



PLACER COUNTY
LOCAL TRANSPORTATION
AUTHORITY

ORDINANCE No. 24-01

Placer County Local Transportation Authority Transportation Improvement Plan and Retail Transactions and Use Tax Ordinance South Placer County District

The Placer County Local Transportation Authority does ordain as follows:

PREAMBLE

A properly functioning and well-maintained transportation system in Placer County is a key component of our high quality of life and ability to attract jobs to our region. However, the increasing decline in gas tax revenues, the increasing restrictions that the state and federal government have placed on using limited available transportation funds, and the increase in transportation capital costs has led to a deterioration of our existing streets, roads and highways, and little to no available funding to expand our transportation network. Our population is expected to continue to grow and with it, the demands on our transportation system will only increase. Already, traffic and congestion are growing, and Placer County residents spend an increasing amount of time stuck in traffic.

Maintenance and repairs of existing roadways and roadway improvements to relieve congestion cannot be accomplished with available funds. Without additional funds, the transportation system will congest further and pavement will crumble into disrepair. State and federal highway funds are inadequate and competition among counties for funds is increasing. Projects in regions of the state which have a local source of transportation funds have been and will continue to be viewed more favorably in the selection process for limited state and federal transportation dollars. Local governments must either generate revenues to expand our transportation system or watch the system collapse and endanger the economy, welfare, and safety of all Placer County residents.

Enactment of a one-half of one percent (0.5%) retail transactions and use tax for transportation in and between the contiguous cities of Lincoln, Rocklin and Roseville, to supplement traditional revenue sources, and revenues to be generated through locally-adopted developer fees and assessment districts for transportation improvements, is a way local governments can generate the funds needed to be sure the transportation system will serve the current and future travel needs within south Placer County.

The Placer County Local Transportation Planning Authority will continue to seek maximum funding for transportation improvements through state and federal programs. The Authority will not provide retail transactions and use tax revenues to any city to replace revenues currently used by the city for transportation purposes; all the funds generated will be used to provide new funding for expanding our transportation network and maintenance of the existing transportation network.

It is important that the people of Placer County know that the funds generated by this proposed retail transactions and use tax for transportation purposes will be used only for the projects in the transportation expenditure plan detailed in this ordinance, and therefore, the Authority will establish a robust system of public accountability in conjunction with the tax, including a taxpayer oversight committee which will perform independent audits of the spending on an annual basis and report the findings of the audit to the people of Placer County.

SECTION I. SUMMARY. This Ordinance provides for the adoption of a South Placer County District Transportation Expenditure Plan, the imposition of a retail transactions and use tax of one-half of one percent (0.5%) for transportation purposes for a period of thirty (30) years, the authority to issue bonds secured by such taxes, the administration of the tax proceeds, and the creation of an independent Citizen Oversight Committee to review the mandatory annual financial and performance audits of program expenditures and to produce an annual report of findings to the Authority Board of Directors and the public.

SECTION II. DEFINITIONS. The following definitions shall apply in this Ordinance:

- A. "Authority" means the Placer County Local Transportation Authority designated by the Placer County Board of Supervisors on August 22, 2006 pursuant to the Local Transportation Authority and Improvement Act commencing with section 180000 of the Public Utilities Code.
- B. "County" means the County of Placer.
- C. "District" or "South Placer County District" means the area composed of the incorporated territory within the City of Lincoln, City of Rocklin, and City of Roseville as authorized by California Government Code Section 67912.
- D. "Expenditure Plan" or "Plan" means the South Placer County District Transportation Expenditure Plan attached hereto as Exhibit A and adopted herein as part of this Ordinance including any future amendments thereto.
- E. "Transportation Tax" means the retail transactions and use tax created by this Ordinance.

SECTION III. AUTHORITY. This Ordinance is enacted, in part, pursuant to the provisions of California Government Code Section 67912, Division 19 (commencing with

section 180000) of the Public Utilities Code, and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code.

SECTION IV. IMPOSITION OF RETAIL TRANSACTIONS AND USE TAX. Subject to voter approval within the District, the Authority imposes, in the incorporated territory of the City of Lincoln, City of Rocklin, and City of Roseville, a retail transactions and use tax for transportation purposes at the rate of one-half of one percent (0.5%) for a thirty (30) year period commencing April 1, 2025 (referred to as the "Transportation Tax"). The Transportation Tax shall be imposed pursuant to Section 67912 of the Government Code and in accordance with section 180201 of the Public Utilities Code and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code. The provisions of Revenue Code Sections 7261 and 7262, unless specifically modified by this Ordinance, are incorporated herein by reference as though fully set forth herein. The Transportation Tax shall be in addition to any other taxes authorized by law, including any existing or future state or local sales tax or transactions and use tax.

SECTION V. PURPOSES. This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To adopt a retail transactions and use tax ordinance that imposes a transportation sales tax in the District consisting of the City of Lincoln, City of Rocklin, and City of Roseville, and provides a measure therefor that can be administered and collected by the California Department of Tax and Fee Administration ("CDTFA") in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the CDTFA in administering and collecting the California State Sales and Use Taxes.
- B. The funds generated by the Transportation Tax may only be used for transportation purposes only as set forth in the Expenditure Plan, including the administration of the Expenditure Plan, as amended, the construction, acquisition, and maintenance of streets, roads, highways, including state highways and public transit systems and for related transportation purposes, including project management and oversight of the projects to be funded using the Transportation Tax, such as coordination with other responsible agencies as well as project delivery and negotiation of project agreements. These purposes include expenditures for planning, environmental reviews and mitigation, engineering and design costs, and related right-of-way acquisition and administration of the funds, including the defense or prosecution of legal actions related thereto. Expenditures also include, but are not limited to, debt service on bonds or other indebtedness, and expenses and reserves in connection with the issuance of the same.

- C. It is the intent of this Ordinance that if Assembly Constitutional Amendment 1 (Aguiar-Curry) ("ACA 1") is approved by the electors and becomes effective, this Ordinance is implemented in compliance with the requirements of ACA 1 and consistent with ACA 1, the Authority has evaluated all alternative funding sources and the funds generated from the Transportation Tax are for the sole purpose of funding the construction, reconstruction, rehabilitation, or replacement of public infrastructure for transportation purposes, or the acquisition or lease of real property for public infrastructure for transportation purposes consistent with this Ordinance.

SECTION VI. BONDING AUTHORITY. Pay-as-you-go financing is the preferred method of financing transportation improvements and programs under this Ordinance. However, the Authority may decide to use bond financing as an alternative method if the scope of planned expenditures makes pay-as-you-go financing infeasible.

Upon voter approval of this Ordinance, the Authority shall have the power to sell or issue, from time to time, on or before the collection of taxes, bonds, or other evidence of indebtedness, in an amount equal to the sum of the principal of, and interest on, the bonds, not to exceed the estimated proceeds of the Transportation Tax, and to secure such indebtedness solely by way of future collection of the Transportation Tax, for capital outlay expenditures for the purposes set forth in Section V hereof, including, but not limited to, carrying out the transportation projects described in the Expenditure Plan.

SECTION VII. MAINTENANCE OF EFFORT. The Authority, by enactment of this Ordinance, intends the additional funds provided to local agencies by this Ordinance is to supplement existing local revenues being used for transportation purposes. The funds generated by the Transportation Tax shall not be used to supplant other transportation revenues or to replace requirements for new development to provide for its own transportation needs. Under this Ordinance, funding priorities should be given to addressing current transportation needs, easing congestion, and improving safety.

The local agencies which receive funds from the Transportation Tax shall maintain their existing commitment of transportation funds for transportation purposes, and the Authority shall enforce this provision by appropriate actions, including fiscal audits of the local agencies. For purposes of this Section VII, the local agency shall have satisfied this maintenance of effort requirement if it demonstrates that it has expended funds for local street improvements and maintenance other than Transportation Taxes allocated to it in an amount no less than an amount equal to the average percentage of the general fund budget spent for local street improvements and maintenance for the three (3) fiscal years prior to the date when the local agency submits its report as required by the Expenditure Plan. One-time allocations that have been expended for local street improvements and

maintenance, but which may not be available on an ongoing basis shall not be considered when calculating a local agency's annual maintenance of effort.

SECTION VIII. ADMINISTRATION OF PLANS. The Authority shall impose the Transportation Tax and enter into an agreement with the California Department of Tax and Fee Administration to collect the funds, shall allocate revenues derived from the Transportation Tax, and shall administer the Expenditure Plan, consistent with the authority cited herein.

SECTION IX. TRANSPARENCY, ACCOUNTABILITY, AND ADMINISTRATIVE COSTS.

A. The Authority shall expend only that amount of the funds generated from the Transportation Tax for staff support, audit, administrative expenses, and contract services that is necessary and reasonable to carry out its responsibilities. Consistent with Public Utilities Code section 180109 the funds expended for salaries and benefits of Authority staff to implement this Ordinance shall not exceed one percent (1%) of the annual amount of revenue raised by the Transportation Tax and consistent with the requirements of ACA 1, funds shall not be expended for general employee salaries or other operating expenses of the Authority. Furthermore, in compliance with ACA 1 the administrative cost of the local government executing the projects and programs funded by this Ordinance shall not exceed five percent of the proceeds of the tax.

B. The Authority will conduct annual, independent performance audits and financial audits to ensure the proceeds of the Transportation Tax have been expended only on the specific projects listed in the Expenditure Plan and consistent with this Ordinance. The annual audits will be posted by the Authority in a manner easily accessible to the public and submitted to the California State Auditor for review.

C. An entity owned or controlled by a local official that votes to put this Ordinance on the ballot is prohibited from bidding on any work funded by the Ordinance.

SECTION X. OPERATIVE DATE. Subject to voter approval, this Ordinance shall be operative on the first day of the first calendar quarter commencing more than 110 days after adoption of the Ordinance, but in no event earlier than April 1, 2025. Prior to the operative date of the Ordinance, the Authority shall contract with the California Department of Tax and Fee Administration to perform all functions incidental to the administration and operation of the Ordinance; provided that if the Authority shall not have contracted with the CDTFA prior to the operative date, it shall nevertheless so contract and, in such case, the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

SECTION XI. ELECTION. The Authority requests the Board of Supervisors to call an election within the District for voter approval of this Ordinance, which election shall be held on November 5, 2024. The election shall be called and conducted in the same manner as provided by law for the conduct of elections by a county. Pursuant to Section 180203 of the Public Utilities Code, the sample ballot to be

mailed to the voters shall be the full proposition as set forth in this Ordinance, and the voter information handbook shall include the entire Expenditure Plan. Approval of this Ordinance, and the imposition of the Transportation Tax, shall require the affirmative vote of the applicable majority of the electors voting on the proposition at the election described in this section pursuant to the applicable provisions of the California Constitution. The language to be placed on the ballot shall read substantially as follows:

South Placer Traffic Relief. Shall a measure to reduce traffic congestion and build transportation projects in Roseville, Rocklin, and Lincoln—including widening Highway 65; fixing the 80/65 Interchange bottleneck; funding local road repair; guaranteeing more State transportation matching funds; and authorizing bond financing—by establishing a half-cent sales tax that cannot be taken by the State and would raise approximately \$41,000,000 annually over 30 years, with independent audits and a citizens’ oversight committee, be adopted?

YES _____ NO _____

SECTION XII. EXPENDITURE PLAN AMENDMENTS. The Expenditure Plan, attached hereto as Exhibit A, for Transportation Tax funds is hereby adopted and may be amended once annually by initiation of the amendment by the Authority reciting findings of necessity consistent with Government Code 180207. Notice of the Authority approved Expenditure Plan amendments shall be provided to the Board of Supervisors and the city or town council of each city or town in the county and shall become effective 45 days after notice is given.

Commencing on or before 2035 and at least every ten (10) years thereafter, the Authority shall review and, when necessary, propose revisions to the Expenditure Plan. Such revisions shall be submitted for approval according to the procedures set forth in this Section XII. Until revisions to the Expenditure Plan have been approved and become effective, the then-existing Expenditure Plan shall remain in full force and effect.

SECTION XIII. ANNUAL APPROPRIATIONS LIMIT. The annual appropriations limit of the Authority established pursuant to Section 4 of Article XIII B of the California Constitution and Section 180202 of the Public Utilities Code shall be \$450 million. The appropriations limit shall be subject to adjustment as provided by law.

SECTION XIV. SEVERABILITY. If any provision of this Ordinance, or the application thereof, is for any reason held invalid or unenforceable by a court of competent jurisdiction to a person or circumstance, the remainder of the Ordinance and the application of such provision to other persons or circumstances

shall not be affected thereby, and the Authority declares that it would have passed each part of this Ordinance irrespective of the validity of any other part.

SECTION XV. TRANSACTIONS TAX RATE, PLACE OF SALE, AND USE TAX RATE.

A. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the District at the rate of one-half of one percent (0.5%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Ordinance.

B. PLACE OF SALE. For the purposes of this Ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration (CDTFA).

C. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the District of tangible personal property purchased from any retailer on and after the operative date of this Ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.5 %) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

SECTION XVI. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this Ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Ordinance as though fully set forth herein.

SECTION XVII. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of the Authority shall be substituted therefore. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, California Department of Tax

- and Fee Administration ("CDTFA"), State Treasury, or the Constitution of the State of California;
2. The result of that substitution would require action to be taken by or against the Authority or any agency, officer, or employee thereof rather than by or against the CDTFA, in performing the functions incident to the administration or operation of this Ordinance.
 3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - i. Provide an exemption from this transportation tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - ii. Impose this transportation tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
 4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.
- B. The word "District" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.
- C. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Ordinance.
- D. EXEMPTIONS AND EXCLUSIONS.
1. There shall be excluded from the measure of the Transportation Tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.
 2. There are exempted from the computation of the amount of the transactions tax the gross receipts from:
 - i. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the District as defined in this ordinance in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
 - ii. Sales of property to be used outside the District as defined in this ordinance which is shipped to a point outside the District as defined in this ordinance, pursuant to the contract of sale, by delivery to such point by the retailer or the retailer's agent, or by

delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the District as defined in this ordinance shall be satisfied:

(a) With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-District address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

(b) With respect to commercial vehicles, by registration to a place of business out-of-District and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

- iii. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.
- iv. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this Ordinance.
- v. For the purposes of subparagraphs iii. and iv. of this subsection, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

3. There are exempted from the use tax imposed by this Ordinance, the storage, use or other consumption in this District of tangible personal property:

- i. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
- ii. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
- iii. If the purchaser is obligated to purchase the property for a fixed

price pursuant to a contract entered into prior to the operative date of this Ordinance.

- iv. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this Ordinance.
- v. For the purposes of subparagraphs iii. and iv. of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- vi. Except as provided in subparagraph vii. a retailer engaged in business in the District shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the District or participates within the District in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the District or through any representative, agent, canvasser, solicitor, subsidiary, or person in the District under the authority of the retailer.
- vii. "A retailer engaged in business in the District" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the District.

4 Any person subject to use tax under this Ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

SECTION XVIII. INDEPENDENT CITIZEN OVERSIGHT COMMITTEE. An Independent Citizen Oversight Committee shall be formed as provided in the Expenditure Plan to ensure that the proceeds of the Transportation Tax are expended only for the purposes described in this Ordinance approved by the

voters. Members of the Independent Citizen Oversight Committee shall receive educational training about local taxation and fiscal oversight.

SECTION XX. AMENDMENTS. All amendments subsequent to the effective date of this Ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

SECTION XXI. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the Authority, or against any officer of the State or the Authority, to prevent or enjoin the collection under this Ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

SECTION XXII. EFFECTIVE DATE. This Ordinance relates to the levying and collecting of the District retail transactions and use taxes and shall take effect immediately.

SECTION XXIII. ENVIRONMENTAL. This Ordinance is not a project as defined in Section 15378 of the California Environmental Quality Act (CEQA) Guidelines and is therefore exempt from CEQA requirements. Prior to commencement of any project included in the Expenditure Plan, any necessary environmental review required by CEQA shall be completed.

SECTION XXIV. ADOPTION OF ORDINANCE. This Ordinance was introduced and the title thereof read at the regular meeting of the Authority's Board on _____, 2024 and further reading was waived by a vote of the Board present.

On a motion by _____, seconded by _____, the foregoing Ordinance was passed and enacted by the Board of the Placer County Local Transportation Authority at a regular meeting thereof, this ___day of ____2024 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____, 2024

By: _____
Ken Broadway, Chair
Placer County Local Transportation Authority

ATTESTED:

By: _____
Solvi Sabol, Clerk of the Board
Placer County Local Transportation Authority



PLACER COUNTY
LOCAL TRANSPORTATION
AUTHORITY

EXPENDITURE PLAN EXHIBIT A TO ORDINANCE NO. 24-01

South Placer County District Transportation Expenditure Plan

This South Placer County District Expenditure Plan (the “Expenditure Plan” or “Plan”), was prepared by the Placer County Local Transportation Authority (the “Authority”) for the purpose of establishing a one-half of one percent (0.5%) retail transactions and use tax for transportation purposes (the “Transportation Tax”) within the incorporated territory of the cities of Lincoln, Rocklin and Roseville (collectively referred to as the “District”), to be collected for thirty (30) years, if approved by the voters on November 5, 2024. This is proposed by the Authority as a means to fill the shortfall in funding needed to: implement necessary highway, local road, interchange, rail, and transit projects; secure new transportation corridors through environmental clearance and right of way purchases; provide adequate maintenance and improvements on the local street and road system; promote economic growth throughout the County; and meet the needs of commuters and the specialized needs of the growing senior and disabled population. The Authority has evaluated all alternative funding sources and the funds generated from the Transportation Tax are for the sole purpose of funding the construction, reconstruction, rehabilitation, or replacement of public infrastructure for transportation purposes, or the acquisition or lease of real property for public infrastructure for transportation purposes consistent with Transportation Improvement Plan and Retail Transactions and Use Tax Ordinance (“Ordinance”).

Chapter 1: Goals and Objectives

1.1 Maintain and Improve the Quality of Life in Placer County by Supplementing Existing Funds for Transportation

Reduce current congestion and provide adequate transportation facilities to accommodate reasonable growth in the future.

Provide funding for the adequate maintenance and improvement of local streets and roads, and transit infrastructure within, or for the benefit of, the City of Lincoln, City of Rocklin, and City of Roseville.

Enhance Placer County's ability to secure state and federal funding for transportation by offering local matching funds.

1.2 Provide for Accountability in the Expenditure of Taxpayer Funds

Provide for mandatory dedication of Transportation Tax funds only for the transportation infrastructure improvements and programs identified in this Plan and no other purpose. Provide for mandatory, annual financial and performance audits of program expenditures to ensure that all funds are spent in accordance with this voter adopted Plan and Ordinance.

Provide for an independent Citizen Oversight Committee to review the mandatory annual financial audits of program expenditures and to produce an annual report of findings to the Authority Board and the public.

Provide for a Maintenance of Effort requirement in funds made available to city governments for local street and road programs to ensure the new money for this purpose is adding to current funding levels.

Provide for the strict limitation of Authority costs in implementing this Plan, by limiting, in law, funds expended for salaries and benefits of Authority staff to implement the Plan to no more than one percent (1%) of the annual amount of revenues raised by the Transportation Tax and prohibiting all expenditures for general employee salaries or other operating expenses of the Authority.

Provide for this Plan to be reviewed at least every ten (10) years for the period it is in effect to ensure that the changing needs and priorities of the jurisdictions are met, as provided in Section XII of the Ordinance.

Provide for the mandatory termination of the Transportation Tax in thirty (30) years from the operative date, requiring additional voter approval at a general election for any extension.

1.3 Provide for Equity in the Distribution of Transportation Tax Revenues

Address the unique needs of each of the areas of the District. Provide a reasonable balance between competing highway, rail, transit, bicycle/pedestrian, and local streets and road needs.

1.4 Provide for Local Control of the Transportation Improvement Plan

Provide cost effective, local administration of the Plan through the existing Placer County Transportation Planning Agency which is designated as the Placer County Local Transportation Authority. No new agency will be created to administer these funds.

Delegate appropriate administrative responsibility to the cities and other local agencies designated by a city or the Authority for local programs.

Chapter 2: Taxpayer Accountability Safeguards

2.1 Legal Dedication of Funds

Funds generated by the Transportation Tax, net of the amount of fees paid to the California Department of Tax and Fee Administration (CDTFA), may only be used for transportation purposes as described in the Ordinance governing this Plan, including the acquisition, construction, environmental mitigation, and maintenance of streets, roads, highways, including state highways and public transit systems and equipment, and for related transportation purposes. These purposes include but are not limited to expenditures for planning, environmental reviews, engineering and design costs, related right-of-way acquisition, and construction, engineering, project management, and administration.

2.2 Mandatory Annual Fiscal and Performance Audit

No less than annually, the Authority shall conduct an independent fiscal audit of the expenditure of all funds generated by the Transportation Tax and an independent performance audit to ensure the expenditure of funds is consistent with the Plan and Ordinance. The audits, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with this Plan as adopted by the voters in approving the Ordinance on November 5, 2024. In addition, the audits shall determine compliance with the Maintenance of Effort requirements and requirements described in Section 3.3 of this Plan entitled "Local Transportation Program."

2.3 Independent Citizen Oversight Committee

A four (4) member Independent Citizen Oversight Committee shall be formed to review the annual independent fiscal and performance audits of the expenditures of the Transportation Tax funds and issue to the Authority Board of Directors an annual report on its findings regarding compliance with the requirements of the Expenditure Plan and the Ordinance. The annual report shall also be made available to the public by posting it in a manner that is easily accessible to the public. Membership in the Independent Citizen Oversight Committee shall be composed of one registered voter appointed by the governing body of each District city council and one appointed by the Placer County Board of Supervisors. The appointee of the County shall reside in the District. Persons currently employed by the Placer County Transportation Planning Agency, County of Placer or any District incorporated city therein, or currently serving as a city councilmember or member

of the Board of Supervisors, are not eligible for membership on the Citizen Oversight Committee.

2.4 Mandatory Plan Update and Termination of Transportation Tax

This Plan shall be reviewed by the Authority at least every ten (10) years that the Transportation Tax is in effect to reflect current and changing transportation priorities and needs in the District, as defined by the duly elected local government representatives on the Authority Board. Any changes to this Plan must be adopted in accordance with Section XII of the Ordinance and with current law in effect at the time of the update and must be based on findings of necessity for change by the Authority. The Transportation Tax authorized to be collected by the voters shall expire in thirty (30) years, unless the voters approve an extension of the Transportation Tax prior to the expiration date, as may be required under state law in effect at the time of the vote for extension.

Chapter 3: Specific Transportation Programs to Be Funded

The Transportation Tax shall be allocated by the Authority for projects within or benefiting the District cities consistent with the following provisions and are limited to the purpose of funding the construction, reconstruction, rehabilitation, or replacement of public infrastructure for transportation purposes, or the acquisition or lease of real property for public infrastructure for transportation purposes.

3.1 Major Highway and Road Programs – 52%

Many more state highway improvement projects are needed to deal with congestion and safety problems in the District than existing state and federal revenues can fund. Approximately \$3,318 million in major highway/road improvements over the thirty (30) years have been identified in this Plan. Projected state and federal funds are estimated to be \$431 million and will fund about 13% of the improvement costs needed and identified in this Plan. Funds generated by the Transportation Tax will supplement those funding sources with an estimated \$825 million (25% of the improvement costs) and, along with an estimated \$2,062 million in developer impact fees (62% of the improvement costs), will cover the remaining costs estimated to accomplish these improvements. The actual amount of funds available for expenditure on state highway improvement projects from the identified sources and the amount expended for such purposes may vary from these estimates.

52% of the Transportation Tax is allocated to Major Highway/Road Projects. The Major Highway/Road projects to be implemented with the Transportation Tax revenues are as follows:

ROUTE	LIMITS	PROJECT
SR 65	Galleria Blvd. to Twelve Bridges.	Widen to 3-5 lanes each direction
I-80/SR 65	Interchange Improvements	Improve interchange safety and capacity
I-80	I-80/Rocklin Road Interchange and Auxiliary Lane	Improve interchange safety and capacity
Baseline Road	Foothills Blvd to SR 70/99	Widen to 4-6 lanes and grade separation at railroad crossing
SR 65	SR 65/Nelson Lane Interchange SR 65/Nicholas Road Interchange	Improve to grade separated interchange
Placer Parkway	SR 65 to SR 70/99	Construct 4 lane expressway

The final scope and project limits of all improvements proposed for the State Highway system will be determined through the environmental clearance process.

The Authority may add additional Major Highway/Road projects, should the Transportation Tax produce more revenue than now predicted or the Authority be more successful than anticipated in attracting state/federal matching funds, developer impact fees, or obtaining other grants and funds for transportation infrastructure purposes, or due to unforeseen circumstances.

3.2 Rail and Transit Program – 12%

This Plan will provide an estimated \$187 million of Transportation Taxes to expand rail, add bus rapid transit, and implement programs to meet the transit needs of seniors, disabled persons and commuters.

3.2.a. Transportation Services for Seniors, Disabled Persons and Local Residents

Seniors and disabled persons are becoming an increasing percentage of the population each year and will drive demand for more frequent transit service to more areas. In addition, a number of transportation programs have been implemented which meet specialized needs for transportation to medical services, social service agencies and programs, shopping and other purposes that cannot be met by conventional transit. Local residents are also in need of improvements in local transit service. An estimated

\$75 million in Transportation Tax funds will be used for transit infrastructure.

3.2.b. *Capitol Corridor Rail and Bus Rapid Transit Service*

The existing Capitol Corridor rail service has provided a viable alternative to the automobile for daily commuters to downtown Sacramento and reduces traffic on I-80. The current service level needs to be augmented by expanding capacity between Sacramento and Roseville to bring ten (10) round trips per day to Placer County. In addition, establishment of frequent and timely bus rapid transit service that provides a reasonable alternative to the automobile for existing and future daily commuters who travel to and within the South Placer area is needed. An estimated \$50 million of Transportation Tax funds will be made available for capital of these rail and bus rapid transit infrastructure improvements and to match available federal funds.

3.2.c. *Commuter/Express Bus Service*

Commuter bus services provide a safe, convenient, and comfortable alternative to driving and removes congestion from highways. There is strong demand to expand this highly popular effective service to connect more residential areas and major employment centers. An estimated \$62 million of Transportation Tax funds will be made available for capital of commuter and express bus infrastructure, and to match available federal and state funds.

The actual amount of funds available for expenditure on transit and other projects described in this Section from the identified sources and the amount expended for such purposes may vary from these estimates.

3.3 *Local Transportation Program – 25%*

The local transportation systems, particularly local streets and roads are critical to the everyday movement of people within the District.

Much of the road system is aging, has potholes, and is in need of expanded maintenance and rehabilitation. Current resources, without the establishment of Transportation Tax revenues for transportation, cannot provide adequate funding to maintain the local street and road system at the level necessary to adequately serve the public.

The priorities for local transportation vary among individual local jurisdictions. While overlay, reconstruction, repair, and maintenance of the local road system are needs common to all and are specifically allowable as an expenditure of these funds, there are additional needs as well. Transportation Tax funds can be used for transportation projects, as designated by this Plan. Some examples of allowable projects include widening existing local roads, traffic signalization, traffic safety improvements, sidewalks, bike

paths, transit centers, local matching funds for transportation grants or earmarks, charging stations for electric vehicles, compressed natural gas or other alternative fuels, lighting, landscaping, park and ride lots, and Safe Routes to School programs.

This Plan will provide an estimated \$394 million of Transportation Taxes specifically for these purposes. The funds will be distributed to the cities within the District for connecting roadways, trails and transit systems within or benefiting the District cities by a formula based on an equal weighting of each jurisdiction's proportionate share of the total County population. Allocations will be updated annually based on California Department of Finance population data.

The actual amount of funds available for expenditure on local transportation projects from the identified sources and the amount expended for such purposes may vary from these estimates.

In order to be eligible for these funds, each jurisdiction shall satisfy and continue to satisfy the following requirements:

1. By July 1 of each year, file with the Authority a Five-Year Capital Improvement program including all capital transportation projects, including those projects funded by the jurisdiction's share of the Transportation Tax.
2. Adopt and administer a development impact fee program that requires new development to pay a fair share of necessary transportation improvements attributable to the new development.
3. By December 31 of each year, file with the Authority an annual Expenditure Report for the prior fiscal year identifying the amount of Transportation Taxes, developer impact fees and other local agency funds expended by the jurisdiction, and certify that the maintenance of effort requirements of the Ordinance and the Expenditure Plan have been satisfied.

3.4 Bicycle and Pedestrian Program – 5%

Bicycle, pedestrian, and neighborhood electric vehicle (NEV) travel provide a viable alternative for short distance trips and enhance the quality of life in our neighborhoods. Safe, easy to use facilities in key areas support the attractiveness of these clean and healthy transportation modes. An estimated \$75 million in net Transportation Tax funds will be used to match local, state, and federal funds to construct and improve bicycle, pedestrian, and neighborhood electric vehicle facilities and otherwise to support walkable and bikeable communities including Safe Routes to School.

The Authority shall establish the criteria by which projects are deemed eligible for funding under this Program, and the selection criteria by which such eligible projects are selected. The initial criteria shall be established by the Authority within one year of the

adoption of the Ordinance. The eligibility and selection criteria may include safety, connectivity to schools and to the overall system estimated demand/usage, ability to attract matching funds, and lack of other funding in the overall Transportation Expenditure Plan.

3.5 Competitive Projects Program – 5%

It is recognized that the Plan cannot anticipate every factor that could affect transportation needs over its thirty (30) year life. New technologies, new travel patterns, and new transportation modes are amongst the many possibilities that may arise in the future. To provide the flexibility to meet those unanticipated needs and opportunities, the Transportation Plan is anticipated to provide approximately \$79 million to a Competitive Projects Program. The Authority shall establish the criteria by which projects are deemed eligible for funding under this Program, and the selection criteria by which such eligible projects are selected. The initial criteria shall be established by the Authority within one year of the adoption of the Ordinance. The eligibility and selection criteria may include safety, congestion relief, ability to attract matching funds, and lack of other funding in this overall Transportation Expenditure Plan. Any Competitive Projects Program funds unspent at the conclusion of the thirty (30) year Plan would be added to the Local Transportation Program.

Chapter 4: Bond Financing

Construction of the highway and rail projects and implementation of the local streets and roads and other programs identified in this Plan are needed as soon as possible. In order to accomplish this, some level of borrowing will be required, with debt to be repaid with Transportation Tax revenues. The Authority will determine the extent of borrowing that is reasonable and that can be supported by Transportation Tax revenues as the Plan is implemented.

Chapter 5: Allocations Summary

TRANSPORTATION TAX REVENUE ALLOCATIONS	
Major Highway/Road Program	52%
Rail and Transit Program	12%
Local Transportation Program	25%
Bicycle and Pedestrian Program	5%
Competitive Projects Program	5%
Transparency, Accountability, and Administration	1%
TOTAL	100%

The Authority may reallocate the expenditure of Transportation Taxes in any given year on a different percentage basis provided that the percentage allocations set forth above are achieved over the duration of the Ordinance.

Chapter 6: Funding Flexibility and Bonding to Expedite Projects

To deliver transportation projects more quickly for the benefit of Placer County residents, visitors, and businesses, the Authority may temporarily shift Transportation Tax revenues and developer impact fees administered by the South Placer Regional Transportation Authority ("SPRTA") amongst projects in any given year. However, the proportionate shares for funding contributions and purposes over the 30-year period may not be changed without an amendment of this Plan as required by law and Section XII of the Ordinance. Transportation Tax revenues subject to this temporary shift specifically exclude those annually allocated to the cities under the Local Transportation Program (Section 3.3 of this Plan).

Chapter 7: Informing the Public of Local Funding Support

All projects using \$1 million or more of Transportation Tax revenues shall be signed to inform the public that Transportation Tax revenues support the project.

Chapter 8: Severance Provisions

If any provision of this Plan, or the application thereof, is for any reason held invalid and unenforceable by a court of competent jurisdiction to a person or circumstance, the remainder of the Plan and the application of such provision to other persons or circumstances shall not be affected thereby, and the Authority declares that it would have passed each part of this Plan irrespective of the validity of any other part.