

## **Study Issue Form**

The Study Issues process is designed to assist City Council with setting priorities for the coming calendar year. Board and commission members have two roles in this process:

- 1. To advise Council regarding the identification of policy issues to study, within their relevant area of authority;
- 2. To advise Council on those issues Council has decided to study.

The study issues process should focus on considering a new or revised ordinance, new or expanded service delivery program, changes to existing Council Policy, or amendments to the General Plan. The Study Issues Form is designed to focus board and commissioner members' ideas on potential <u>policy</u> study issues, and provide the opportunity for staff feedback and guidance in a transparent process.

Board or commissioners may only fill out a form for study issue ideas within their purview. Place cursor in gray field box and press F1 for instructions.

Date Submitted to Staff Liaison: 12/8/2020

**Board/ Commission:** BPAC

Workplan Year: 2021

Submitted by: Richard Mehlinger

Study Issue Working Title: Bicycle and Pedestrian Infrastructure Bond Measure

What are the key elements of the issue? What precipitated this study?
 The Active Transportation Plan adopted by City Council will cost between 21.3 and 98.6 million dollars for bicycle infrastructure alone. There are also additional costs for implementing the pedestrian and safe routes to school components.

There is currently no adequate, dedicated funding source for active transportation projects. Given the climate crisis and the need for the city to encourage active transportation, I propose a bond measure for the 2022 or 2024 election, to fund improvements to bicycle and pedestrian infrastructure. I suggest \$100m over 10 years as a starting minimum.

This bond could fund bike lanes, sidewalks, trails, bike parking retrofits, and study issues. The city could also choose to do a bigger bond to include non-transportatio green infrastructure projects from the CAP 2.0.

Note that ACA-1, pending in the state legislature, would lower the threshold to pass infrastructure bonds from 2/3 to 55% if passed.

## 2. Staff Summary of Scope and/or Comments:

The study will include consideration of financing options for the Active Transportation Plan (ATP). Given the City's constrained financial position, a new revenue source is needed to fund the projects included in the ATP. The study will review options to establish a funding source, most likely a new tax, to generate revenue needed to pay debt service on new bonds issued for the purposes of constructing ATP projects.

The study will identify the process needed to establish a new tax, identify the amount of the tax needed to secure the debt necessary to construct the projects, and fund public polling to determine the likelihood of passage of a new tax by the voters. As this would be a special purpose tax, a two thirds majority is required for passage.

As part of the study, staff will also explore the availability of Federal Grants or low interest loans (through the Transportation Infrastructure Financing and Innovation Act). The study will recommend a path forward to potentially provide funding through new revenues, and also identify potential funding options should a special tax fail at the ballot.