

# County of Santa Cruz



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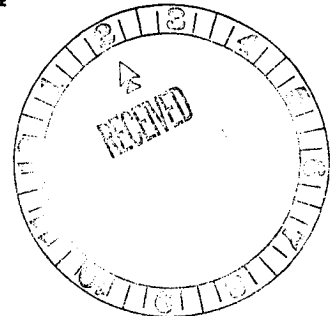
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January 7, 2004

Chairperson Jan Beautz and Members  
Santa Cruz County Regional  
Transportation Commission  
1523 Pacific Avenue  
Santa Cruz, CA 95060



Dear Chairperson *[Signature]* Beautz and Commissioners:

The purpose of this letter is to request that the Commission adopt policies aimed at protecting critical funds that support our only public transportation system and all Americans with Disabilities Act mandated transit programs.

As you are aware, in the 1998 Major Transportation Investment Study, the Santa Cruz County Regional Transportation Commission voted to pursue the acquisition of the Santa Cruz Rail Line right-of-way. Since then, the Commission has approved \$10 million in State Transportation Improvement Program (STIP) funds with the assistance of Congress Member Sam Farr who secured federal monies for this purchase. In order to obtain extra funds, the Commission is considering establishing a recreational rail project and has successfully applied for and acquired Proposition 116 funds. Currently, the Commission is developing the appropriate appraisals, a business plan, and the environmental documents required for this project.

As you are aware, the California Transportation Commission (CTC) has stated that our Proposition 116 award would need to be paid back if the project were not able to operate continuously for at least 10 years or its entire useful life. If for any reason the Commission was compelled to return the CTC's principle of this investment, there is a real possibility that currently funded programs in our county would be affected. We have briefly

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considered this scenario in previous discussions and it was suggested that we would simply sell back the right-of-way. Nevertheless, the Commission has not established a policy on how it would address any potential budget shortfalls.

Various Commissioners have asked during the last few months about how the possibility of paying back Proposition 116 funds would affect the Transit budget. Specifically, would our Commission feel compelled to dip into monies that currently fund the operations of services provided by the Santa Cruz Metropolitan Transit District? Currently, Transit operations are funded with TDA monies. TDA funds support many RTC activities and projects in addition to the Transit and Paratransit operations. This category could similarly be used to subsidize or fund the activities of the prospective recreational rail project.

Countless individuals throughout our county are dependent upon our transit programs to cover their transportation needs. They include individuals of low income, people with disabilities, seniors, students, and many more. These individuals form important groups in our community and they rely on public transportation.

Moreover, the Commission has demonstrated strong support for public transportation in previous years, and I know shares a common goal of ensuring its stability in future years. While significantly important, it would be unimaginable that we would sacrifice our county's sole public transportation system for the recreational rail project. Therefore, it would be appropriate to establish a policy to protect the Transit TDA allocation. This policy would make a statement that we understand the importance of transit services to our residents and help reassure all of our Commissioners that we remain committed to protecting critical funding for these programs.

I have fully supported purchasing the rail right-of-way and have demonstrated my commitment to this project by voting for its acquisition even through Proposition 116 funds. Nevertheless, I am totally opposed to any project that would jeopardize our county's public transportation programs. The Commission has an obligation to establish a plan for how it would respond to the likely scenario that it may be forced to pay back Proposition 116 funds. This measure would demonstrate the Commission's sound financial planning and fiscal responsibility. More importantly, it would reassure Commissioners concerned about the future of transit programs that we intend to protect our public transportation services.

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