



California Society of Municipal Finance Officers
2016 Annual Conference

Measure BB Victory: Strategies for a Successful Sales Tax Measure



A presentation by Alameda County Transportation Commission
Tess Lengyel, Deputy Director of Planning and Policy
Patricia Reavey, Director of Finance and Administration
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Presentation Overview

- I. Background on Alameda County Transportation Commission
- II. Preparing for a Successful Educational Strategy
- III. Building a Compelling Expenditure Plan
- IV. Organizing and Delivering Appropriate Messaging
- V. Questions

Alameda County

A CENTRAL REGIONAL HUB

- Bay Area ranked 19th largest economy in the world*
- Alameda County – 7th largest county in state: 1.5 million people
- One of 20 Self-Help Counties
- Diverse geography—urban/rural
- Diverse economy
 - Manufacturing sector among most diversified in Northern California
 - County is a leading national research center: UC Berkeley, Lawrence Berkeley National Lab, Lawrence Livermore National Lab, and many biotech firms located near UC and labs; Northern Silicon Valley
 - Port of Oakland No. 5 in the U.S. and No. 20 in the world based on annual container traffic



Alameda CTC Background

- **Mission:** plan, fund and deliver projects and programs to expand access, improve mobility and foster a vibrant and livable Alameda County
- **Joint Powers Authority:** established in 2010 from merger of Alameda County Transportation Improvement Authority (ACTIA) and Alameda County Congestion Management Agency (ACCMA)
- **Governance:** Commission composed of 22 elected officials representing all County supervisorial districts, cities, BART and AC Transit
- **Budget:** annual capital and operating budget of \$266M
- **Staff:** small and highly effective staff running a very efficient and streamlined agency

Alameda CTC At-A-Glance

- **Plan:** develops and coordinates short- and long-range transportation plans with local jurisdictions and regional agencies; develops transportation policies
- **Fund:** programs and allocates federal, state, regional, and local sales tax funding to transportation projects and programs in Alameda County
- **Deliver:** delivers major transportation capital projects and county programs
 - Implements and operates express lanes on I-580 and I-680 corridors



Transportation Funding Management

NOV 1986: Voters approved the original Measure B, a ½-cent transportation sales tax, creating Alameda County Transportation Authority (ACTA)

2001: Peak revenue collection of \$116.4M for original Measure B

NOV 2014: 70.76% voter-approval of Measure BB, an \$8B transportation sales tax that augments 2000 Measure B ½-cent sales tax by an additional ½-cent (4/1/2015-3/31/2022) and extends to one-cent (4/1/2022-3/31/2045).

1991: Alameda County Congestion Management Agency (ACCMA) created by a joint-powers agreement between Alameda County and all its cities

2003: Collection low point of \$92.7M following recession and “.com” economic decline

2014: Peak revenue collection of \$127.1M for 2000 Measure B



APR 1987: Sales tax collection authorized by the original Measure B begins

APR 2002: Sales tax collection authorized by Measure B begins

NOV 2012: 700 vote shortfall of the 2012 Measure B ballot initiative effort

NOV 2000: 81.5% voter-approval of a 20-year, \$1.4B extension of the transportation sales tax, creating the Alameda County Transportation Improvement Authority (ACTIA)

2010: Alameda CTC created from the merger of ACTIA and ACCMA

Legend	
	1986 Original Measure B
	2000 Measure B
	2014 New Measure BB

- Education and engagement as part of ongoing relationship with the community
 - Regular communication with the public and solicitation of public opinion
 - Engagement of outside professionals/consultants
 - Surveys
 - Newsletters
 - Town hall/open house meetings
 - Articles in local online and print new outlets



Relationships

PREPARING FOR A SUCCESSFUL EDUCATIONAL STRATEGY

- Ongoing relationship with community organizations that build support and momentum for public approval
 - Chambers of commerce and local businesses
 - Organizations that benefit from funds
 - Trades
 - Unions
 - Transit operators
 - Nonprofits



- Ongoing relationship with local elected leaders as opinion leaders and influencers in the local community
 - County supervisors
 - Mayors
 - City council members
 - Local and regional commissions and boards



- Ensure financial stability/accountability
 - Preparation of Comprehensive Annual Financial Report
 - 100% clean audits since the inception of Measure B
 - Independent Watchdog Committee reviews audited financial reports and other financial information
 - Bond issuance
 - Engagement of outside professionals
 - Municipal advisors
 - Financial institutions
 - Rating strategy
 - Rating agencies – setting expectations
 - AAA credit ratings
 - Successful bond issuance, TIC 1.54%
 - Efficient project delivery



Alameda CTC's Fundamental Credit Strengths

Diverse Economic Base

- Tax base is broad and diverse
- Strong wealth factors in the County

Strong Bond Structure Security Features

- Closed lien – No additional parity debt
- Sales tax revenues provide strong debt service coverage at 4.28x MADS
- Short amortization – 8-year final maturity
- Trustee intercept provides enhanced security

Essential Program and Clear Mandate

- Transportation funding is a key driver for regional growth and quality of life in County
- 81.5% of County voters approved 2000 Measure B
- 27-year history of transportation sales tax collection

Management Strength & Stability

- Demonstrated success in implementing Commission policies
- Management team averages over 25 years of experience
- Demonstrated ability to manage through changing revenue forecasts and project readiness
- 94% of program delivered without bonding

Alameda CTC requests “AAA” ratings on its one and only issue of Measure B Sales Tax Revenue Bonds

Building a Compelling Expenditure Plan

- Involve broad base of stakeholders and elected officials in expenditure plan development
 - Be flexible to make changes that result in their support
 - People support what they help create
- Craft a balanced plan that meets diverse needs and can pass voter threshold (66.67% required in CA)
 - Differences between the 2012 and 2014 Transportation Expenditure Plan
 - Sunset date (included in 2014 Plan)
 - Increased accountability language



2014 ALAMEDA COUNTY
TRANSPORTATION EXPENDITURE PLAN



January 2014



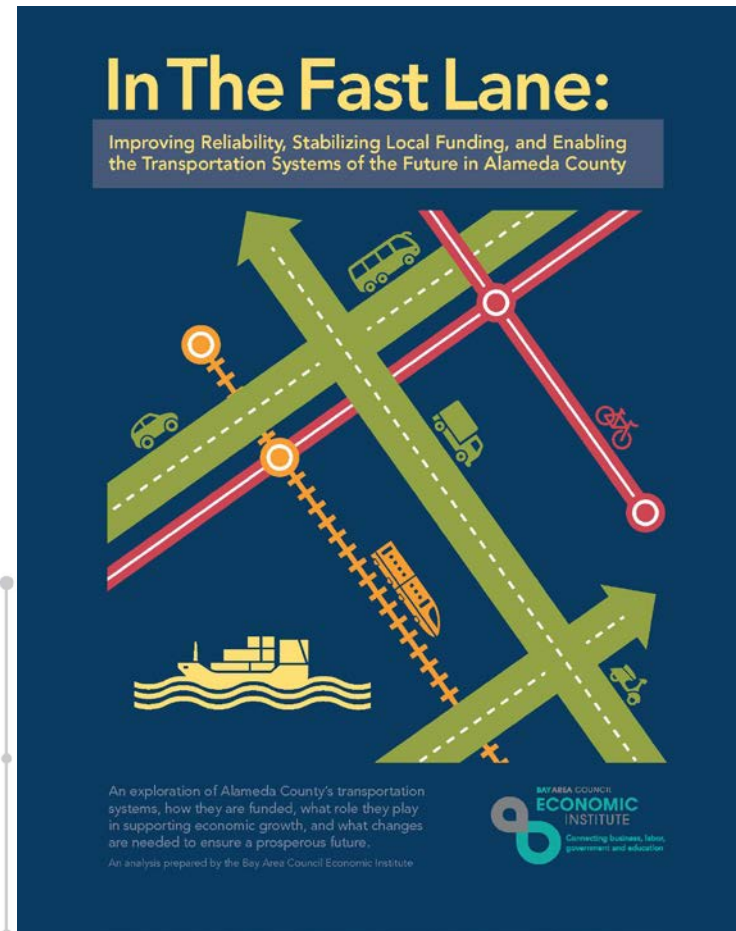
Organizing and Delivering Appropriate Messaging

- Preparing diverse messaging for diverse constituent groups
 - Direct beneficiaries vs. indirect beneficiaries
 - Tailor message to different categories of voters
 - How to test messages to ensure they resonate
- Responding to naysayers
 - Listen to arguments
 - Patiently reiterate facts and support data
 - Dispel myths and misconceptions



Tools for Organizing and Delivering Appropriate Messaging

- Use of local media and community groups
 - Public and website endorsements
 - Publication of articles/commentary supporting need for local measure
- Return on investment



Tools for Organizing and Delivering Appropriate Messaging

- Your website as an advocacy tool
 - Prominent placement of information
 - Simple communication of issue and need
 - How funds will be used/community and regional benefits
 - Accountability

ALAMEDA COUNTY TRANSPORTATION COMMISSION

About Us | Programs | Projects | Funding | Planning | Opportunities | Publications/Media | Meeting Calendar



More on this topic

- 2014 Plan ▶
- City Council Approvals ▶
- Fact Sheets ▶
- Supporter List ▶

Planning > 2014 Transportation Expenditure Plan

Measure BB passed with 70 percent voter support: funds 30-year Transportation Expenditure Plan

Measure BB, approved by Alameda County voters on November 4, 2014, will generate nearly \$8 billion over 30 years for essential transportation improvements in every city throughout Alameda County. [See election results page](#). Funds begin flowing to municipalities and transit agencies in summer 2015. See [Measure BB FY2015-16 sales tax revenue allocation projections](#).

Measure BB funds the [2014 Transportation Expenditure Plan \(2014 Plan\)](#), which was unanimously approved by the Alameda County Transportation Commission at its January 2014 meeting. An [economic analysis](#) by the Bay Area Council Economic Institute reports that the Plan will yield \$20 billion in total economic activity in the Bay Area and 150,000 full-time equivalent jobs.

The 2014 Expenditure Plan will:

- Expand BART, bus and commuter rail for reliable, safe and fast services, including BART expansion and improvements within Alameda County, bus service expansion and commuter rail service improvements.
- Keep fares affordable for seniors, youth and people with disabilities, including affordable senior shuttles, vans and services that help keep seniors independent, and critical funding for student transit passes to ensure youth can affordably get to school. It also funds reliable and inexpensive transportation for people with disabilities.
- Provide traffic relief, including funds to every city in the County to repave streets, fill potholes and upgrade local transportation infrastructure. It also invests in aging highway corridors to upgrade on and off ramps, using modern technology to manage traffic and improve safety.
- Improve air quality and provide clean transportation by reducing pollution using innovative technology and expanding bike and pedestrian paths, and BART, bus and commuter rail expansion and operations.
- Create good jobs within Alameda County by requiring local contracting that supports residents and businesses in Alameda County.

Strict accountability and performance measures ensure delivery. The 30-year Plan includes strict accountability measures to ensure all \$8 billion for County transportation improvements are spent on approved projects. It requires open and transparent public processes to allocate funds, annual independent audits, an independent watchdog committee made up of people who live in Alameda County and annual compliance reports distributed to the public that detail costs and how specific performance measures are met.

Alameda CTC sought and received unanimous approval of the 2014 Transportation Expenditure Plan by each of Alameda County's 14 cities, and by the County Board of Supervisors. [View the calendar](#) of these meetings.

2014 Plan Informational Postcards

Please [contact us](#) if you would like to receive hard copies of any of these Measure BB educational cards. Click on the image below to download a PDF version of the card. [Click here to download a PDF of the general TEP educational postcard \(Consider the Future of Transportation\)](#) in English, Spanish and Chinese versions of these postcards are below.



Cartas en español
Considere el futuro del transporte
Considere el futuro del BART
Considere el futuro de los buses de tránsito
Considere el futuro de ciclistas y peatones
Considere el futuro de nuestras calles locales
Considere el futuro del transporte para personas mayores y con discapacidades
Vaya a la escuela con un precio asequible

Measure BB Approved by 70.76%

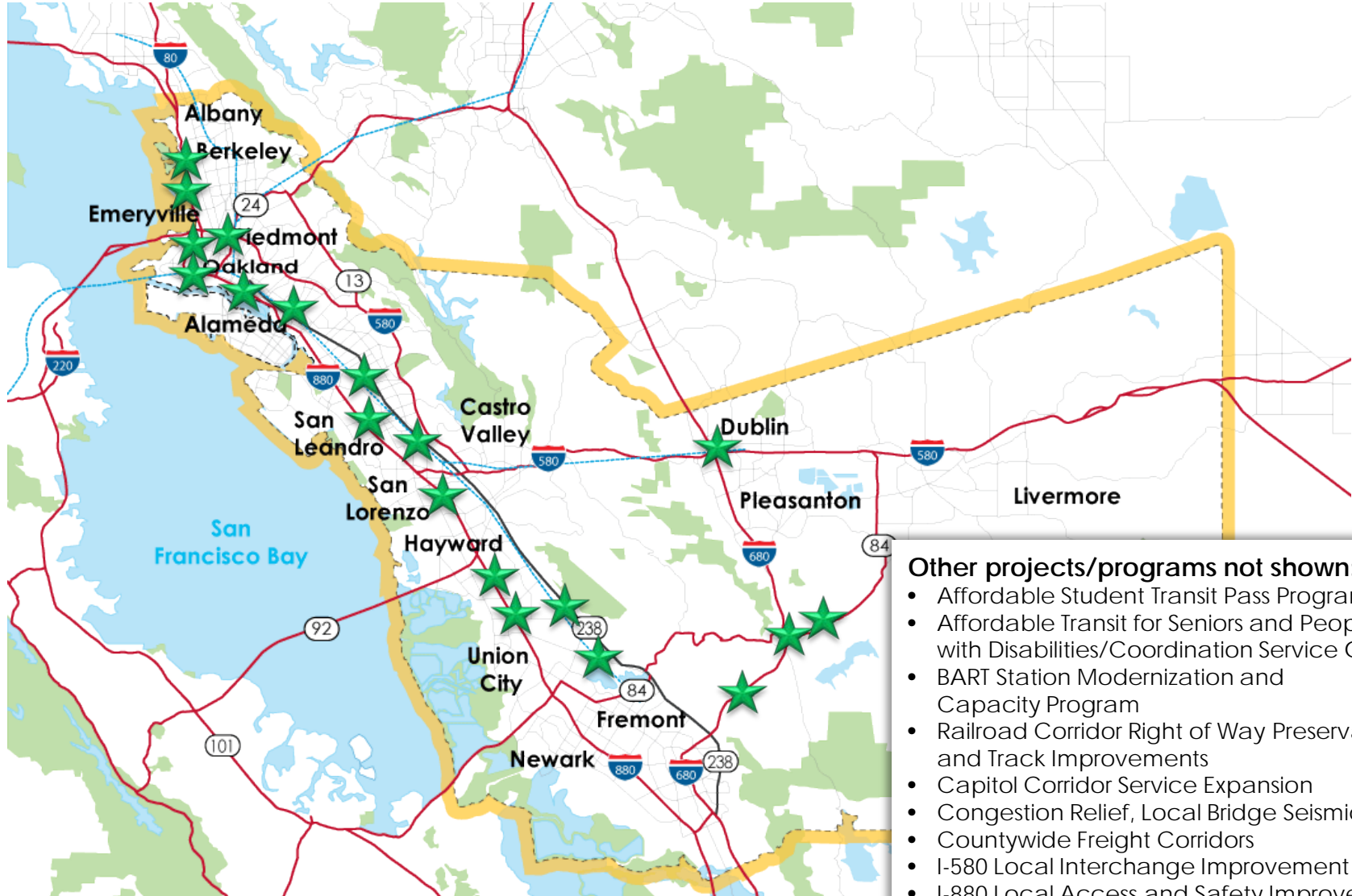
- Measure BB benefits
 - Expand BART, bus and commuter rail for reliable, safe and fast services
 - Keep fares affordable for seniors, youth and people with disabilities
 - Provide traffic relief
 - Improve air quality and provide clean transportation
 - Create good jobs within Alameda County
- Direct local funds distributed to cities and transit agencies beginning summer 2015
 - Funding nearly doubles due to Measure BB

\$ 8B plan supports
\$ 20B economic activity
creating nearly
150,000 jobs

Measure BB Expenditure Plan Summary

Summary of Investments (2015-2045)	Funds Allocation (in \$million)
Public Transit	\$ 1,758
Local Streets and Roads Projects	\$ 2,431
BART	\$ 710
School Transit / Innovative Grant Funds	\$ 198
Special Transportation for Seniors	\$ 816
Rapid Bus Projects	\$ 35
Highway Projects	\$ 682
Bicycle and Pedestrian	\$ 672
Regional Commuter Rail Improvements Projects	\$ 355
Local Community Investments	\$ 326
Transportation Technology	\$ 82
Total Investments	\$ 8,064

Measure BB Capital Projects and Programs



Other projects/programs not shown:

- Affordable Transit Transit Pass Program
- Affordable Transit for Seniors and People with Disabilities/Coordination Service Grants
- BART Station Modernization and Capacity Program
- Railroad Corridor Right of Way Preservation and Track Improvements
- Capitol Corridor Service Expansion
- Congestion Relief, Local Bridge Seismic Safety
- Countywide Freight Corridors
- I-580 Local Interchange Improvement Program
- I-880 Local Access and Safety Improvements
- Gap Closures on Three Major Trails
- Community Investments that Improve Transit Connections to Jobs and Schools

FY2015-16 through FY2016-17



Thank you

Tess Lengyel

Deputy Director for Planning and Policy

Phone: 510.208.7428

Email: tlengyel@alamedactc.org

Patricia Reavey

Director of Finance and Administration

Phone: 510.208.7422

Email: preavey@alamedactc.org

(Biographies follow this slide)

Alameda CTC Executive Bio

Tess Lengyel, Deputy Director of Planning and Policy

Tess Lengyel is the Deputy Director of Planning and Policy for Alameda County Transportation Commission (Alameda CTC) with over 25 years of transportation related experience. Ms. Lengyel directs all short and long-range transportation planning for Alameda County which provides the foundation for transportation funding decisions made by the Alameda CTC. She is also responsible for policy, legislation and government and community relations at Alameda CTC. She was a key participant in the passage of the 2000 transportation sales tax measure that garnered 81.5% voter support for a 20 year measure. She was also the project manager and lead on the development and approvals for the 2014 Transportation Expenditure Plan, an \$8 billion, 30-year plan, approved by 70.76% of voters in November 2014. Prior to joining Alameda CTC, Ms. Lengyel served as a programs and public affairs manager for the Alameda County Transportation Improvement Authority (ACTIA). She was responsible for developing and implementing the transit, local streets/roads, paratransit, transit oriented development and bicycle and pedestrian programs and grants at ACTIA. She managed four community advisory committees at ACTIA that provided direct recommendations to the Board for grant funding, and government and community relations.



Prior to ACTIA, Ms. Lengyel worked for an international engineering firm delivering transportation projects throughout the Bay Area and for the Santa Cruz County Planning Department. Ms. Lengyel holds a bachelor's degree in planning and policy/environmental studies, and is Chair of the International Women's Transportation Seminar Leadership Program and a member of TRB.

Alameda CTC Executive Bio

Patricia Reavey, Director of Finance and Administration



Patricia Reavey has been the Director of Finance and Administration for Alameda CTC since December 2010. In 2014, she was instrumental in a successful issuance of \$137.1 million of sales tax revenue bonds at a true interest cost of 1.5 percent and in obtaining AAA ratings from both Standard and Poor's Rating Services and Fitch Ratings. Ms. Reavey brings over 27 years of finance related experience to Alameda CTC. She came to Alameda CTC from the San Mateo County Transit District (SamTrans), Peninsula Corridor Joint Powers Board (Caltrain) and the San Mateo County Transportation Authority (SMCTA) where she served as the Director of Finance since December 2005. She was a member of the San Mateo County Investment Pool Oversight Committee until she resigned when coming to Alameda CTC. Her public sector career began in April, 2002

working for SamTrans where she was promoted to Director of Finance by December 2005. Prior to her career in the public sector, she worked in finance for a private firm in downtown San Francisco for 14 years ultimately resigning from Dresdner Kleinwort Wasserstein as Controller and Vice President. Ms. Reavey is a licensed CPA in the State of California.

The rating agency presentation is available at:

<http://www.alamedactc.org/files/managed/Document/13983/Alameda%20CTC%20Credit%20Presentation%20Final.pdf>