FY10 to FY12. This certification will be submitted with their Annual Program of Projects.
- All projects must comply with VTA's Complete Streets Reporting Requirements.
- All collateral material will be required to display a 2016 Measure B logo.
- Agencies will submit project updates to VTA on a regular basis. The information will be placed on the 2016 Measure B website to keep the public informed on 2016 Measure B spending.
- Agencies may also be requested to present updates to the 2016 Measure B Citizen's Oversight Committee.

Proposed BART Phase II Guidelines

Definition from Resolution No. 2016.06.17

To fund the planning, engineering, construction and delivery costs of BART Phase II, which will create a new regional rail connection by extending BART from the Berryessa Station in San Jose to Santa Clara with stations at Alum Rock/28th Street, downtown San Jose, San Jose Diridon Station and Santa Clara.

Total Funding

- \$1.5 billion in 2017 dollars – capped at a maximum of 25% of Program Tax Revenues.

Distribution

- VTA will program funding to complete project.
- Debt financing costs (if any) will be covered by tax revenues as described in the 2016 Measure B Resolution.

Requirements

- All collateral material will be required to display a 2016 Measure B logo.
- Project must comply with VTA's Complete Streets Reporting Requirements.
- Project requires a 10% non-2016 Measure B contribution.

Proposed Bicycle & Pedestrian Program Guidelines

Definition from Resolution No. 2016.06.17

To fund bicycle and pedestrian projects of countywide significance identified by the cities, County and VTA. The program will give priority to those projects that connect to schools, transit and employment centers; fill gaps in the existing bike and pedestrian network; safely cross barriers to mobility; and make walking or biking a safer and more convenient means of transportation for all county residents and visitors. Bicycle and pedestrian educational programs such as Safe Routes to Schools, will be eligible for funding.

Total Funding

- \$250 million in 2017 dollars.

Distribution

- Board of Directors will allocate funding schedule and amount for program through the budget cycle.
- Future allocations will vary depending on the amount of sales tax revenue collected.
- Funds will be distributed on a 2-year cycle. The program will consist of three categories: education & encouragement programs, planning studies, and capital projects.
- A total of 15% of available program area funds will be set aside for the education & encouragement category. The funds will be allocated as follows:
 - \$250,000 for countywide (including targeting unincorporated areas) education & encouragement programs
 - Remaining funds allocated by city population formula with a \$10,000 annual minimum allocation per city
- A maximum of 5% of available program area funds will be allocated to planning studies grants category.
- If the planning studies grants category is not fully awarded, the remaining funds will roll into the capital category.
- If a cycle's funds are not fully awarded, the balance will roll into the next cycle's budget.
- Example of breakdown of grant program funding: If Bicycle/Pedestrian Program Area is programmed at \$8.3 million/year:
 - Capital - \$6.6 million (minimum)
 - Planning - \$415,000 (maximum)
 - Education & Encouragement - \$1.25 million (maximum)

Implementation

Education & Encouragement (Formula Distribution)

- VTA and individual agencies will enter into a Master Agreement for Education & Encouragement funds.
- VTA will notify agency of estimated allocation for two-year cycle.
- Agency will submit annual education & encouragement work program.
- Funds will be available on a reimbursable basis. Agencies may submit invoices to VTA on a monthly, quarterly or annual basis. Invoices must be submitted within one year of the date posted on the contractor’s invoice.
- Education & Encouragement funds may be banked for a maximum of three years with explanation of banking purposes.

Grant Program (Competitive)

- Only a public agency can serve as a project sponsor. Other entities must partner with a public agency to apply for a grant.
- The grant program will contain two categories:
 - Capital projects
 - Activities leading to/including:
 - Environmental Clearance
 - Design
 - Right of Way
 - Construction
 - Construction grant requests must include cost estimates supported by 30% to 35% design.
 - Planning studies
 - Includes planning studies to support capital project development for those projects currently listed on Attachment A of 2016 Measure B. It does not include general/master planning efforts.
- The minimum grant award is \$50,000.
- The maximum grant award per sponsoring agency can be no more than 50% of the total available funds per call for projects per cycle, unless the cycle is undersubscribed.
- Project criteria will be developed in conjunction with the VTA Technical Advisory Committee (TAC) Capital Improvement Program Working Group, and brought to the TAC and Bicycle & Pedestrian Advisory Committee (BPAC) for input.
- Scoring committee for the grant program will be comprised of three BPAC members, three Member Agency staff, and one VTA staff person.

Criteria

- Only projects currently listed on Attachment A of 2016 Measure B are eligible.
- Capital Projects will be scored on criteria that supports the language in 2016 Measure B.

- Countywide significance
- Connection to/serves schools, transit, or employment centers
- Fills gaps in bicycle/pedestrian network
- Provides safer crossings of barriers
- Makes walking or biking safer
- Makes walking or biking more convenient
- Other criteria to consider:
 - Safety benefits
 - Increase in bicycle and pedestrian usage
 - Community support
 - Project readiness
 - Projects serve Communities of Concern

Requirements

- Competitive grant projects require a 10% non-2016 Measure B contribution.
- Reporting requirements will be detailed in agreements executed with VTA for project funding.
- All applications must include a delivery schedule.
- Funds will be available on a reimbursement basis.
- VTA Complete Streets reporting requirements will be required for Planning and Capital projects.
- All collateral material will be required to display a 2016 Measure B logo.

Proposed Caltrain Grade Separation Program Guidelines

Definition from Resolution No. 2016.06.17

To fund grade separation projects along the Caltrain corridor in the cities of Sunnyvale, Mountain View and Palo Alto, separating the Caltrain tracks from roadways to provide increased safety benefits for drivers, bicyclists and pedestrians and also reduce congestion at the intersections.

Total Funding

- \$700 million in 2017 dollars.

Distribution

- As candidate projects move forward in readiness (ability to expend Measure funds), the project sponsor will submit request for funding.
- Funds will be allocated to the most cost effective grade separation alternatives.
- Funds will be distributed on a reimbursement basis.

Implementation

- VTA will work with the cities and other partners to develop an implementation plan for delivering the eight grade separation projects eligible for 2016 Measure B funds.
- There will be two program categories for funds:
 - Planning
 - Capital projects

Criteria

- All project sponsors must apply to the State §190 Grade Separation Program.

Requirements

- Reporting requirements regarding project progress will be detailed in agreements executed with VTA for project funding.
- Each project will require a 10% non-2016 Measure B contribution.
- All projects must be in compliance with VTA's Complete Streets Reporting Requirements.
- All collateral material will be required to display a 2016 Measure B logo.

Proposed Caltrain Corridor Capacity Improvements Program Guidelines

Definition from Resolution No. 2016.06.17

To fund Caltrain corridor capacity improvements and increased service in Santa Clara County in order to ease highway congestion, including: increased service to Morgan Hill and Gilroy, station improvements, level boarding, extended platforms and service enhancements.

Total Funding

- \$314 million in 2017 dollars.

Distribution

- Funds for increased service to Morgan Hill and Gilroy will be distributed on a regular basis.
- Funds for Caltrain Modernization 2.0 will be distributed to Caltrain as Santa Clara County's contribution for costs associated with station improvements, level boarding, extended platforms and service enhancements.

Implementation

- VTA and Caltrain staff will determine operating and capital costs associated with increased service to Morgan Hill and Gilroy.
- Improvement projects will be identified by VTA and Caltrain staff after completion of Peninsula Corridor Electrification Project (PCEP) and CA High Speed Rail blended service operations and maintenance needs/issues have been identified and remedies finalized.
- Should projects (including station improvements) arise prior to the completion of the PCEP that VTA believes should move forward, VTA will work with Caltrain to develop and recommend an early implementation schedule to the VTA Board of Directors.

Criteria

- Current service schedule to Morgan Hill and Gilroy will be reevaluated prior to addition of increased service.

Requirements

- Partner JPB contributions for station improvements, level boarding, extended platforms and service enhancements for Caltrain Modernization 2.0 must be secured prior to allocation of Santa Clara County's contribution.
- VTA Compete Streets reporting requirements will be required for capital projects.
- All collateral material will be required to display a 2016 Measure B logo.

Proposed Highway Interchanges Program Guidelines

Definition from Resolution No. 2016.06.17

To fund highway projects throughout the valley that will provide congestion relief, improved highway operations and freeway access, noise abatement, roadway connection overcrossings, and deploy advanced technology through Intelligent Transportation Systems (ITS). Candidate Projects are set forth in Attachment B.

Total Funding

- \$750 million in 2017 dollars.

Distribution

- VTA Board of Directors will allocate funding on a 2-year cycle.
- Funds will be distributed through two programs: capital projects and noise abatement.
- Funds will be available on a reimbursement basis.

Implementation

- VTA staff will work with local agency staff to identify and prioritize projects in the Highway Interchange Program Candidate List on 2016 Measure B Attachment B. The following criteria will be considered:
 - Project Readiness
 - Level of local contribution
 - Geographic consideration
- VTA staff will work with member agency staff to advance projects.
- Noise Abatement projects will be a separate category within the Highway Interchange Program.
 - Projects identified in the 2011 VTA Soundwall Study will receive higher consideration during Call for Projects.
- Funds will be available on a reimbursable basis. Agencies may submit invoices to VTA on a monthly, quarterly or annual basis. Invoices must be submitted within one year of the date posted on the contractor's invoice.
- The cost of each phase of a proposed Highway Interchanges project will be finalized with execution of agreements with VTA for project funding.

Criteria

- Only VTA, Caltrans and Member Agencies can serve as an implementing agency.
- Only projects and programs currently listed on 2016 Measure B Attachment B are eligible.

Requirements

- Projects require a minimum 10% non-2016 Measure B contribution.
- Reporting requirements will be detailed in agreements executed with VTA for project funding.
- All applications must include a delivery schedule.
- All projects must comply with VTA's Complete Streets Reporting Requirements.
- All collateral material will be required to display a 2016 Measure B logo.

DRAFT

Proposed County Expressways Program Guideline

Definition from Resolution No. 2016.06.17

To fund Tier 1 improvement projects in the County’s Expressway Plan in order to relieve congestion, improve safety and increase the effectiveness of the expressway system in the county. Candidate Projects are set forth in Attachment C.

Total Funding

- \$750 million in 2017 dollars.

Distribution

- VTA Board of Directors will allocate funding on a 2-year cycle.
- As candidate projects move forward in readiness (ability to expend Measure funds), the County of Santa Clara will submit request for funding.
- Funds will be available on a reimbursement basis.

Implementation

- VTA and the County of Santa Clara will execute a Master Agreement for the administration of the 2016 Measure B County Expressways Program.
- VTA staff will work with the County of Santa Clara to advance projects and maintain an implementation plan.
- County Expressway Policy Advisory Board (PAB) will recommend the prioritization of projects.
- Projects will be distributed into three categories:
 - Conventional – Up to \$10M
 - Major – \$10-\$50M
 - Lawrence Grade Separations
- Funds will be available on a reimbursable basis. Agencies may submit invoices to VTA on a monthly, quarterly or annual basis.

Criteria

- Only projects and programs currently listed on 2016 Measure B Attachment C are eligible.
- Project timelines will be developed based on the County Expressway PAB adopted criteria, which includes the following:
 - Project readiness
 - Complexity
 - Geographic balance and public impact
 - Timing of other funding sources

- Additional factors
 - Safety
 - Public support
 - Gap closures

Requirements

- Program requires a 10% non-2016 Measure B contribution.
- Reporting requirements will be detailed in agreements executed with VTA.
- All projects must comply with VTA's Complete Streets Reporting Requirements.
- All collateral material will be required to display a 2016 Measure B logo.

DRAFT

Proposed State Route 85 Corridor Program Guidelines

Definition from Resolution No. 2016.06.17

To fund new transit and congestion relief projects on SR 85, including a new transit lane from SR 87 in San Jose to U.S. 101 in Mountain View. Additionally this category will fund noise abatement along SR 85 and will provide funding to study transportation alternatives that include, but are not limited to, Bus Rapid Transit with infrastructure such as stations and access ramps. Light Rail Transit, and future transportation technologies that may be applicable.

Total Funding

- \$350 million in 2017 dollars.

Distribution

- Revenues will be programmed on a 2-year cycle towards projects identified in SR 85 Corridor-related studies.

Implementation

- VTA staff is launching the SR 85 Transit Guideway Study (study) to identify the most effective transit and congestion relief projects on SR 85.
- Projects identified by the study will be candidates for funding.
- Noise abatement projects as identified in the SR 85 Noise Abatement Study may be funded prior to the completion of the study.
- Upon completion of the study, an implementation plan for SR 85 Corridor projects will be developed.
- SR 85 Policy Advisory Board will forward recommended projects to the VTA Board of Directors to be funded in the 2-year budget process.
- VTA will serve as implementing agency for all program projects.

Requirements

- Capital projects require a 10% non-2016 Measure B contribution.
- VTA's Complete Streets reporting requirements will be required for all capital projects.
- All collateral material will be required to display a 2016 Measure B logo.

Proposed Transit Operations Program Guidelines

Definition from Resolution No. 2016.06.17

The revenue from this program category will provide additional funds specifically for bus operations to serve vulnerable, underserved, and transit dependent populations throughout the county. The goals of the program category are to increase ridership, improve efficiency, enhance mobility services for seniors and disabled, and improve affordability for the underserved and vulnerable constituencies in the county. As VTA considers modifications to bus operations and routes to improve ridership and efficiencies, these funds may also be utilized to maintain and expand service to the most underserved and vulnerable populations. The funds may be used to increase core bus route service frequencies, extending hours of operations to early morning, evenings and weekends to improve mobility, safe access and affordability to residents that rely on bus service for critical transportation mobility needs. Attachment D describes the list of Candidate Projects and Programs.

Total Funding

- \$500 million in 2017 dollars.

Distribution

- VTA Board of Directors will allocate funding on a 2-year cycle, based on a forecast of Measure B revenues.
- Future allocations will vary depending upon the amount of sales tax revenue collected.
- The Transit Operations Program Area funding will be allocated for the following four programs identified in 2016 Measure B Attachment D:
 - Enhance Frequent Core Bus Network by increasing core bus route service frequencies, and expanding or adding additional evening, late night and weekend service.
 - Expand mobility services and affordable fare programs for seniors, disabled, students and low-income riders.
 - Support new/innovative transit service models to address first/last mile connections and transit services for the transit dependent, vulnerable populations and paratransit users.
 - Improve amenities at bus stops to increase safety, security and access with lighting and access improvements.
- The proposed allocations for the four categories are as follows:

2016 Measure B Transit Operations Program Area	
Area	Funding Allocation (Proposed)
Frequent Core Bus Network	73%
Innovative Mobility Models & Programs	8%
Fare Programs	15%
Bus Stop Amenities	4%

Implementation

For FY18 & FY19 Budget Allocation:

- The Enhanced Frequent Core Bus Network will directly fund VTA’s core bus network of services increasing core bus route service frequencies, and expanding or adding evening, late night and weekend service.
- The Fare Programs will fund the Transit Assistance Program (TAP) and reduced fares for youth.
- The Innovative Transit Models Program will support goals to address first/last mile connections. Strategies may include competitive grant programs to help fund services operated by local jurisdictions, utilize excess paratransit capacity, and other programs that encourage investments in local service.
- The Bus Stop Amenities Program will directly fund improvements at VTA’s bus stops. The bus stop improvements will be prioritized based on VTA’s Transit Passenger Environment Plan and ongoing maintenance needs.

Criteria

- Only projects and programs currently listed on 2016 Measure B Attachment D are eligible.

Requirements

- For potential competitive grants for the Innovative Transit Models Program:
 - Reporting requirements will be detailed in agreements executed with VTA for project funding.
 - All applications must include a delivery schedule.
 - Funds will be available on a reimbursement basis.
- VTA Complete Streets reporting requirements will be required for all capital improvements projects.
- All collateral material will be required to display a 2016 Measure B logo.

Proposed 2016 Measure B Funding Allocation for FY18 - FY19
 All amounts in million \$

		FY18	FY19
Administrative Costs		3.3	3.3
Program Area			
ANNUAL PROPORTION*	Local Streets & Roads	40	40
	Transit Operations		
	Enhance Core Network	12.00	12.00
	Innovative Transit Models	3.00	
	Expand Mobility & Affordable Fares	2.50	2.50
	Improve Amenities	1.30	
	Bicycle & Pedestrian		
	Education/Encouragement	2.50	
	Capital Projects	13.33	
	Planning Projects	0.83	
NEED/CAPACITY BASED			
NEED/CAPACITY BASED	BART Phase II	-	-
	Caltrain Grade Separation	7	
	Caltrain Corridor Capacity	2	
	SR 85 Corridor	12	
	County Expressways	50	
	Highway Interchanges	87	

*Allocation based upon the total allocation of Program Area divided by 30 years in the measure.

Proposed 2016 Measure B Local Streets and Roads Allocation

Agency	FY 18	FY19
Campbell	\$ 796,707	\$ 796,707
Cupertino	\$ 1,137,397	\$ 1,137,397
Gilroy	\$ 1,008,804	\$ 1,008,804
Los Altos	\$ 571,706	\$ 571,706
Los Altos Hills	\$ 158,763	\$ 158,763
Los Gatos	\$ 580,633	\$ 580,633
Milpitas	\$ 1,381,985	\$ 1,381,985
Monte Sereno	\$ 65,686	\$ 65,686
Morgan Hill	\$ 795,223	\$ 795,223
Mountain View	\$ 1,483,017	\$ 1,483,017
Palo Alto	\$ 1,273,986	\$ 1,273,986
San Jose	\$ 19,347,691	\$ 19,347,691
Santa Clara	\$ 2,302,604	\$ 2,302,604
Saratoga	\$ 586,229	\$ 586,229
Sunnyvale	\$ 2,817,569	\$ 2,817,569
Santa Clara County	\$ 5,692,000	\$ 5,692,000
Grand Total	\$ 40,000,000	\$ 40,000,000

Proposed FY18 - FY19 Education and Encouragement Allocation

Prior VERBS Annualized		Allocation by Percentage of County Population Proposal				\$10k Minimum Allocation Proposal					
Agency	\$	Agency	Population	% of Pop	Yearly Allocation by % of Pop	Agency	Population	Percentage	\$10k off the top to Cities	Balance split based on remaining pop percentage	Total Allocation per Year
Entire County	\$ 709,440	Entire County	1,927,888		\$ 1,250,000	Entire County	1,828,403			\$ 850,000	
Campbell		Campbell	42,584	2.21%	\$ 27,610.53	Campbell	42,584	2.33%	\$ 10,000	\$ 19,797	\$ 29,797
Cupertino		Cupertino	58,185	3.02%	\$ 37,725.87	Cupertino	58,185	3.18%	\$ 10,000	\$ 27,049	\$ 37,049
Gilroy		Gilroy	55,170	2.86%	\$ 35,771.01	Gilroy	55,170	3.02%	\$ 10,000	\$ 25,648	\$ 35,648
Los Altos		Los Altos	31,353	1.63%	\$ 20,328.59	Los Altos	31,353	1.71%	\$ 10,000	\$ 14,576	\$ 24,576
Los Altos Hills		Los Altos Hills	8,658	0.45%	\$ 5,613.66	Los Altos Hills	0	0.00%	\$ 10,000	\$ -	\$ 10,000
Los Gatos		Los Gatos	31,376	1.63%	\$ 20,343.51	Los Gatos	31,376	1.72%	\$ 10,000	\$ 14,586	\$ 24,586
Milpitas		Milpitas	75,521	3.92%	\$ 48,966.15	Milpitas	75,521	4.13%	\$ 10,000	\$ 35,109	\$ 45,109
Monte Sereno		Monte Sereno	3,475	0.18%	\$ 2,253.11	Monte Sereno	0	0.00%	\$ 10,000	\$ -	\$ 10,000
Morgan Hill		Morgan Hill	43,645	2.26%	\$ 28,298.45	Morgan Hill	43,645	2.39%	\$ 10,000	\$ 20,290	\$ 30,290
Mountain View	\$ 125,000	Mountain View	77,925	4.04%	\$ 50,524.85	Mountain View	77,925	4.26%	\$ 10,000	\$ 36,226	\$ 46,226
Palo Alto		Palo Alto	68,207	3.54%	\$ 44,223.91	Palo Alto	68,207	3.73%	\$ 10,000	\$ 31,709	\$ 41,709
San Jose	\$ 250,000	San Jose	1,042,094	54.05%	\$ 675,670.73	San Jose	1,042,094	56.99%	\$ 10,000	\$ 484,456	\$ 494,456
Santa Clara	\$ 125,000	Santa Clara	123,752	6.42%	\$ 80,238.06	Santa Clara	123,752	6.77%	\$ 10,000	\$ 57,531	\$ 67,531
Saratoga		Saratoga	30,219	1.57%	\$ 19,593.33	Saratoga	30,219	1.65%	\$ 10,000	\$ 14,048	\$ 24,048
Sunnyvale		Sunnyvale	148,372	7.70%	\$ 96,201.13	Sunnyvale	148,372	8.11%	\$ 10,000	\$ 68,976	\$ 78,976
County	\$ 209,440	Balance of County	87,352	4.53%	\$ 56,637.11	Countywide Education/Encouragement	0	0.00%	\$ 250,000	\$ -	\$ 250,000
					\$ 1,250,000				\$ 400,000	\$ -	\$ 1,250,000

\$10k Minimum Allocation Proposal:

- \$250k for County, includes countywide coordination
- \$10k minimum per city
- The 13 cities that would've received over \$10k by straight population percentage formula (of all jurisdictions) then split the remaining \$850k by population percentage.

Proposed 2016 Measure B Highway Interchanges Program FY18 and FY19 Projects and Allocation*

Route	Project Title	Total Project Cost (\$M)	City	Non-Measure B Funds	Implementing Agency	FY 18 Q1	Q2	Q3	Q4	FY 19 Q1	Q2	Q3	Q4
17	SR 17 Southbound/Hamilton Ave. Off-Ramp Widening	\$ 2	Campbell		Campbell					\$1.0			
17	SR 17/San Tomas Expressway Interim Improvements	\$ 1	Campbell		Campbell					\$1.0			
280	I-280/Wolfe Rd. Interchange Improvements	\$ 70	Cupertino	\$1.70	VTA	\$2.0						\$4.0	
280	I-280 Northbound: Second Exit Lane to Foothill Expressway	\$ 3	Cupertino, Los Altos	\$0.70	VTA	\$0.5	\$3.0						
101	US 101/Buena Vista Ave. Interchange Improvements	\$ 35	Gilroy		VTA	\$1.0							
152	US 101/SR 25 Interchange (ENV/PS&E)	\$ 180	Gilroy	\$5.90	VTA	\$2.0							
237	Calaveras Boulevard Widening - Near-term Improvements	\$ 81	Milpitas		VTA					\$1.0			
101	US 101 Interchanges Improvements: San Antonio Rd. to Charleston Rd./Rengstorff Ave.	\$ 35	Palo Alto, Mt View		VTA					\$1.0			
101	US 101/Zanker Rd./Skyport Dr./Fourth St. Interchange Improvements	\$ 138	San Jose	\$11.00	VTA	\$3.0							
101	US 101/Mabury Rd./Taylor St. Interchange Construction	\$ 74	San Jose	\$8.00	San Jose					\$2.0			
880	Charcot Overcrossing	\$ 48	San Jose	\$6.00	San Jose			\$6.0		\$6.0			
101	US 101/Blossom Hill Rd. Interchange Improvements	\$ 28	San Jose	\$5.00	San Jose					\$4.0			
101	US 101/Old Oakland Rd. Interchange Improvements	\$ 25	San Jose	\$5.00	San Jose					\$1.0			
280	I-280/Winchester Blvd. Interchange Improvements	\$ 90	San Jose	\$3.00	VTA	\$3.0							
101	US 101 Southbound/Trimble Rd./De La Cruz Blvd./Central Expwy. Interchange Improvements	\$ 50	San Jose	\$0.90	VTA	\$4.0							
87	SR 87 Technology-based Corridor Improvements	\$ 40	San Jose	\$0.23	VTA	\$1.0							
101	Double Lane Southbound US 101 off-ramp to Southbound SR 87	\$ 2	San Jose	\$0.20	VTA	\$1.5							
237	SR 237/Mathilda Ave. and US 101/Mathilda Ave. Interchange Improvement	\$ 42	Sunnyvale	\$8.00	VTA	\$4.0	\$30.0						
All	Noise Abatement Program (Countywide)	\$ 50	Countywide		VTA					\$4.0			
All	Hwy. Transportation Operations System/Freeway Performance Initiative Phase 1 & 2	\$ 54	Countywide		VTA					\$1.0			

Assume Measure B expenditures can start July 2017. Schedules may be delayed if Measure B funds come later.

CONST	FY 18 = \$61.0	FY 19 = \$26.0
DESIGN and ROW		
ENVIR.	2-year total = \$87.0	
Planning		

* The cost of each phase of a proposed Highway Interchanges project will be finalized with execution of agreements with VTA for project funding.