Appendix B: 2023 MTP Revenue Forecast

Plan Finances

Transportation investments and programs included in the 2023 MTP are constrained to a reasonable estimate of future funding sources. The funding to support these investments comes from a number of federal, state, and local sources, each with specific purposes and restrictions. The dollar amounts are presented in both current year dollars and nominal or year of expenditure (YOE) values. The MTP uses current year dollars to illustrate the magnitude of investments in terms of project costs and revenues that are relevant to today. However, federal statute requires regional transportation plans to also provide costs and revenues in YOE dollars for transparency in the overall investments planned for in the MTP.

In total, SACOG forecasts $35.5 billion in revenues ($46.9 billion YOE) over the planning period. On average, this comes out to approximately $1.6 billion ($2.1 billion YOE) per year over 22 years.

Conversion between Current Year and Year of Expenditure (YOE) Dollars

The federal Infrastructure Investment and Jobs Act (IIJA Act) requires that all cost estimates be escalated to year of expenditure or nominal values to express a realistic estimate of future construction costs. The average rate of inflation used in the MTP is 2.5 percent based on the last 20 years of data on the California consumer price index reported by the California Department of Finance.

For revenue forecasting, the nominal rate of growth for each funding source is determined by extrapolating recent trends, either on a straight-line basis or in some cases using a trend curve. This methodology yields revenues in YOE dollars, which are then de-escalated using the inflation rates described above to yield current year dollars.

For project cost estimates, project sponsors provide SACOG with project costs in current year dollars, which are then uniformly escalated to YOE dollars using the inflation rate described above through the assumed completion timeframe for the project. Projects listed in the Metropolitan Transportation Improvement Program are already provided in year of expenditure dollars, so no adjustments are made to these projects.

Summary of Revenue Sources and Assumptions

The MTP must be financially constrained, meaning that the amount of funding planned and programmed must not exceed the amount of funding estimated to be reasonably available within the planning period. To meet this requirement, the revenue assumptions in the plan are based on existing federal, state, and local sources of funding or SACOG Board-approved assumptions of future funding for transportation purposes. Each funding source is extrapolated at historic rates of growth or by reasonable assumptions about future trends to determine the total amount of that source that will be available for implementation of the MTP. Attachments A and B describe the available revenues for each funding source over five- and six-year increments throughout the planning period. In developing the MTP, SACOG has taken into consideration both transportation funding revenues and the costs of building, operating, and maintaining the regional transportation system over 22 years (Federal FFY 2022-23 through FY 2043-44).

Compared to the plan adopted by the SACOG Board in November 2019, this minor update of the federal MTP component of the plan increases overall revenues by roughly $500 million or by 1 percent from $35 billion to $35.5 billion. This increase is primarily due to higher than anticipated growth sales tax receipts since the adoption of the current plan. Overall growth rates for forecasted revenues remain consistent with the current plan.

Federal Funding

Federal funding assumptions are derived from the annual apportionments provided to SACOG by the federal government or from historic funding levels. The Infrastructure Investment and Jobs Act (IIJA), which was signed into law in 2021, sets the program structure and distribution formulas for federal transportation funds. SACOG projects funding from both the Federal Highway Administration and Federal Transit Administration Programs listed below, with revenue assumptions outlined in Table B.1.

Federal Highway Administration Programs

- Regional Surface Transportation Program (RSTP)
- Congestion Mitigation and Air Quality Program (CMAQ)
- Highway Bridge Program
- Other federal discretionary programs

Federal Transit Administration Programs

- Section 5307 Urbanized Area Formula Program
- Section 5309 Fixed-Guideway Capital Investment Grants
- Section 5310 Enhanced Mobility of Seniors & Individuals with Disabilities
- FTA 5311 Formula Grants for Rural Area
- FTA 5337 State of Good Repair Grants
- FTA 5339 Bus and Bus Facilities

Table B.1. Federal Revenue Sources and Assumptions

Federal Source	MTP
Congestion Mitigation and Air Quality (CMAQ)	**Base Year:** 2023 **Key Assumptions:** SACOG region will continue to receive CMAQ funds in a manner consistent with historic apportionments. **Growth:** 2.5% annual growth.

Regional Surface Transportation Program (RSTP)	**Base Year:** 2023 **Key Assumptions:** SACOG region will continue to receive RSTP funds in a manner consistent with historic apportionments. **Growth:** 2.5% annual growth.
Highway Bridge Program	**Base Year:** 2023 **Key Assumptions:** The region will continue to receive highway bridge program reimbursements for eligible activities that rehabilitate and replace structurally deficient bridges.
FTA Funds: 5307, 5310, 5311, 5337, 5339	**Base Year:** 2023 **Key Assumptions:** SACOG region will continue to receive FTA funds in a manner consistent with historic apportionments. **Growth:** 2.5% annual growth.
FTA 5309 Fixed-Guideway Capital Investment Grants	**Base Year:** N/A **Key Assumptions:** Presume continuation of FTA grants for major rail expansion projects at up to 50% of new rail capital project costs.

State Funding

Senate Bill 45 (SB 45) establishes the program structure and distribution formulas for most state transportation funds. The MTP assumes state funding will continue in a manner consistent with SB 45. Additionally, every two years, the California Transportation Commission (CTC) approves a STIP Fund Estimate that details the distribution of funding for state transportation programs that pass through the State Highway Account over a six-year period. The MTP's assumptions for state revenues, shown in Table B.2, are derived primarily from the 2018 State Transportation Improvement Program Fund Estimate (STIP-FE).

The state funding programs assumed in the MTP include:

- State Highway Operations and Protection Program - (SHOPP)
- State Transportation Improvement Program - (STIP) including;
    - Interregional - ITIP
    - Regional - RTIP
- State Cap and Trade Program
- State Transit Assistance - (STA)
- State Highway Maintenance
- Proposition 1B- Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA)

Table B.2. State Revenue Sources and Assumptions

State Source	MTP
State Highway Operations and Protection Program (SHOPP)	**Base Year:** 2023 **Key Assumptions:** Based on transfers from the State Highway Account (SHA), Federal Trust Fund, and the new excise tax on gasoline. Includes adjustments resulting from ABX8 6 and ABX8 9 (Gas Tax Swap) including 12% of the revenues generated by the new excise tax on gasoline following transfers for bond debt service. **Growth:** 1% average annual growth
Interregional Transportation Improvement Program (STIP- ITIP)	**Base Year:** 2023 **Key Assumptions:** ITIP will continue to receive 25% of the total STIP allocations from the Federal Highway Trust Fund, State Highway Account, Public Transportation Account **Growth:** 4% average annual growth
Regional Transportation Improvement Program (STIP- RTIP)	**Base Year:** 2023 **Key Assumptions:** RTIP will continue to receive 75% of the total STIP allocations from the Federal Highway Trust Fund, State Highway Account, Public Transportation Account and the new excise tax on gasoline. **Growth:** 4% average annual growth
State Cap and Trade Program	**Base Year:** 2023 **Key Assumptions:** Cap and Trade revenues are made up of the 35% of auction proceeds that are allocated to Affordable Housing & Sustainable Communities, Intercity Rail, and Low Carbon Transit Programs. The region's capture of these revenues assumes SACOG member agencies receive revenues roughly equivalent the region's share of statewide population **Growth:** 5% average annual growth
State Transit Assistance (99313, 99314, State of Good Repair)	**Base Year:** 2023 **Key Assumptions:** STA will continue to receive funding from sales taxes on diesel fuels consistent with current funding formulas. **Growth:** 1% average annual growth
State Discretionary	**Base Year:** N/A

	Key Assumptions: Assumes the region will capture roughly 5% of statewide competitive discretionary program funding. **Growth:** 2% average annual growth

Local Funding

Local revenues are based on historic funding from local sources for each city, county, transportation commission, and transit operator in the region. Local funding sources provide the majority of the funds that support the MTP and include:

- Local Transportation Fund (LTF)
- Sacramento County Measure A - (1/2-cent)
- Sacramento County New Measure A - (1/2-cent)
- Placer County Sales Tax – (1/2 -cent)
- Gas Tax Subventions
- Gas Tax Swap (Excise Tax Subventions)
- Other Local Funds
- Developer Contributions
- Transit Fares
- Roadway User Fees

Local-Option County Sales Taxes in the MTP

The MTP plans for two new local option countywide sales tax measures in the region; one in Sacramento County and one in Placer County. In Sacramento County this would institute a new ½-cent sales tax to support road investments, maintenance, and transit within the county of Sacramento. Placer County is also pursuing a new ½ cent sales tax measure to support transportation investments in that county.

In 2019, the California Governor signed AB1413 which authorized the Placer County Transportation Planning Agency (PCTPA) to levy a use tax for transportation purposes. Additionally, recent polling shows that two-thirds of voters may support a sales tax initiative to fund transportation investments in the county. See Attachment 1 at the end of this document for a summary of the most recent polling results. PCTPA is continuing to engage communities and key partners in the county, including SACOG, as well as monitor both economic and political trends to inform the development and timing of a future ballot measure. More information on PCTPA's efforts, visit https://www.keepplacermoving.com.

Likewise, efforts continue in Sacramento County to bring a sales tax measure before voters to generate additional funding for transportation purposes consistent with the region's long-range plan. In 2016, the last time the Sacramento Transportation Authority included a proposed sales tax on voter ballots, the measure fell just 1.3% shy of the 67% majority requirement needed to enact the new tax. Three of the largest cities within the county actually showed sufficient support for the measure with the City Sacramento receiving more than 70% yes votes, Elk Grove with 67.6% yes, and Rancho Cordova receiving 67.3% yes. Since then, the STA has reviewed the reasons why the measure may have been unsuccessful including starting voter outreach late in the process, low voter turnout, and a high number (nearly 52,000) under votes. In 2022, a citizen's initiative was unsuccessful, in part due to lack of consistency with the regional transportation plan. In February 2023, the Sacramento Transportation Authority established a Future Transportation Funding Subcommittee to examine local transportation needs for a transportation funding measure, the level of revision that should be considered from prior efforts, and the process, timeline, and community engagement that should be considered in developing the new transportation funding source that is consistent with the regional plan. The subcommittee includes elected officials from each of the jurisdictions in Sacramento County as well as two citizen advisory members. In addition to the activities underway by the subcommittee, Sacramento County officials are working with the Greater Sacramento Economic Council to conduct additional polling and engagement to gauge and build community support for the measure.

While one or both of these local option measures may go forward in the first four years of the MTP, in 2024 or 2026, the plan takes a more conservative approach by not including any new revenue in the plan's financial forecast until 2030. This assumption provides sufficient time for county officials to place measures before voters ahead of any anticipated revenues in the regional plan with voting cycles occurring in 2024, 2026, and 2028. SACOG will not include any new sales tax revenues as "available" or "committed" for transportation purposes per federal guidance on financial constraint in non-attainment and maintenance areas. However, given the active efforts on both these measures, positive polling results in Placer County, and previous levels of support in Sacramento County, SACOG believes the assumption of future sales tax measures is reasonable for planning purposes in the later years of the plan. Assuming no revenues until after 2030 also avoids including non-committed funding for specific transportation projects within the years of the Metropolitan Transportation Improvement Program which currently programs funds out to 2026. SACOG is also working on a major update of the regional plan with an anticipated adoption date of November 2025 that will revisit the assumptions of new sales taxes based on the latest information available from the ongoing efforts in both counties.

Note on Roadway User Fees in the MTP

Advancements in technologies enabling greater use of electric and alternative fuel and highly efficient vehicles will continue to impact gas tax revenues. In California, the California Energy Commission estimates that statewide demand for gasoline will decrease by one to two percent annually over the next decade. At the same time, SACOG projections indicate that the total number of vehicle miles traveled (VMT) will increase by roughly 16 percent, despite a decrease in per capita VMT of nearly 8 percent by 2044. This additional demand on the roadways, paired with decreasing gas consumption, creates a significant challenge for a gas tax-based system and necessitates exploration of a replacement.

The MTP includes revenues from both tolling specific facilities and from a mileage-based fee that would replace existing state fuel taxes. This assumption is supported by both national and statewide efforts to explore mileage-based systems. In 2009, the National Surface Transportation

Infrastructure Financing Commission identified direct user fees, such as tolling and mileage fees, as the most viable replacement for fuel taxes in the long term. Currently, at least ten states, including California are exploring or testing mileage fees in some capacity. SACOG supports further research, development, and demonstration of mileage-based user fees specific to the Sacramento region to help build and maintain our regional transportation system. SACOG is currently leading an effort with the Southern California Association of Governments and San Diego Association of Governments to develop a pricing pilot program in support of the pricing assumptions included in the regional plan. The revenue forecast for the plan conservatively estimates that revenues generated from user fees will not be available until the last 10 years of the plan. However, testing and research efforts will begin immediately as are efforts to begin implementation on the first tolled facilities in the region on I-80 in Yolo County.

Table B.3. Local Revenue Sources and Assumptions

	MTP
Local Transportation Fund (LTF)	**Base Year:** 2023 **Key Assumptions:** ¼-percent general sales tax for transportation will remain in place at existing rate. **Growth:** 3% annual average growth
Measure A	**Base Year:** 2023 **Key Assumptions:** ½-cent general sales tax in Sacramento County will remain in place at existing rate. **Growth:** 3% annual average growth
New Measure A	**Base Year:** N/A **Key Assumptions:** Equivalent of 1/2-percent general sales tax will begin in 2020 and last through the horizon year of the plan in 2040. **Growth:** 3% annual average growth
Placer ½ cent sales tax	**Base Year:** N/A **Key Assumptions:** Equivalent of 1/2-percent general sales tax will begin in 2020 and last through the horizon year of the plan in 2040. **Growth:** 3% annual average growth
Gas Tax Subventions (Sec. 2103-2107.5) and SB1 Road Maintenance and Rehabilitation Account (Sec. 2031)	**Base Year:** 2023 **Key Assumptions:** Subventions will continue to flow to cities and counties based on existing formulas. **Growth:** 1% annual average growth
Other Local Funds	**Base Year:** 2023

	Key Assumptions: Based on 19-year historic average of budget information provided by local jurisdictions to the California State Controller. Contains all revenues from local sources dedicated to local streets and roads. **Nominal Growth Rate:** 2% average annual growth
Developer Contributions	**Base Year:** 2023 **Key Assumptions:** Developer investments in new roadways keep pace with housing growth over the life of the plan. **Growth:** 2% annual average growth
Transit Fare revenues	**Base Year:** 2023 **Key Assumptions:** Based on SACOG ridership projections and average fare per rider. Assumes future fare increases keep pace with inflation. Average fare per rider increases as more choice riders that pay closer to full fares increases to $1.24 by 2040 (in 2019 dollars).
Roadway User Fees	**Base Year:** N/A **Key Assumptions:** Net revenue captured from roadway user fees including tolling and mileage-based fees that would replace the fuel tax. Revenues based on vehicle miles traveled on the region's roadways. For estimating purposes, fees vary by location and time of day. The mileage-based user fee would replace the current gasoline tax and is estimated to range from 1 to 4 cents per mile.

Attachment A: Revenue Projections (in millions of nominal dollars)

	FFY 2023-2028	FFY 2029-2034	FFY 2035-2039	FFY 2040-2044	Total
Federal					
Federal Highway					
Congestion Mitigation and Air Quality - (CMAQ)	$153	$171	$163	$184	$670
Regional Surface Transportation Program - (RSTP)	$196	$227	$217	$245	$886
Federal Transit					
-FTA 5307 - Urbanized Area Formula Program	$201	$227	$217	$245	$890
-FTA 5309 - Capital Investment Grants	$50	$186	$352	$77	$666
-FTA 5310 - Elderly and Disabled Specialized Transit Program	$9	$10	$10	$11	$41
-FTA 5311 - Rural Transit Assistance Program	$11	$13	$12	$14	$50
-FTA 5337 - State of Good Repair	$74	$81	$78	$88	$320
-FTA 5339 - Bus and Bus Facilities	$17	$19	$18	$20	$74
-Small Transit Intensive Cities	$10	$11	$11	$12	$44
Other Federal Programs					
Highway Bridge Program	$262	$261	$249	$281	$1,053
Highway Safety Improvement Program	$63	$70	$67	$76	$276
Other Federal	$128	$148	$141	$160	$577
Federal Subtotal	**$1,173**	**$1,424**	**$1,534**	**$1,414**	**$5,546**
State	**FFY 2023-2028**	**FFY 2029-2034**	**FFY 2035-2039**	**FFY 2040-2044**	**Total**
State Highway Operations and Protection Program - (SHOPP)	$2,037	$2,127	$1,872	$1,968	$8,005
State Transportation Improvement Program - (STIP)					
-Interregional - IIP	$20	$70	$62	$65	$217
-Regional - RIP	$132	$188	$166	$174	$660
State Cap and Trade Program	$119	$147	$160	$205	$631
State Transit Assistance (99313 & 99314)	$133	$139	$123	$129	$524
State Transit Assistance (State of Good Repair)	$21	$22	$19	$20	$83
Active Transportation Program	$128	$142	$136	$154	$559
State Discretionary	$91	$100	$93	$103	$388
State Subtotal	**$2,681**	**$2,936**	**$2,632**	**$2,818**	**$11,067**

Local	FFY 2023-2028	FFY 2029-2034	FFY 2035-2039	FFY 2040-2044	Total
Sales Tax					
-Local Transportation Fund (LTF)	$930	$1,080	$1,058	$1,227	$4,295
-Sacramento County Measure A - (1/2%)	$798	$953	$934	$1,083	$3,767
-Sacramento County New Measure A - (1/2%)	$0	$806	$934	$1,083	$2,822
-Placer County Sales Tax - (1/2%)	$0	$346	$391	$442	$1,179
Gas Tax Subventions (Sec. 2103-2107.5)	$623	$764	$682	$717	$2,787
SB1 Road Maintenance and Rehabilitation Account (Sec. 2031)	$673	$904	$807	$848	$3,232
Other Local Funds	$1,247	$1,405	$1,305	$1,441	$5,399
Developer Contributions	$606	$669	$622	$687	$2,584
Transit Fares	$340	$457	$536	$752	$2,086
Roadway User Fees	$0	$178	$959	$1,085	$2,222
Local Subtotal	**$5,218**	**$7,561**	**$8,229**	**$9,365**	**$30,373**
Federal, State, and Local Total	**$9,072**	**$11,922**	**$12,394**	**$13,597**	**$46,986**

Attachment B: Revenue Projections (in millions of 2019 Dollars)

	FFY 2023-2028	FFY 2029-2034	FFY 2035-2039	FFY 2040-2044	Total
Federal					
Federal Highway					
Congestion Mitigation and Air Quality - (CMAQ)	$144	$138	$115	$115	$512
Regional Surface Transportation Program - (RSTP)	$184	$184	$153	$153	$675
Federal Transit					
-FTA 5307 - Urbanized Area Formula Program	$189	$184	$153	$153	$679
-FTA 5309 - Capital Investment Grants	$48	$145	$249	$51	$493
-FTA 5310 - Elderly and Disabled Specialized Transit Program	$9	$8	$7	$7	$31
-FTA 5311 - Rural Transit Assistance Program	$11	$10	$9	$9	$38
-FTA 5337 - State of Good Repair	$70	$66	$55	$55	$245
-FTA 5339 - Bus and Bus Facilities	$16	$15	$13	$13	$56
-Small Transit Intensive Cities	$9	$9	$8	$8	$33
Other Federal Programs					
Highway Bridge Program	$248	$211	$176	$176	$810
Highway Safety Improvement Program	$59	$57	$47	$47	$211
Other Federal	$120	$120	$100	$100	$440
Federal Subtotal	**$1,105**	**$1,148**	**$1,085**	**$887**	**$4,224**
State	**FFY 2023-2028**	**FFY 2029-2034**	**FFY 2035-2039**	**FFY 2040-2044**	**Total**
State Highway Operations and Protection Program - (SHOPP)	$1,932	$1,725	$1,325	$1,231	$6,214
State Transportation Improvement Program - (STIP)					
-Interregional - IIP	$18	$56	$44	$41	$159
-Regional - RIP	$124	$153	$117	$109	$503
State Cap and Trade Program	$113	$119	$113	$128	$473
State Transit Assistance (99313 & 99314)	$125	$113	$87	$81	$405
State Transit Assistance (State of Good Repair)	$20	$18	$14	$13	$64
Active Transportation Program	$121	$115	$96	$96	$428
State Discretionary	$85	$81	$66	$64	$297
State Subtotal	**$2,539**	**$2,380**	**$1,862**	**$1,762**	**$8,544**

Local	FFY 2023-2028	FFY 2029-2034	FFY 2035-2039	FFY 2040-2044	Total
Sales Tax					
-Local Transportation Fund (LTF)	$875	$874	$748	$767	$3,264
-Sacramento County Measure A - (1/2%)	$749	$771	$660	$677	$2,858
-Sacramento County New Measure A - (1/2%)	$0	$644	$660	$677	$1,981
-Placer County Sales Tax - (1/2%)	$0	$332	$277	$277	$885
Gas Tax Subventions (Sec. 2103-2107.5)	$585	$619	$483	$449	$2,136
SB1 Road Maintenance and Rehabilitation Account (Sec. 2031)	$629	$732	$571	$531	$2,463
Other Local Funds	$1,172	$1,138	$923	$901	$4,135
Developer Contributions	$570	$542	$440	$429	$1,982
Transit Fares	$319	$370	$378	$469	$1,536
Roadway User Fees	$0	$136	$678	$678	$1,492
Local Subtotal	**$4,899**	**$6,159**	**$5,820**	**$5,854**	**$22,732**
Federal, State, and Local Total	**$8,542**	**$9,688**	**$8,767**	**$8,503**	**$35,500**

April 2022 Polling Results and Board Direction for Potential 2022 Sales Tax Measure

Item I

Placer County Transportation Planning Agency

Voter Support for a Potential South Placer County Transportation Sales Tax Measure

Key Findings of a Survey Conducted:
April 10-16, 2022

FM3 RESEARCH
OPINION RESEARCH & STRATEGY

220-6380

Survey Specifics and Methodology

Dates	April 10-16, 2022
Survey Type	Dual-mode Voter Survey
Research Population	Likely November 2022 Voters in South Placer County
Total Interviews	615
Margin of Sampling Error	(Full Sample) ±4.0% at the 95% Confidence Level (Half Sample) ±5.7% at the 95% Confidence Level
Data Collection Modes	Telephone Interviews; Online Interviews

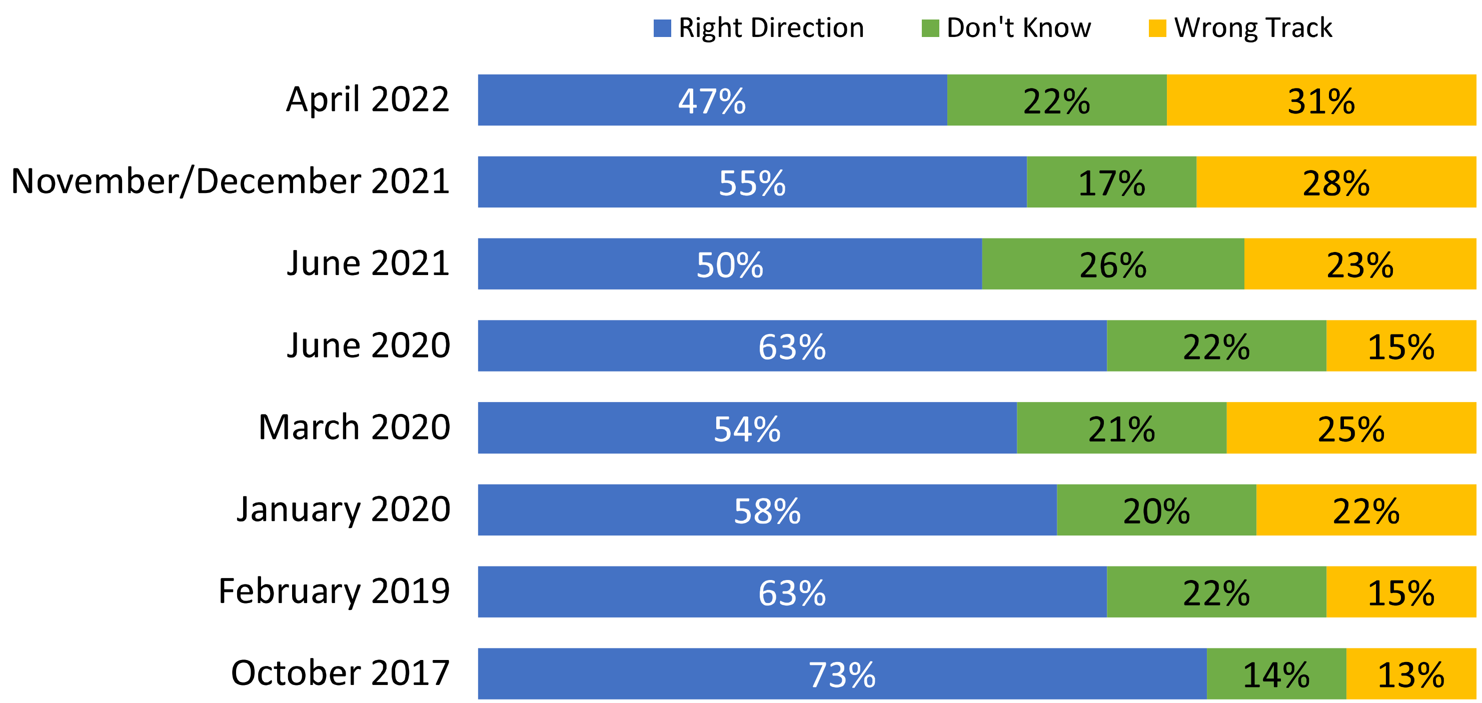
(Note: Not All Results Will Sum to 100% Due to Rounding)




Views of
Life in Placer County

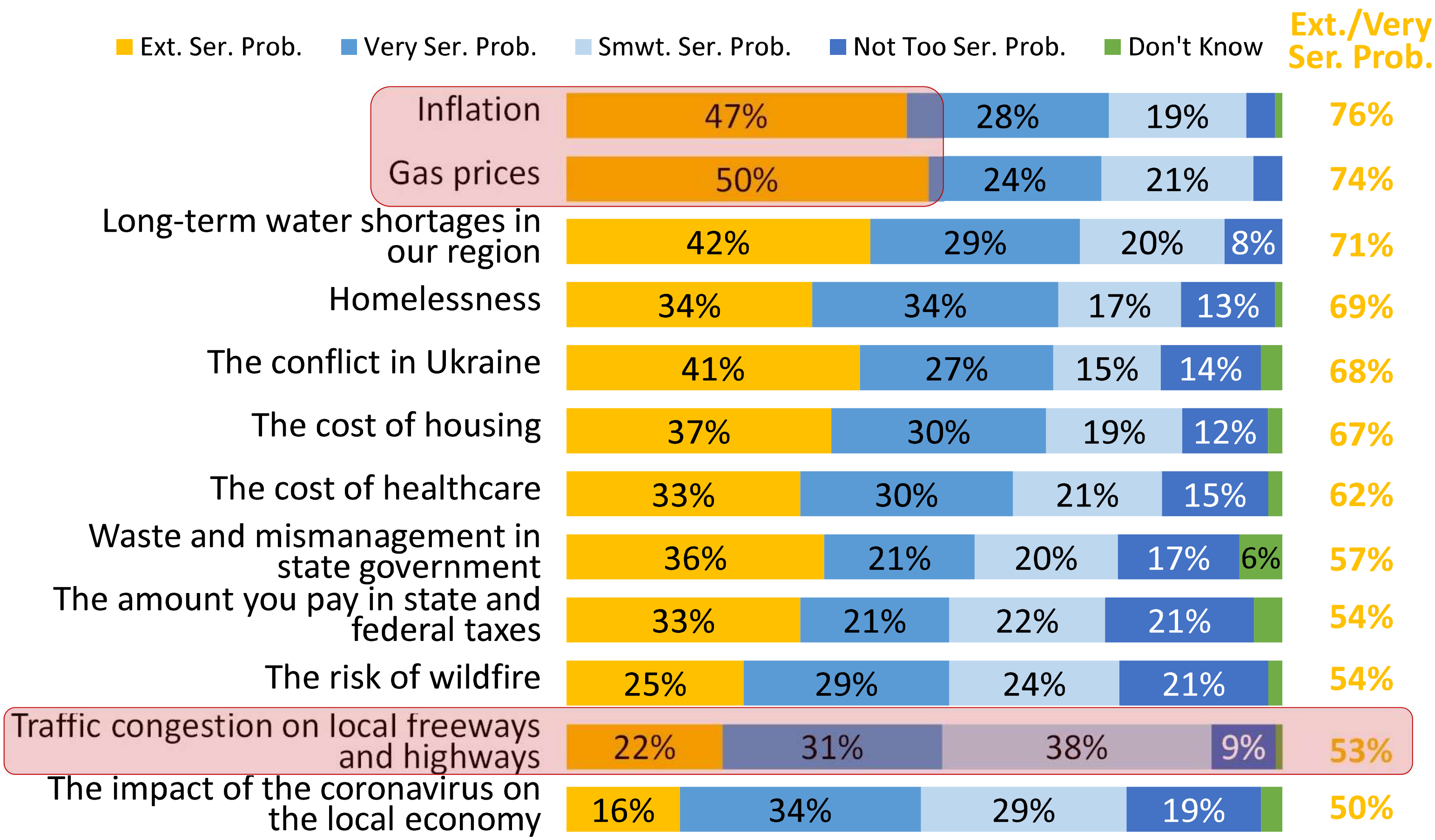
Voters are slightly more negative about the direction of the County than in the past.

Do you think things in Placer County are generally headed in the right direction, or do you feel things have gotten pretty seriously off on the wrong track?



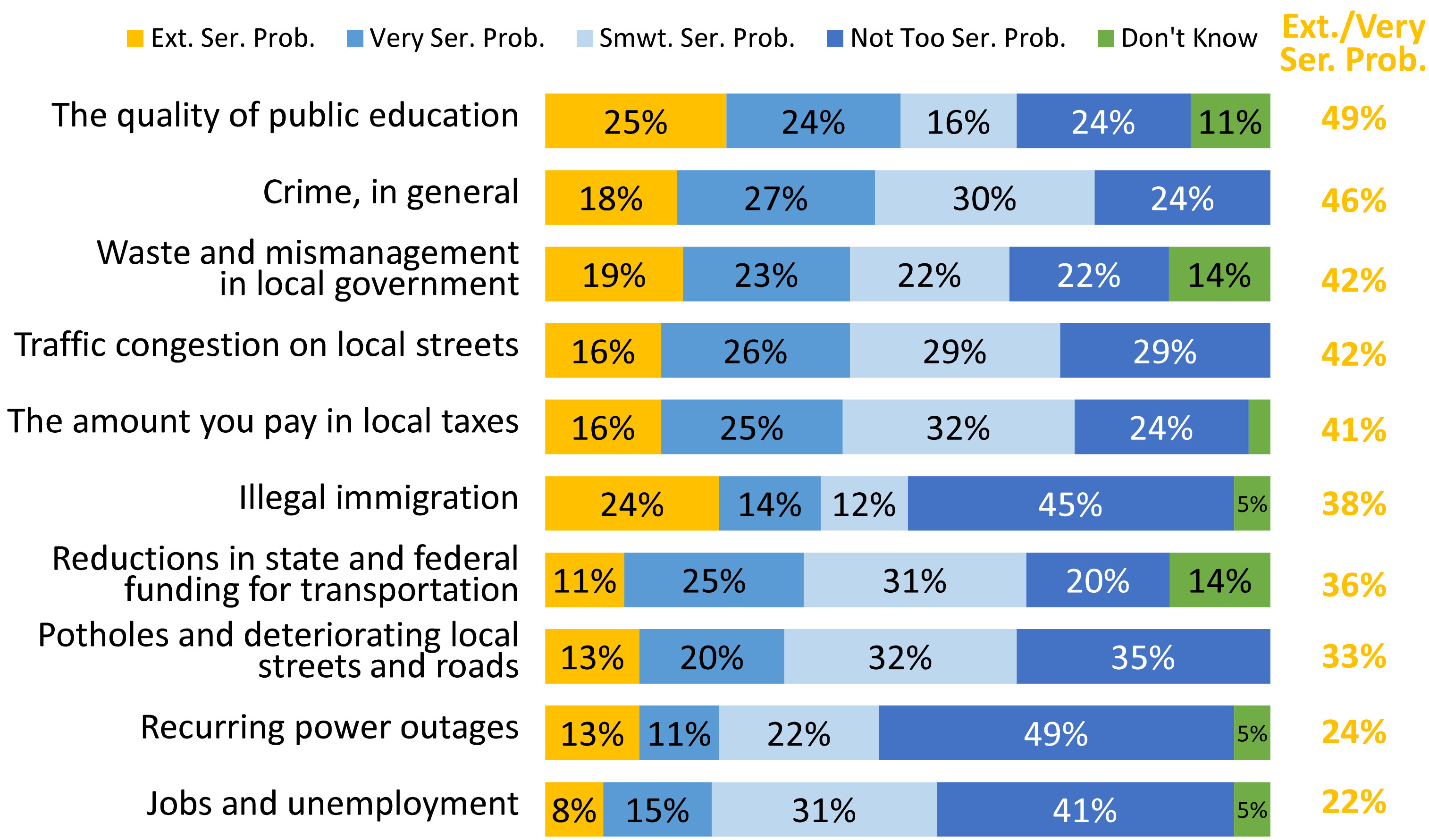
Q1.

Cost of living issues of inflation and gas prices are voters' top concerns.



Q4. I'd like to read you a brief list of issues that could be problems for people living in your local area. Please tell me whether you personally consider it to be an extremely serious problem, a very serious problem, a somewhat serious problem, or a not too serious problem at all for people living in your area. Split Sample

Traffic on local streets and deteriorating streets are not top tier concerns.



Q4. I'd like to read you a brief list of issues that could be problems for people living in your local area. Please tell me whether you personally consider it to be an extremely serious problem, a very serious problem, a somewhat serious problem, or a not too serious problem at all for people living in your area. Split Sample

Many issues, including education, crime and homelessness, are much more pressing concerns.

(Extremely/Very Serious Problem)

Issue	Oct. 2017	Feb. 2019	Jan. 2020	March 2020	June 2020	June 2021	Nov./ Dec. 2021	April 2022	Nov./Dec. 2021- April 2022 Difference
The quality of public education	28%	37%	39%	38%	42%	41%	35%	49%	**+14%**
Crime, in general	--	--	--	--	--	37%	32%	46%	**+14%**
Homelessness	--	54%	58%	59%	52%	59%	55%	69%	**+14%**
*Waste and mismanagement in state government	47%	60%	54%	59%	49%	58%	49%	57%	**+8%**
The cost of healthcare	57%	67%	63%	60%	64%	60%	55%	62%	**+7%**
The risk of wildfire	--	--	--	--	--	65%	50%	54%	**+4%**
*Waste and mismanagement in local government	47%	42%	43%	48%	37%	40%	38%	42%	**+4%**
Traffic congestion on local streets	--	47%	54%	52%	33%	45%	38%	42%	**+4%**
Long-term water shortages in our region	41%	49%	50%	57%	50%	69%	69%	71%	**+2%**
Recurring power outages	--	--	29%	30%	27%	29%	22%	24%	**+2%**
Reductions in state and federal funding for transportation	31%	43%	45%	46%	42%	40%	35%	36%	**+1%**
The amount you pay in state and federal taxes	43%	52%	56%	56%	58%	54%	54%	54%	**0%**

Q4. I'd like to read you a brief list of issues that could be problems for people living in your local area. Please tell me whether you personally consider it to be an extremely serious problem, a very serious problem, a somewhat serious problem, or a not too serious problem at all for people living in your area. Split Sample

Concern about traffic on local freeways is at its lowest point since 2017.

(Extremely/Very Serious Problem)

Issue	Oct. 2017	Feb. 2019	Jan. 2020	March 2020	June 2020	June 2021	Nov./ Dec. 2021	April 2022	Nov./Dec. 2021- April 2022 Difference
*The impact of the coronavirus on the local economy	--	--	--	38%	75%	57%	51%	50%	-1%
Illegal immigration	32%	45%	43%	35%	32%	36%	39%	38%	-1%
The cost of housing	--	54%	57%	56%	49%	63%	69%	67%	-2%
The amount you pay in local taxes	29%	33%	37%	44%	37%	42%	43%	41%	-2%
Traffic congestion on local freeways and highways	58%	67%	63%	66%	55%	55%	58%	53%	-5%
Potholes and deteriorating local streets and roads	35%	43%	41%	39%	38%	32%	40%	33%	-7%
Jobs and unemployment	22%	21%	17%	23%	39%	31%	32%	22%	-10%

Q4. I'd like to read you a brief list of issues that could be problems for people living in your local area. Please tell me whether you personally consider it to be an extremely serious problem, a very serious problem, a somewhat serious problem, or a not too serious problem at all for people living in your area. Split Sample

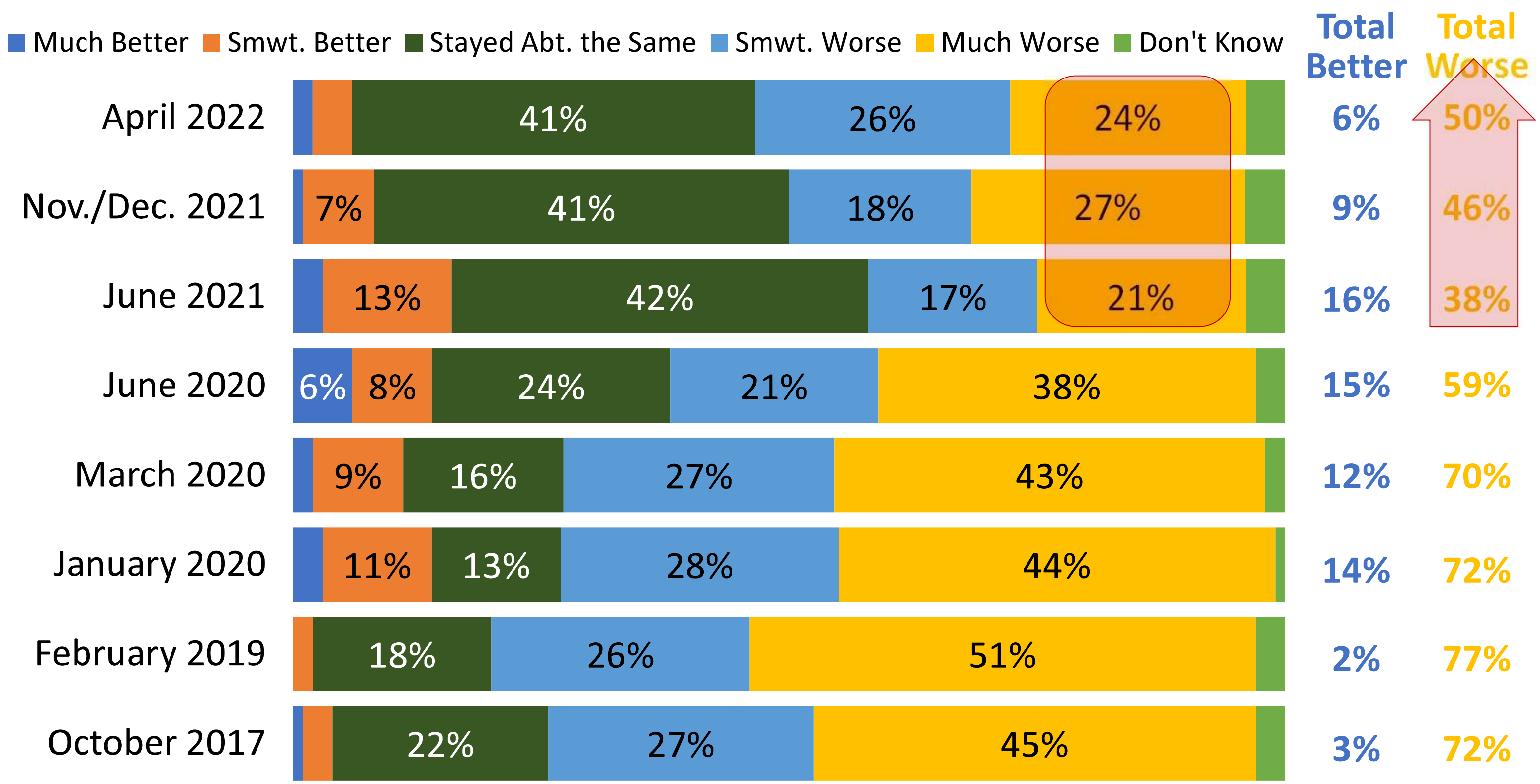
Digging Deeper into Perceptions of Traffic Congestion

- In each survey we have included a general question about whether voters feel traffic congestion has generally gotten better, worse or stayed the same in recent years.
- The coronavirus pandemic required us to amend this question in the past 3 surveys, as well as include prospective questions about future traffic congestion

June 2021 November 2021 April 2022	Thinking specifically about traffic do you feel local traffic congestion has gotten better, worse, or stayed about the same compared to before the coronavirus pandemic?
June 2020	Thinking specifically about traffic congestion—and putting aside the impact of stay-at-home orders over the past couple of months—do you feel it has gotten better, worse, or stayed about the same over the past couple of years?
Prior Surveys	Thinking specifically about traffic congestion, do you feel it has gotten better, worse, or stayed about the same over the past couple of years?

Half say traffic has gotten worse compared to before the pandemic.

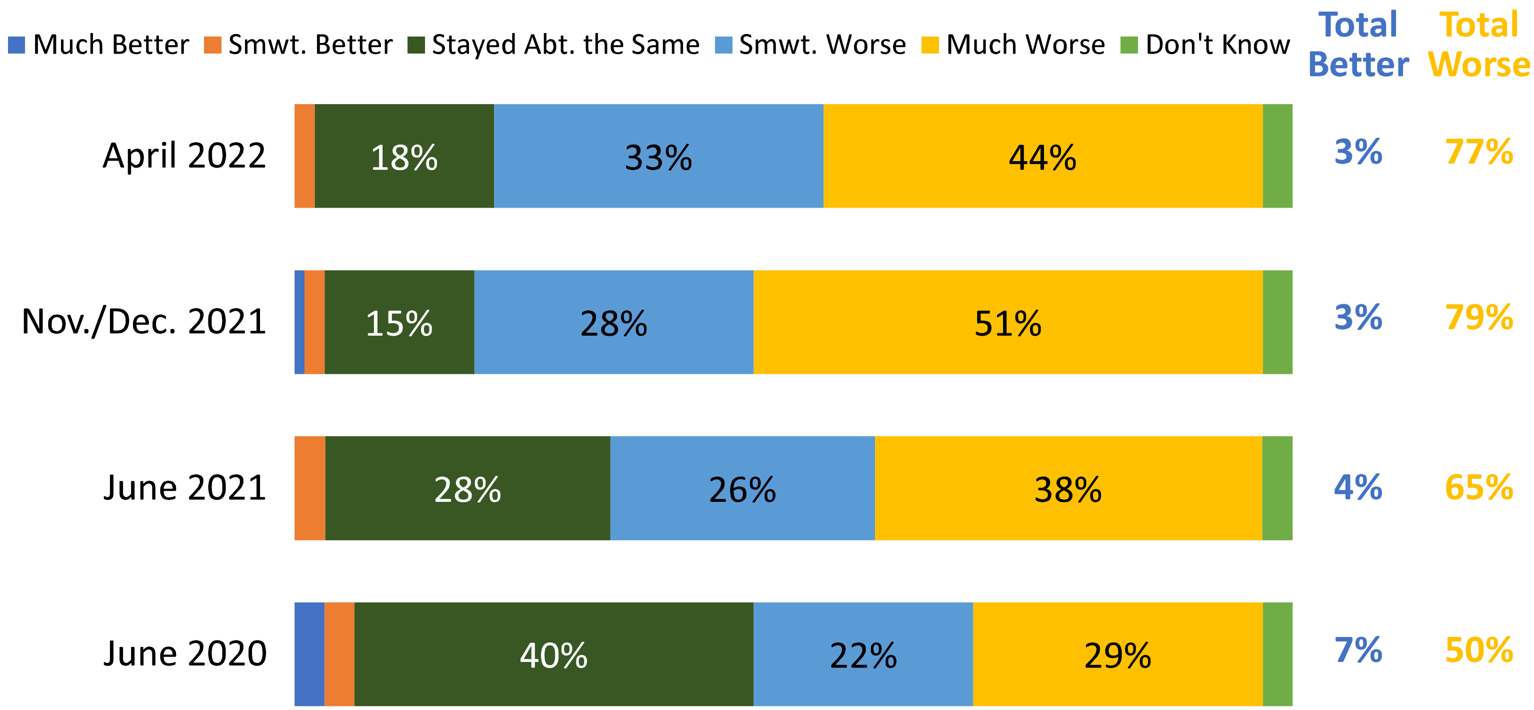
Thinking specifically about traffic, do you feel local traffic congestion has gotten better, worse, or stayed about the same compared to before the coronavirus pandemic?



Q5.

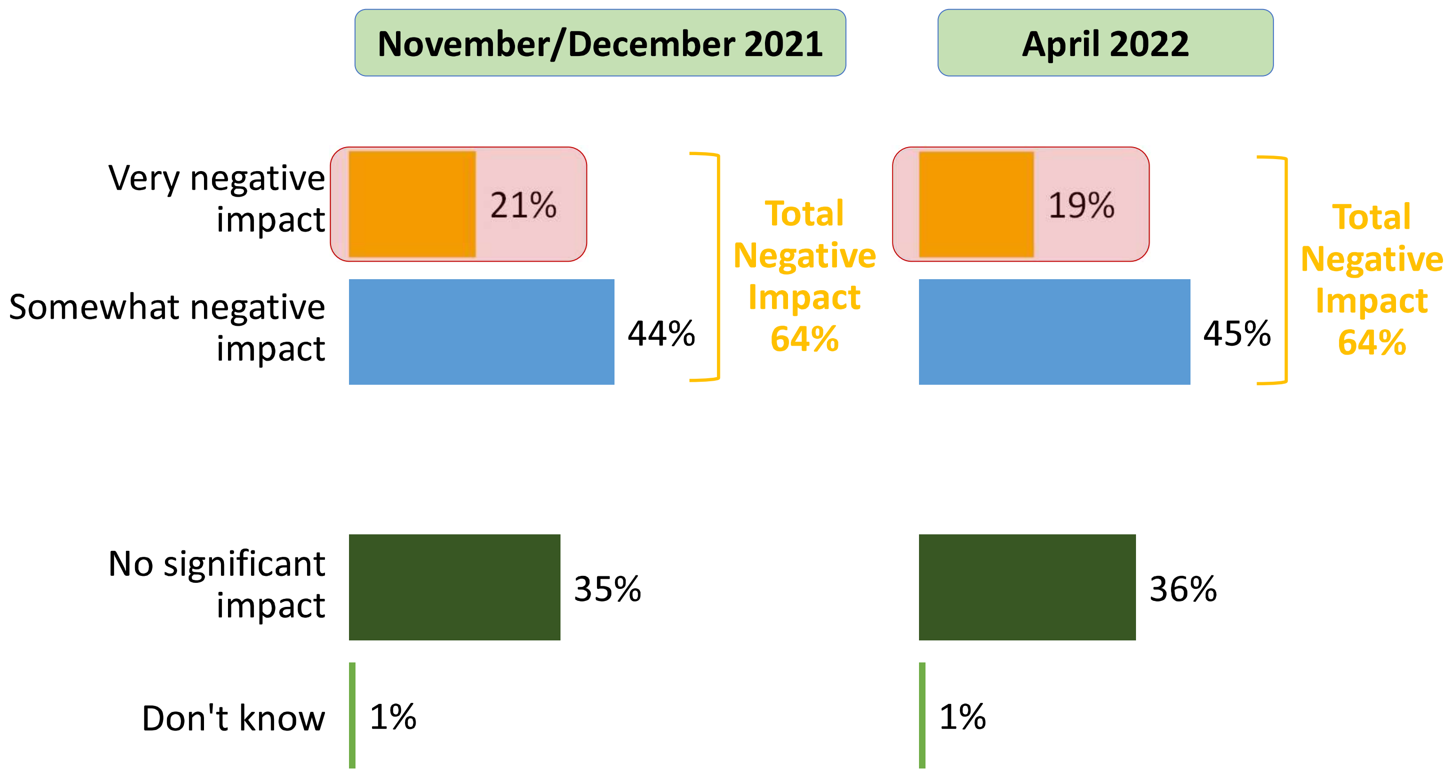
Voters broadly agree that traffic will be worse two years from now.

Do you feel that local traffic congestion will eventually be better, worse, or stay about the same two years from now?



Q6.

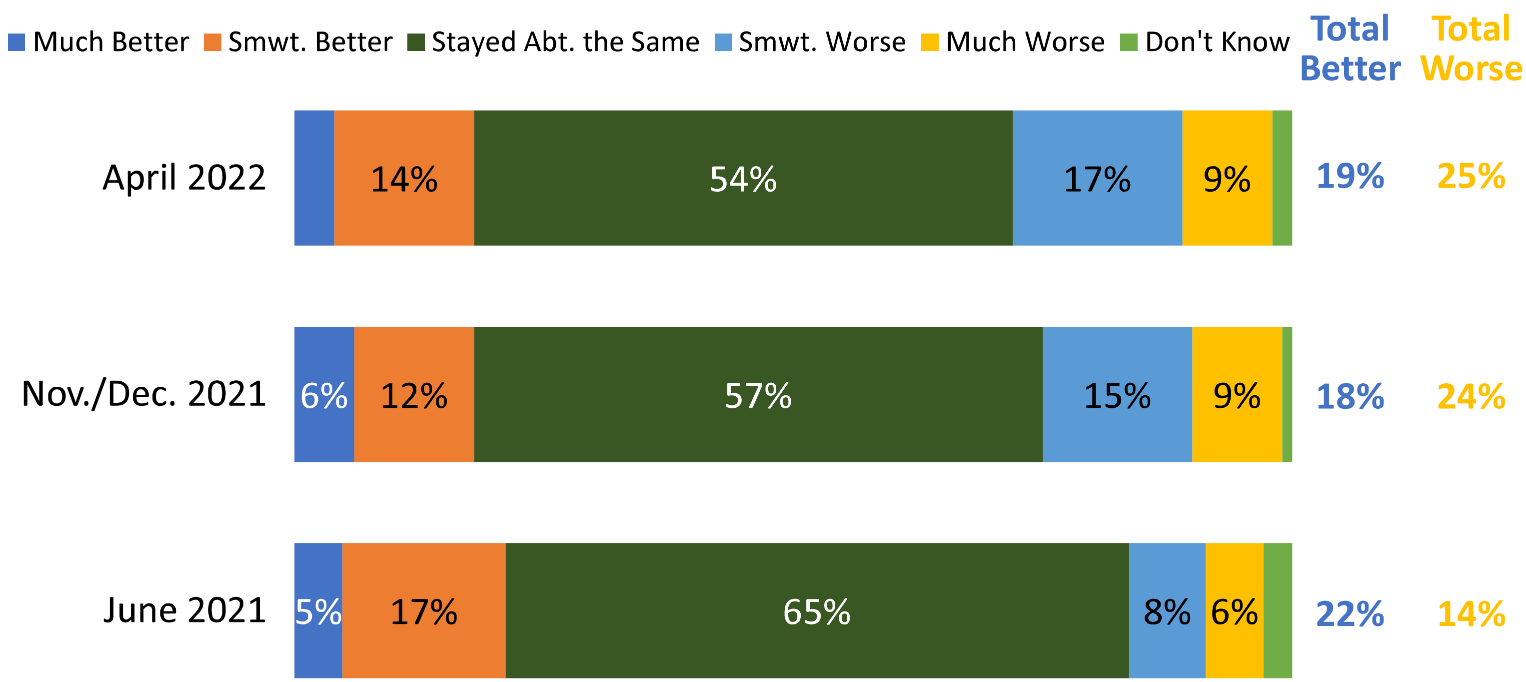
A majority say local traffic has a negative impact on their quality of life.



Q7. Do you feel that local traffic congestion has a negative impact on your quality of life or no significant impact on your quality of life?

A majority say their financial circumstances will likely remain the same over the next year.

Over the next year, do you expect that your household's financial circumstances will generally: get better, get worse, or stay about the same?



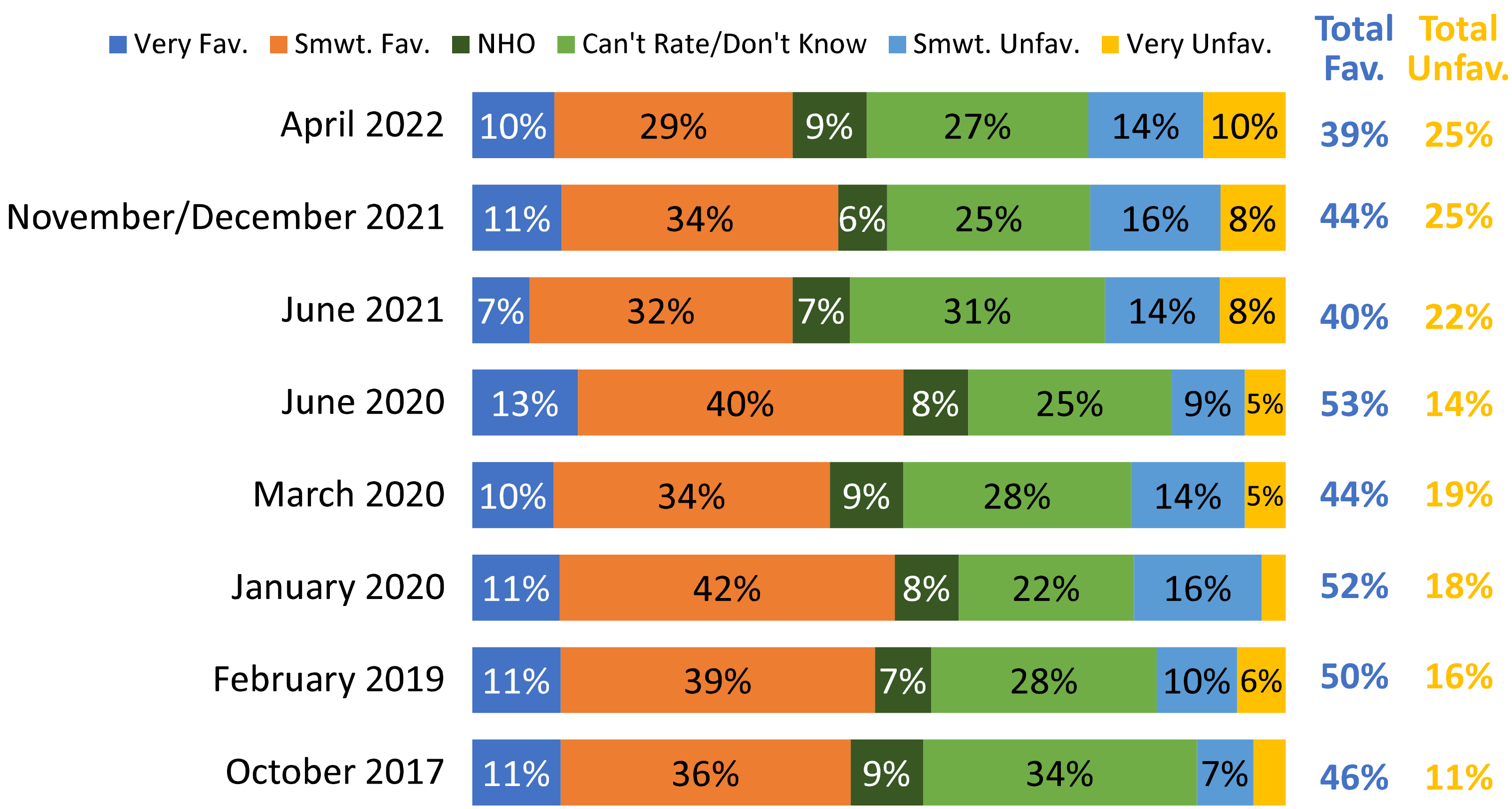
Q8.

Views of Local Government

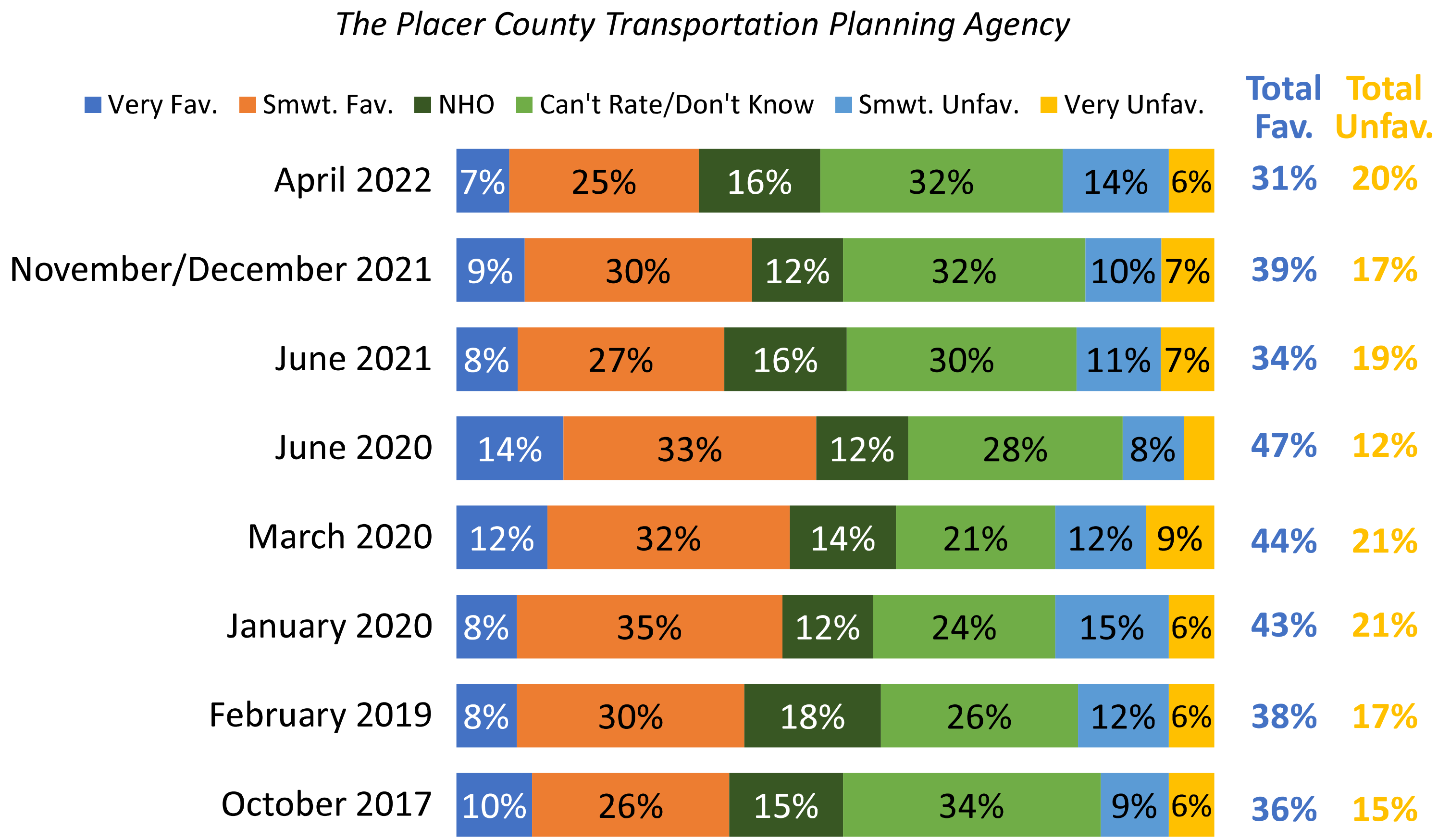
View of the Board of Supervisors are consistent with recent research.

The Placer County Board of Supervisors



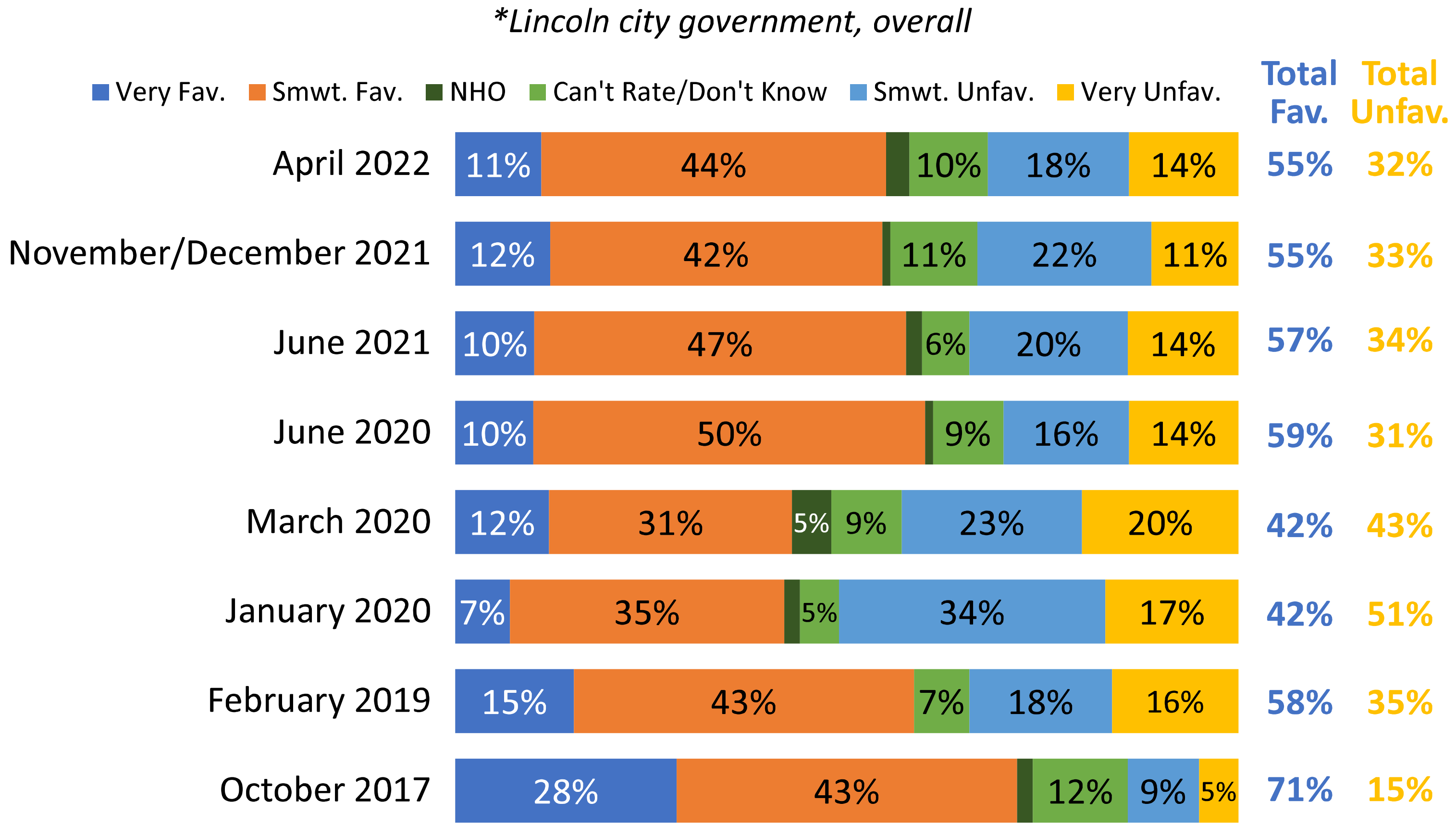
Q2a. I am going to read you a list of names of some institutions that are often in the public eye. Please tell me if your overall impression of the institution is favorable or unfavorable. Results from Prior Surveys were for the District Boundaries Only and Not Countywide

Similarly, views of PCTPA are generally consistent, though somewhat less favorable.



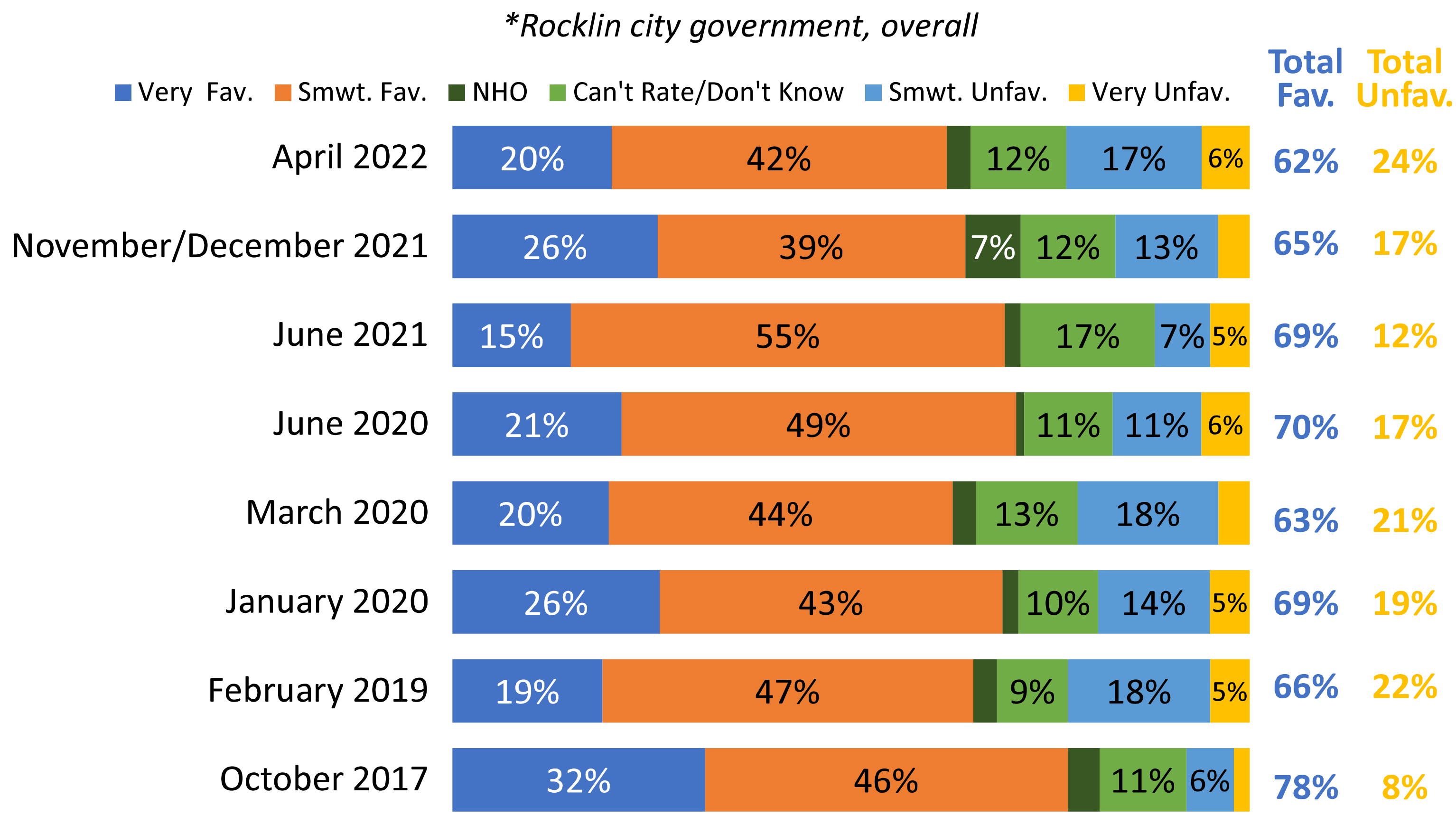
Q2b. I am going to read you a list of names of some institutions that are often in the public eye. Please tell me if your overall impression of the institution is favorable or unfavorable. Results from Prior Surveys were for the District Boundaries Only and Not Countywide

A majority of Lincoln voters view their city government favorably.



*Q2c. I am going to read you a list of names of some institutions that are often in the public eye. Please tell me if your overall impression of the institution is favorable or unfavorable. *Asked in Respective City Only*

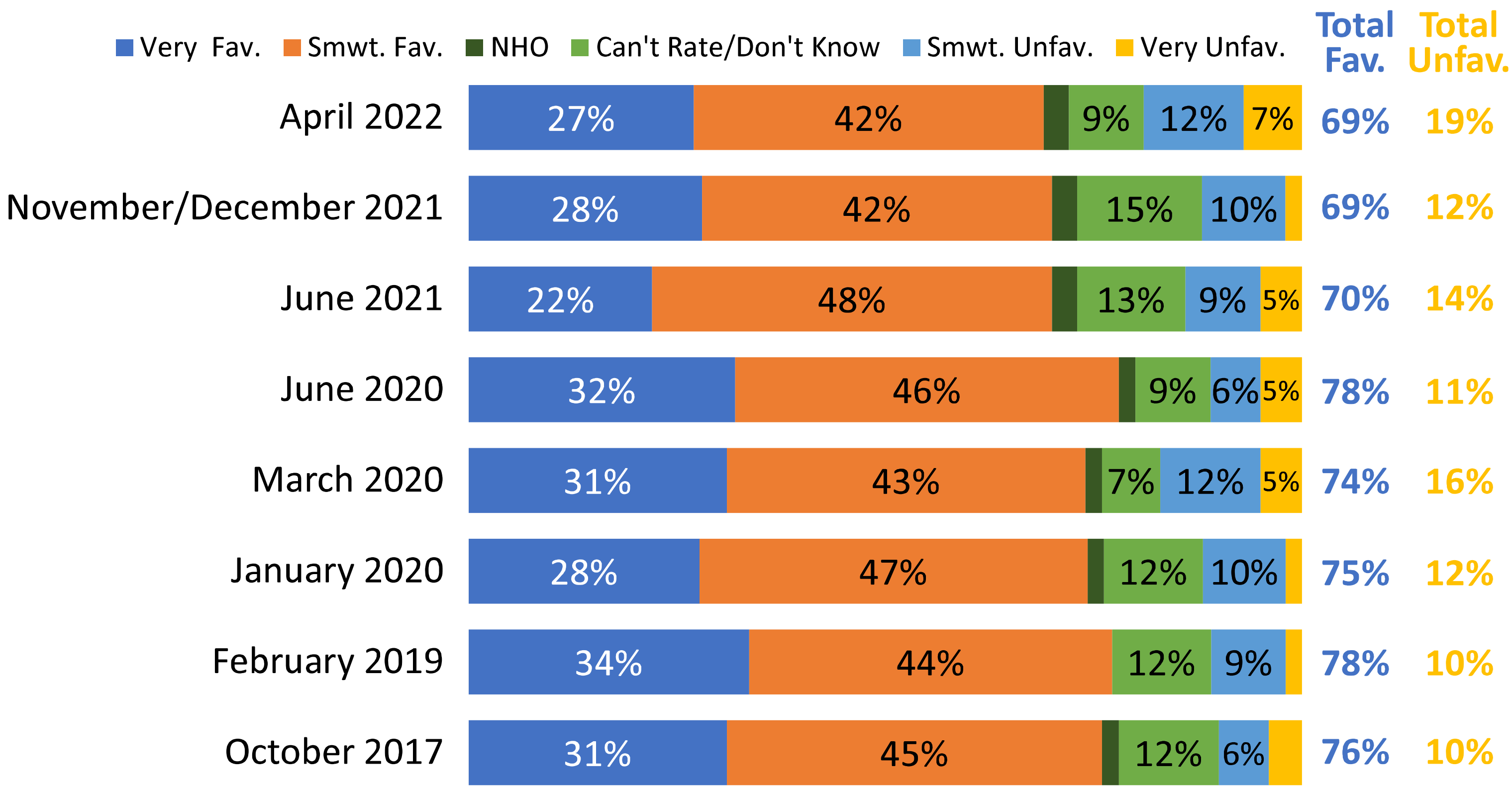
Three in five have a favorable opinion of Rocklin city government.



*Q2d. I am going to read you a list of names of some institutions that are often in the public eye. Please tell me if your overall impression of the institution is favorable or unfavorable. *Asked in Respective City Only*

Two-thirds of Roseville voters view their city government favorably.

*Roseville city government, overall



Q2e. I am going to read you a list of names of some institutions that are often in the public eye. Please tell me if your overall impression of the institution is favorable or unfavorable. *Asked in Respective City Only

Support for a Potential Transportation Sales Tax Measure

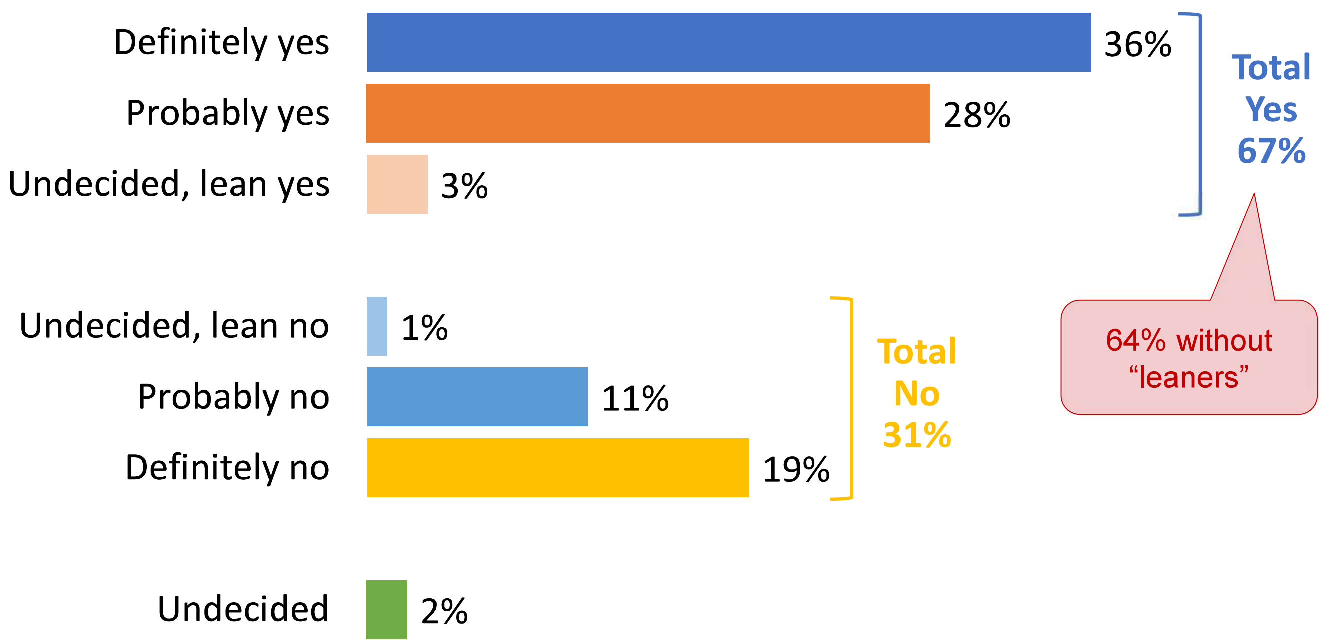
Ballot Language Tested

South Placer Traffic Relief Plan. Shall a measure to reduce traffic congestion and make transportation investments in Lincoln, Rocklin, and Roseville, including: completing 80/65 improvements; widening Highway 65; improving emergency responder access and wildfire evacuation by reducing traffic congestion/fixing bottlenecks; and funding local road repair; by establishing a ½-cent sales tax raising approximately $41,000,000 annually for 30 years, with independent audits, citizens' oversight, and increasing eligibility for state/federal matching funds, be adopted?

Q3. Do you think you would vote "yes" or "no" on this measure?

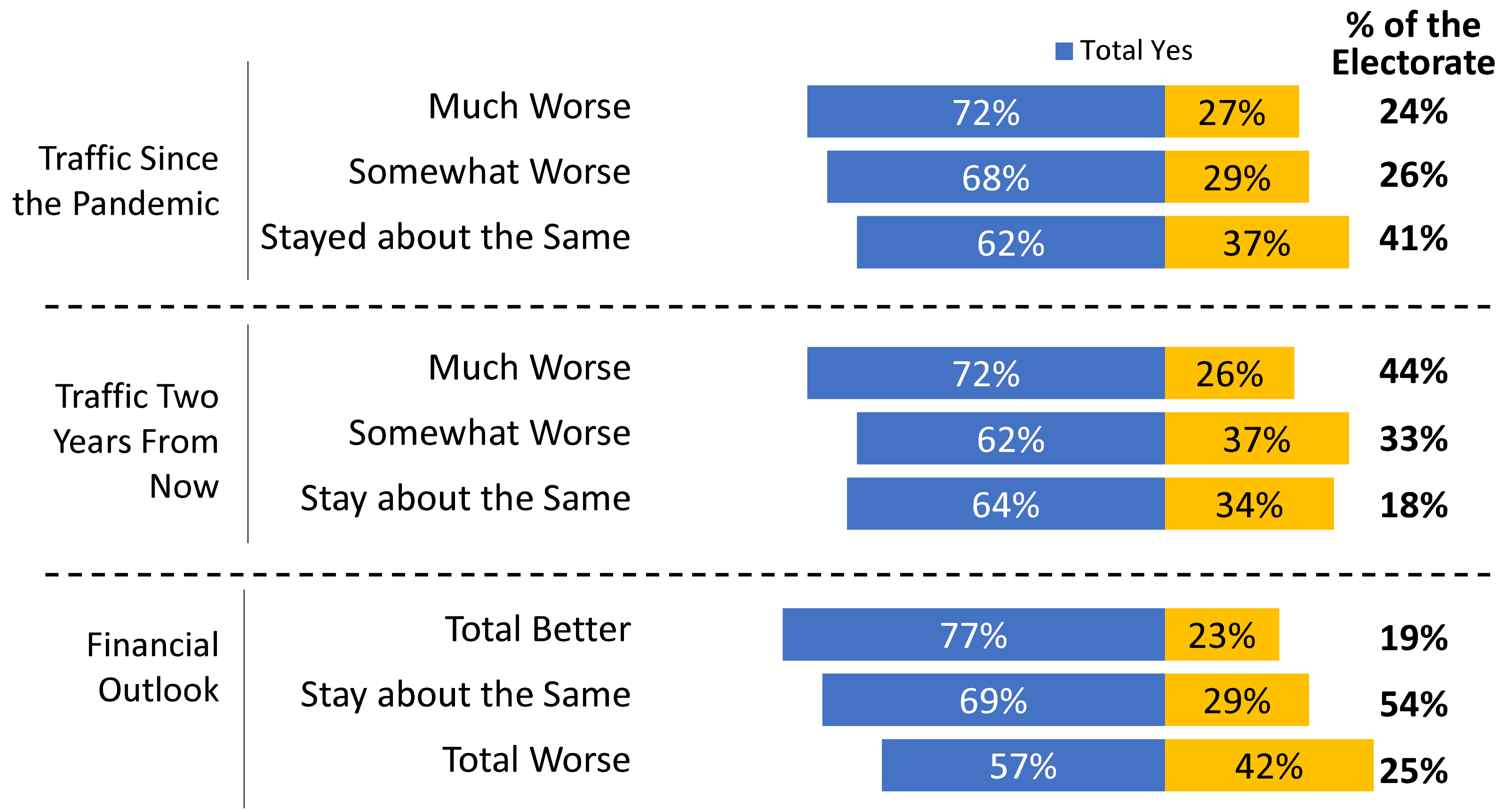
Two-thirds of voters support the measure initially.

Do you think you would vote "yes" or "no" on this measure?



Q3.

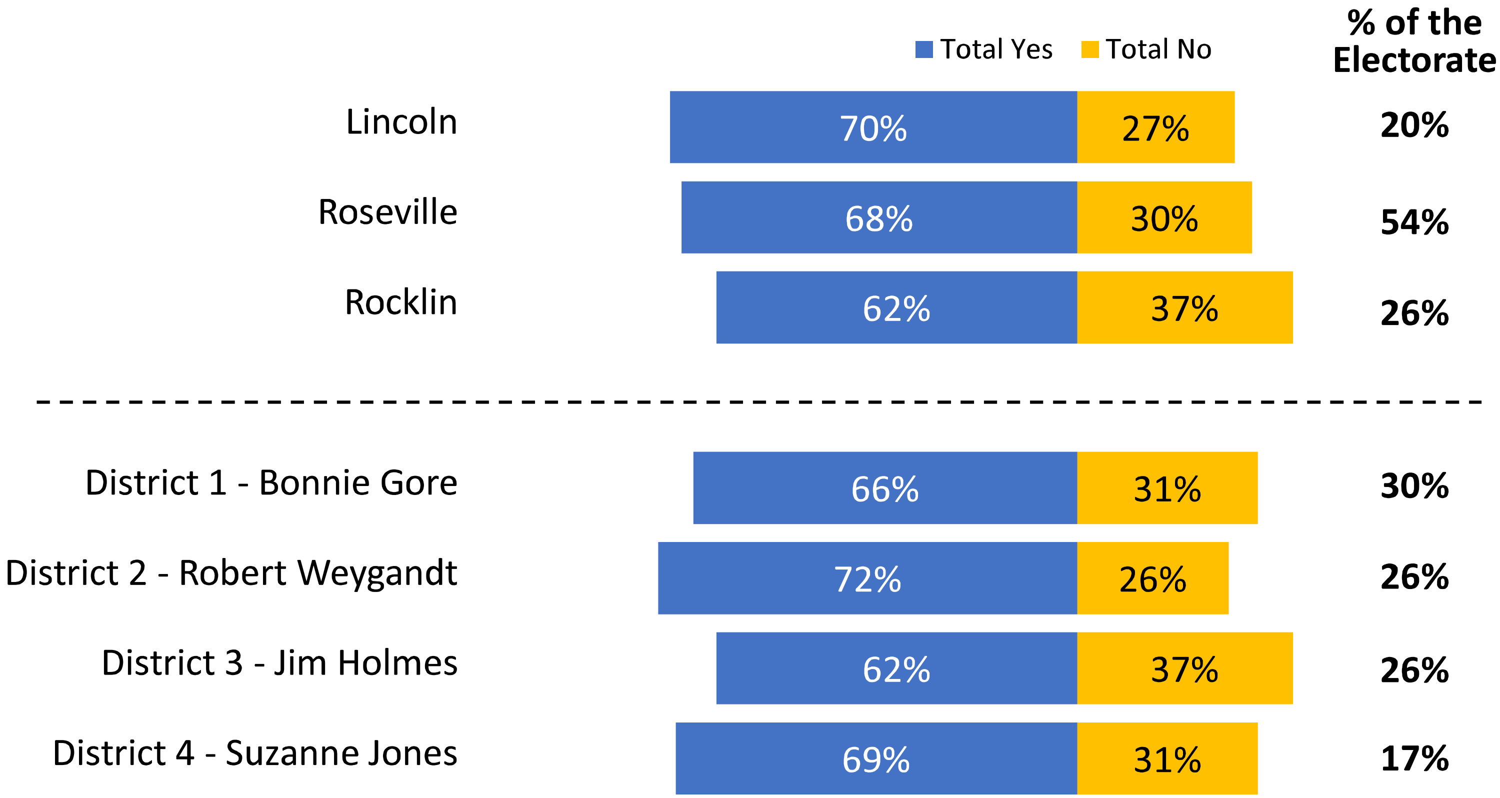
Traffic pessimists—and economic optimists—are more likely to support a measure.



Q3. Do you think you would vote "yes" or "no" on this measure?

Lincoln and Roseville voters are more supportive than Rocklin voters.

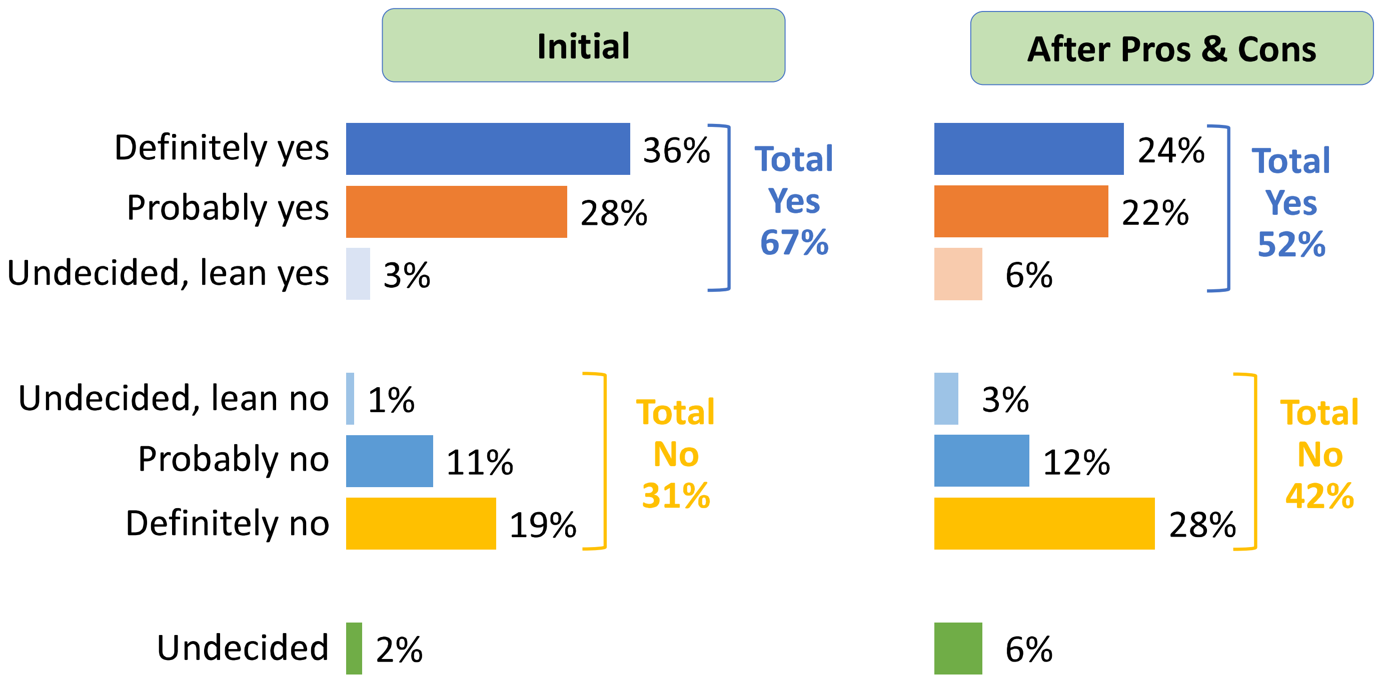
By City/Town & Board of Supervisors



Q3. Do you think you would vote "yes" or "no" on this measure?

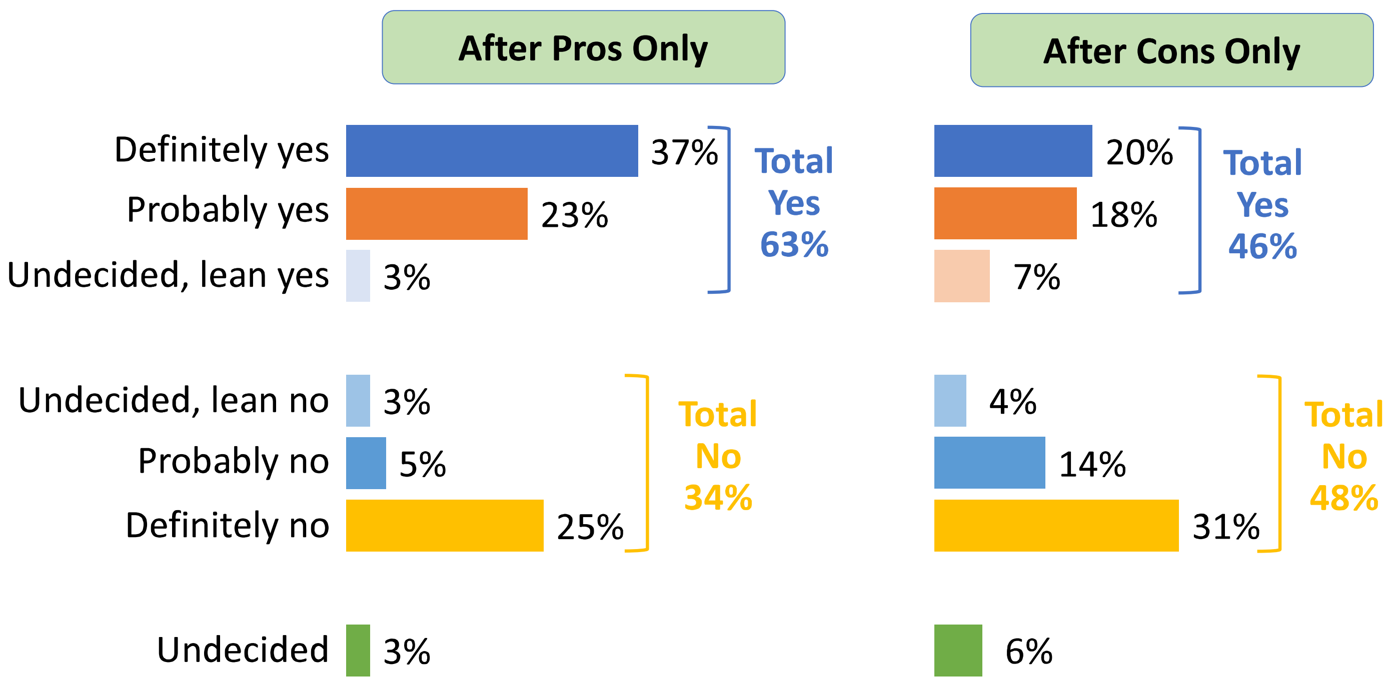
The Impact of
Pro and Con Arguments

After an exchange of messaging, support decreases by 15 points.



Q3 & Q12 (Total). Do you think you would vote "yes" or "no" on this measure?

Even when voters heard pros in isolation, support still decreased slightly.



Q10. Do you think you would vote "yes" or "no" on this measure? Split Sample

Comparing Votes in Past Surveys

Survey	Initial "Yes" Vote	"Yes" After Only Positives	Final "Yes" Vote after Pros/Cons
Roseville, Rocklin, and Lincoln			
April 2022	67%	63%	52%
Nov/Dec 2021	63%	66%	51%
June 2021	64%	64%	58%
June 2020	61%	62%	54%
March 2020	62%	65%	56%
January 2020	63%	65%	56%
South Placer County			
February 2019	66%	73%	60%
October 2017	75%	76%	68%
All of Placer County			
Measure M Outcome	**64%**	**N/A**	**N/A**
October 2016	59%	N/A	N/A
September 2016	69%	70%	61%
February 2016 Last survey before placement	63%	63%	53%
May 2015	61%	61%	58%
June 2014	61%	60%	55%

Q3 & Q12 Total. If the election were held today, would you vote yes in favor of it, or no to oppose it?

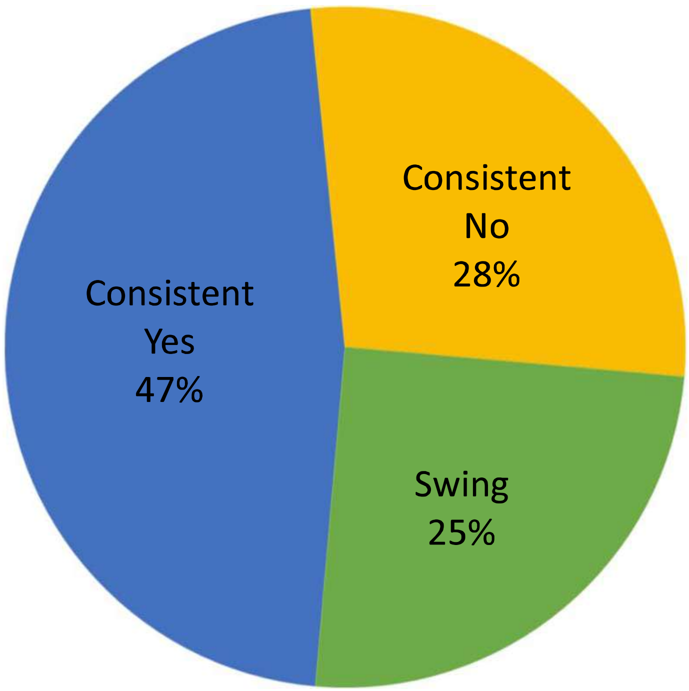
Segmenting the Electorate by Vote Consistency

- **Consistent Yes:** Voters who consistently indicated they would vote "yes" on the measure

- **Consistent No:** Voters who consistently indicated they would vote "no" on the measure

- **Swing:** Voters who do not fall into any of the other categories – remaining consistently undecided or switching positions

The following slide shows demographic groups that *disproportionately* fall into one category or the other.



Pro & Con Arguments

Messages in Favor of the Measure

Ranked by % Very/Somewhat Convincing

(I-80 ALTERNATIVES) This measure will reduce traffic congestion on Interstate 80 by providing commuters new alternatives when traveling west from South Placer County. These include widening Baseline Road from 2 to 4 lanes, and building a new expressway called the Placer Parkway linking Highway 65 at Whitney Ranch Parkway to Highway 99 north of the Sacramento Airport.
(HIGHWAY 65) Highway 65 is getting worse every year, and is now backed up for several hours each day. This measure provides funds to widen Highway 65 from 2 lanes in each direction to 4 all the way to Lincoln, relieving growing congestion on a key backbone for South Placer County.
^**(TRAFFIC - GENERAL)** Traffic congestion is back to 112% of 2019 levels and once again threatens our quality of life. Time stuck in traffic takes away from time better spent at home with family and friends. Plus, as our population grows, the number of cars will increase, leading to greater traffic gridlock. If we don't invest now in projects to better manage traffic flow, the problem will only get worse.
^**(80/65 INTERCHANGE)** Traffic comes to a crawl in and around the 80/65 interchange at almost all hours of the day, and it has become one of the most dangerous interchanges in the region. We need this measure to complete all phases of improvements to the interchange in all directions to both improve traffic flow and reduce congestion, and make the interchange safer to save lives.
(MATCHING FUNDS) With the recent passage of a historic federal infrastructure plan, there are going to be large amounts of funding available for much-needed transportation improvements if the County provides local funds. This measure will make it possible for South Placer County to receive its fair share of these once-in-a-lifetime matching funds, which would otherwise go to counties in the Bay Area or Southern California.
^**(ACCOUNTABILITY)** This has strong taxpayer safeguards to ensure the money is spent as promised, including an independent citizens' oversight committee; annual independent audits; and an annual public report to taxpayers. Additionally, 99% of the funds must be spent directly on transportation projects, and the tax will automatically expire after 30 years and cannot be extended without another vote.

Q9. Here are some statements from people who support this measure. Please tell me whether you find it very convincing, somewhat convincing, or not convincing as a reason to vote yes on the measure.
^Not Part of Split Sample

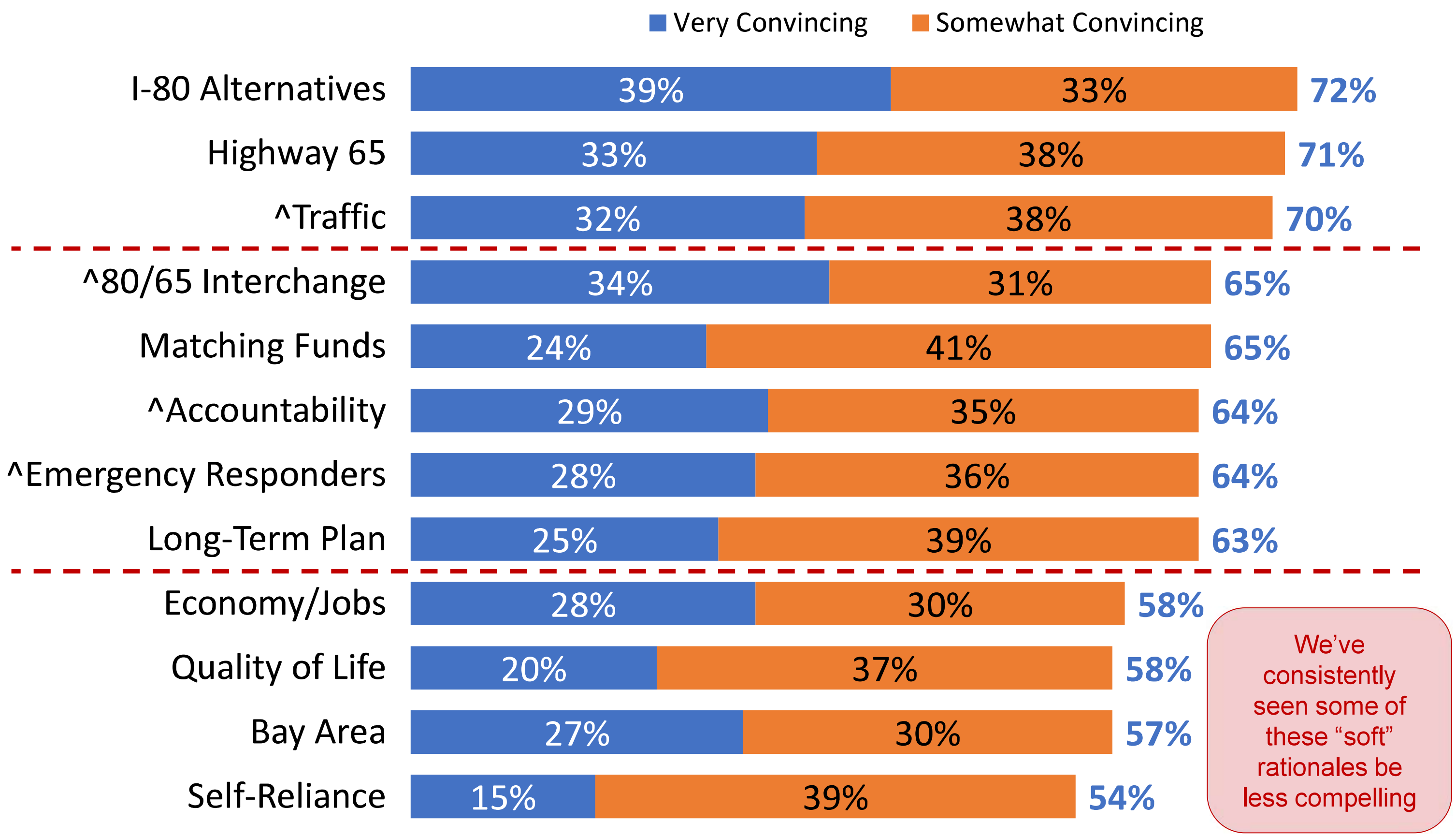
Messages in Favor of the Measure (Continued)

Ranked by % Very/Somewhat Convincing

^**(EMERGENCY RESPONDERS)** Many of South Placer County's streets, highways, and freeways are backed up with traffic. These conditions not only make it hard for emergency responders to reach people in a crisis quickly or transport them to a hospital but will make wildfire evacuations more challenging. Investing in our transportation system is also an investment in our safety.
(LONG-TERM PLAN) This measure is a critical part of a long-term plan to address traffic congestion now and into the future. It will both address current freeway and highway hot spots and future regional growth by expanding the capacity of our major roads and highways and public transportation options for local residents and commuters.
(ECONOMY/JOBS) A properly functioning and well-maintained transportation system is a key component of a strong economy with high-quality jobs. And we have seen the downside of our traffic problems, with congestion causing several companies to relocate out of South Placer. We need to invest in our roads and infrastructure to protect existing businesses and encourage new ones to locate here.
(QUALITY OF LIFE) Sitting in traffic is stressful and frustrating for all of us, and those wasted minutes and hours add up. Without taking action now, traffic congestion is going to start seriously impacting our quality of life, if it hasn't already. We need this measure to protect our quality of life and ensure that we can spend time on things far more important than sitting in our cars.
(BAY AREA) Bay Area residents continue to move to Placer County, something that has only accelerated during the coronavirus pandemic. State laws prevent us from limiting this growth, so we need measures like this to address the inevitable traffic congestion and keep our freeways and highways from becoming snarled like the Bay Area.
(SELF-RELIANCE) We can't control things happening at the federal and state level, and now even international events are having local impacts. But here in South Placer County, we have a long history of taking the steps to best ensure our own economic prosperity with local control in trusted leaders that live in our community. This measure is one of those opportunities to be self-reliant and to protect and preserve our future.

Q9. Here are some statements from people who support this measure. Please tell me whether you find it very convincing, somewhat convincing, or not convincing as a reason to vote yes on the measure.
^Not Part of Split Sample

The message describing alternatives to reduce congestion on I-80 is most convincing.



Q9. Here are some statements from people who support this measure. Please tell me whether you find it very convincing, somewhat convincing, or not convincing as a reason to vote yes on the measure.
^Not Part of Split Sample

Messages in Opposition to the Measure

Ranked by % Very/Somewhat Convincing

(GAS TAX/VLF) We already pay billions of dollars in gas taxes that are supposed to pay for our roads and freeways. Plus, the state just recently increased the gas tax by 12 cents a gallon and increased the vehicle license fee specifically to fund more road repairs. They need to make sure every single penny we pay in transportation taxes now is spent wisely before asking us for a new tax.

***(POOR GROWTH PLANNING)** None of our traffic congestion should have been a surprise, especially given the unchecked rate of growth and development in our region. Instead of taxing residents even more, what we really need is better planning by local officials, less sprawling development, and more public transportation options.

(DEVELOPERS) Developers continue to build out South Placer County with little accountability to whether a community can actually support more people. They should be the ones paying to build the infrastructure that supports their money-making development deals, not taxpayers.

***(FEDERAL/STATE FUNDS)** With the recently passed, historic federal infrastructure bill and the State's recently announced $31 billion budget surplus, this tax simply isn't needed. We should see how much of those federal and state funds we can get for transportation projects before raising local taxes.

*Q11. Here are some statements from people who oppose this measure. Please tell me whether you find it very convincing, somewhat convincing, or not convincing as a reason to vote no on the measure. *Split Sample*

Messages in Opposition to the Measure (Continued)

Ranked by % Very/Somewhat Convincing

*(USE EXISTING FUNDS) Given the amount of money we already pay in local taxes, NAME OF RESPONDENT'S CITY and the County simply need to tighten their belts, work together, and do a better job with the taxpayer dollars they already have.

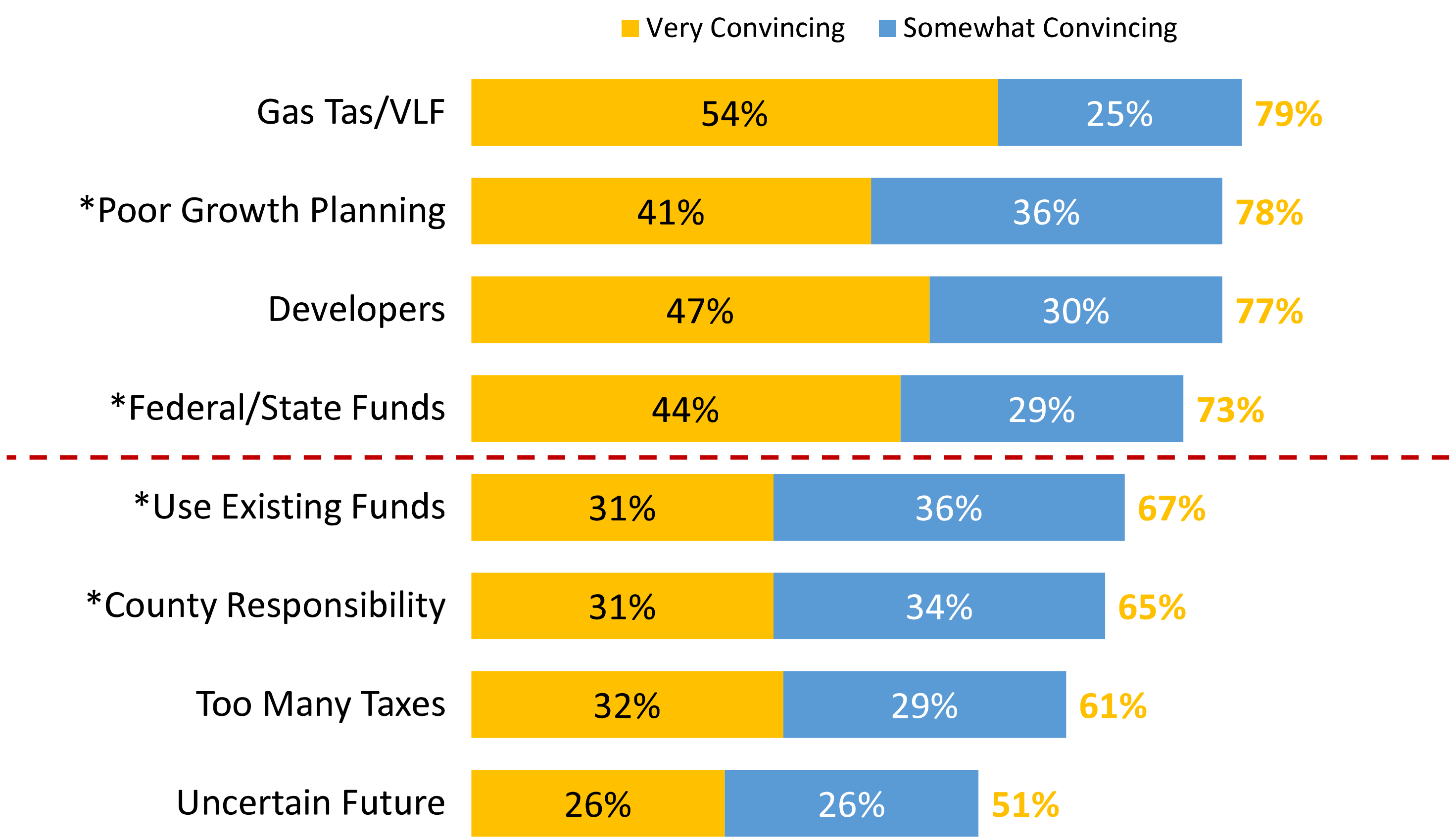
*(COUNTY RESPONSIBILITY) Local politicians and bureaucrats have created a new layer of government in an attempt to pass virtually the same tax measure that failed a few years ago. This is the County's responsibility, and we don't need more government or taxes. And, with a budget of over $1 billion, there's no reason Placer County can't find enough money to fund high-priority transportation projects.

(TOO MANY TAXES) Every election we are asked to pay more in taxes at the local, county, and state level for many different issues including public safety, libraries, parks, and schools. We simply can't afford to pay more.

(UNCERTAIN FUTURE) With the escalating conflict in Ukraine, rising gas prices, runaway inflation, and the potential for another COVID-19 wave, our day-to-day lives and the economy feel incredibly uncertain. This is just not the right time to be committing to a 30-year tax increase.

*Q11. Here are some statements from people who oppose this measure. Please tell me whether you find it very convincing, somewhat convincing, or not convincing as a reason to vote no on the measure. *Split Sample*

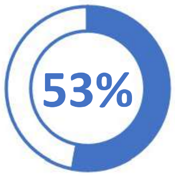
A criticism focused on the gas tax is very convincing.



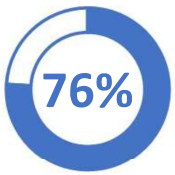
*Q11. Here are some statements from people who oppose this measure. Please tell me whether you find it very convincing, somewhat convincing, or not convincing as a reason to vote no on the measure. *Split Sample*

Key Takeaways and Conclusions

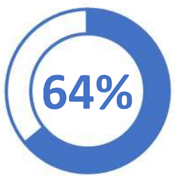
Key Numbers: Electoral Context



View traffic congestion on local freeways and highways as an "extremely" or "very serious problem," down from prior years



Think inflation is a very serious problem and a similar number say the same about gas prices.

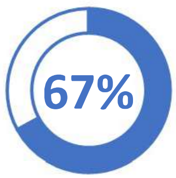


Say traffic congestion impacts their quality of life negatively, though only 19% feel the impacts are significant.

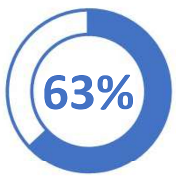
Summary:

While voters continue to say traffic is worsening—and are concerned it will be worse in the future—they don't feel these concerns with the same intensity as in prior years. Additionally, traffic doesn't rank anywhere near the top of voters' concerns, especially compared to cost-of-living issues like inflation and gas prices.

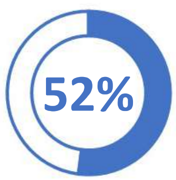
Key Numbers: Measure Viability



Would currently vote “yes” for a half-cent, transportation sales tax in Southern Placer County, the highest level in recent years.



Would vote “yes” for a measure after only being presented with arguments in favor of a measure

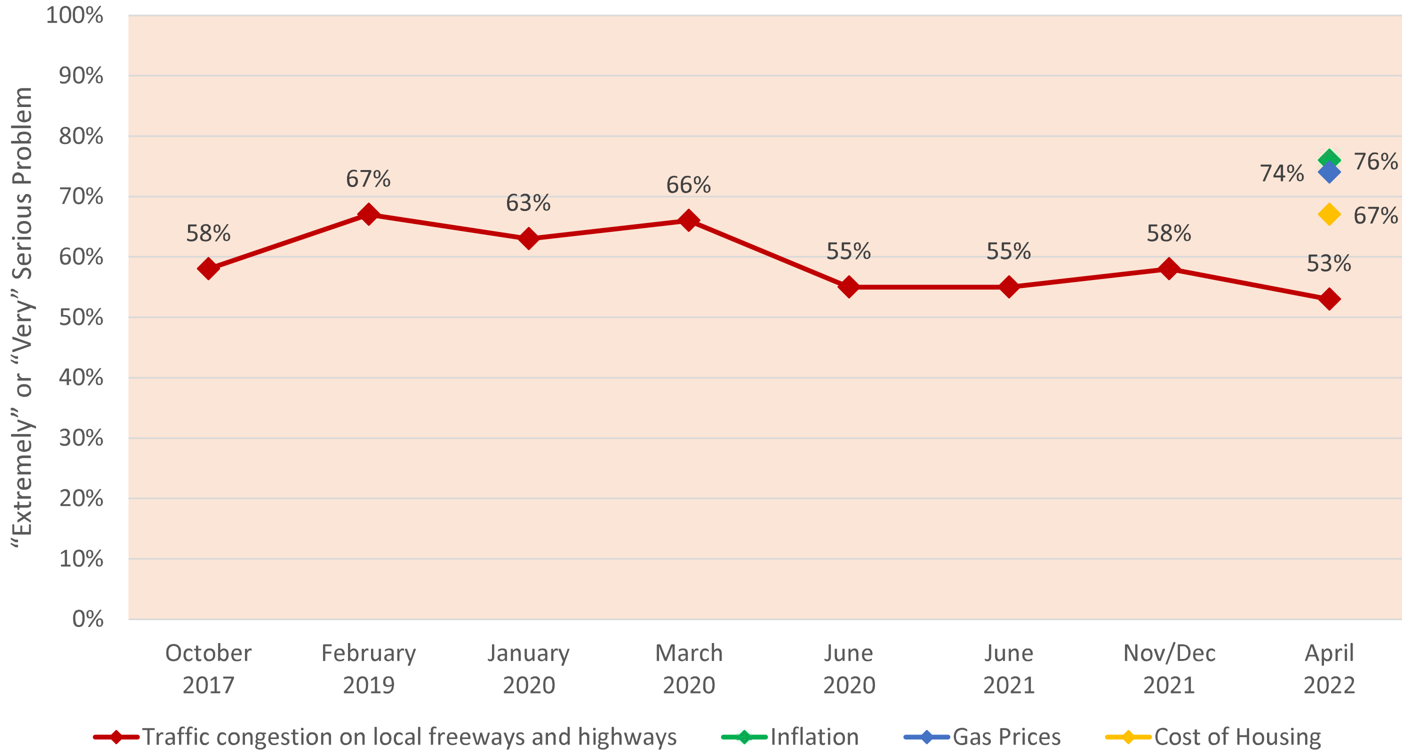


Would vote “yes” after hearing pro and con arguments

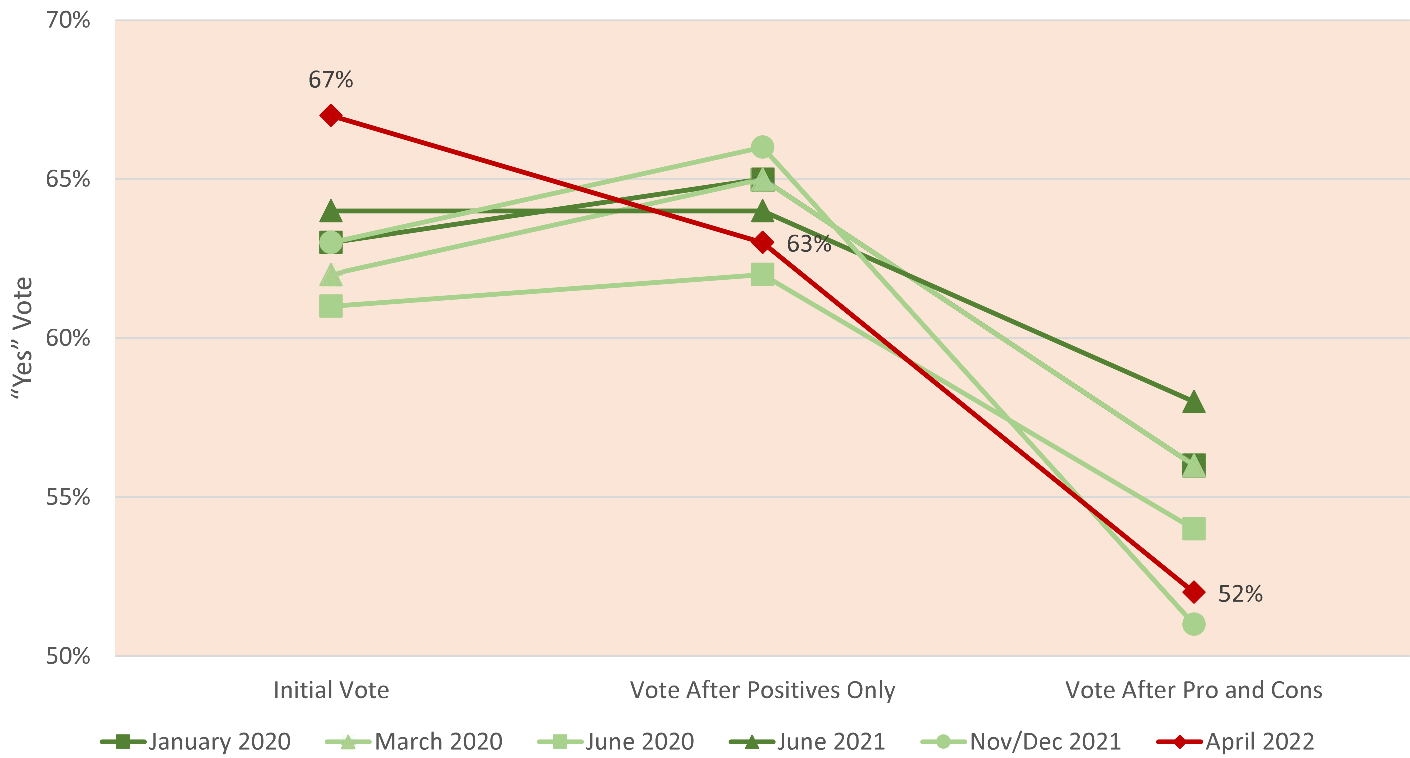
Summary:

Initial support for the proposed measure is right at the two-thirds threshold for passage—an improvement relative to recent public opinion. However, support falls below two-thirds after pro and con arguments, even after only positive arguments. This leads us to consider a few additional factors…

While most voters fear traffic will be worse in the future, it's a less concerning problem now, especially compared to cost-of-living issues.



Additionally, while in this survey the initial vote is a high point in the past two years, the votes after arguments are some of the lowest.



So, what do we make of all of this?

- In the last survey before placement of Measure M, the initial "yes" vote and vote after only positives (both 63%) were very close to the 64% "yes" in the actual 2020 election.
- In this survey, the initial vote is at two-thirds (67%), but the vote after positives only is only 63%, a wide enough spread to suggest a range of options.
- Additionally, the 52% after pros and cons is very similar to the 51% of our prior survey.
- With traffic congestion seen as a less pressing concern than even a few months ago—and views of the impact of traffic and worries about future traffic basically the same—these survey results suggests the prospects are very similar to that of the November/December 2021 survey.
- Consequently, reaching two-thirds in November 2022 will still be <u>very</u> challenging—especially if concerns about traffic continue to be eclipsed by pocketbook issues—unless PCTPA feels there is something that can positively disrupt this dynamic this summer and fall, without concerns about the cost of living also becoming more pronounced.