

Expenditure Plan Subcommittee

DRAFT MINUTES

Monday – March 1, 2004 – 9:00 a.m.

SCCRTC Conference Room
1523 Pacific Avenue, Santa Cruz, CA 95060

Members Present: Commissioners Beautz, Fizmaurice (Alternate for Kennedy), Johnson, Edenilson Quintanilla (Alternate for Campos), and Pirie

SCCRTC Staff Present: Rachel Moriconi, Karena Pushnik, Kim Shultz, Linda Wilshusen

Other Support Staff: Pat Busch (CAO), Eileen Goodwin (Commission Consultant)

Others Present (representing): Bill Comfort (self), Jim Conklin (Business Council), Debbie Hale (TAMC), Virginia Johnson (Ecology Action/Santa Cruz Area TMA), Celia Scott (Ecology Action), Peter Scott (CFST), Les White (SCMTD)

Commissioner Beautz called the meeting to order at 9:14 a.m.

- 1. Introductions:** Introductions were made.
- 2. Additions/Deletions/Changes to the Agenda:** Item 5 was moved ahead of Item 4. Item 7 was moved ahead of Item 6.

CONSENT AGENDA (Quintanilla/Johnson)

- 3. Approved Minutes of the February 2, 2004 Meeting**

REGULAR AGENDA

- 5. Continued Discussion of Expenditure Plan Project List and Poll Results**

As requested by the Subcommittee at its February meeting, Gene Bregman was available via telephone to respond to questions raised by the Subcommittee regarding the November 2004 poll results and the memorandum prepared by Mr. Bregman summarizing the crosstabs. He confirmed that the Pajaro Station project (from Question 5e) was the second highest ranking project among likely voters who switch to yes from no/undecided (Q.2 to Q.8). There is an 11% margin of error for the results of people that switched from no/undecided to yes (Q.2 to Q.8). The margin of error for results in each supervisorial district is 8%.

Commissioner Beautz asked whether it is better to add lots of projects to the Expenditure Plan or only have a very small list of projects. Mr. Bregman responded that it is important to look at what scores highest across the board as well as what scored well among specifically targeted groups to develop the most popular project list possible. He suggested including the 7 projects ranked highest among all those surveyed, and then looking at what those who shift and those who are undecided support most, to decide if an additional 4 or 5 projects would pull other voters into supporting the measure. He also recognized that the Commission must weigh the costs of different projects against their popularity when developing the Expenditure Plan.

In response to an inquiry from Commissioner Quintanilla, Mr. Bregman noted that he grouped projects on the chart of projects “Ideas that “Definitely Should” Be Part of Sales Tax Measure” based on the 4% margin of error.

Mr. Bregman agreed to review and revise his December 4, 2004 memorandum on Key Differences on Issues. Commissioner Beautz also requested staff keep hard copies of key Expenditure Plan related documents at the office to be handed out at each meeting.

Commissioner Fitzmaurice requested that Widening the Highway 1 Bridge over San Lorenzo River be considered for inclusion in the Expenditure Plan, even though it was not specifically polled. Staff noted that this project could be considered part of the Highway 1/9 intersection improvements, which was polled. Several committee members questioned if adding it would move Santa Cruz voters and politicians to support the measure. Commissioner Fitzmaurice noted that he could not predict whether or not it would. Staff noted that in the poll, 34% of people from the City of Santa Cruz said that the Highway 1/9 project definitely should be in the measure. Some attendees noted that support for the project was lower in the City than in some other regions of the county because many City of Santa Cruz residents do not use the intersection and bridge unless they leave the city. Commissioner Quintanilla suggested that if the project does not move the Santa Cruz City Council to support the measure it should not be included in the ballot measure. Commissioner Fitzmaurice responded that since everyone is being taxed, everyone should get something from the measure, since they will still have to pay the tax.

The subcommittee agreed to continue discussion of the project list after hearing the results of the private sector poll.

4. Received Update on Status of Private Sector Campaign – Oral Report by Jim Conklin

Jim Conklin reported that the Business Council announced its support for the City of Santa Cruz Measure F last Thursday.

He also reported that consultants for the Citizens for Improved Transportation group conducted a 20 minute poll of 500 likely voters in February. The poll had a 4.38% margin of error. He noted that the poll tested the project lists tested by the Commission in November as well as some pro and con arguments. He noted that the group was not releasing the entire poll because the need to keep some of the information confidential for the campaign.

He reported the following general information and conclusions from the results:

- Though transportation remains the number 1 issue among likely voters, people do not think transportation is as bad as it was before – Likely because of the economic downtown traffic on Highways 17 and 1 is not as bad
- The intensity of support for a transportation sales tax measure was in the mid-60s (64%)
- There are 4-6 diverse groups likely to oppose the transportation sales tax measure
- Organized opposition needs to be minimized or opposition arguments must be neutralized in order to pass the measure
- Consultants recommend “proceed with caution”
- 29-31% strongly opposed to the measure, worse than in any other county the consultants have worked with

- There needs to be input from all sectors in order to pass the measure, and developing the ballot measure needs to be a more open process
- His consultants suggest having an outside facilitator bring people to the table to develop an Expenditure Plan
- November 2004 may be too soon to bring everyone together
- March 2, 2004 will show if people willing to tax themselves
 - Director Wilshusen noted that the majority of the measures on the March 2 election only need 50% to be approved (rather than 2/3)
- 48% feel the County is on the wrong track. Mr. Conklin agreed to review the crosstabs to try to assess who they blame.

He reported the percentage of respondents the ranked the following possible projects as important (7-9 on a scale of 1-9 with 1 being Not important) over the percentage of respondents that rated the project as a 9:

Project (ranked most popular to least popular):	% Rating project as Important (7-9)	RTC poll*	% Rating project as a 9 (highest importance)
Safety Improvements Highway 17	59%	48%	30%
Maintenance of Local Streets & Roads	55%	54%	20%
Senior/Disabled Transit Services	55%	44%	21%
Amtrak station at Watsonville/Pajaro Station	55%	48%	29%
Widen Highway 1: Santa Cruz to Aptos	55%	NA	30%
Traffic safety near schools	53%	44-46%	26%
Safety & flow: Highway 1 onramps	49%	NA	22%
Safety & flow: Hwys 1 & 9	45%	NA	18%
Santa Cruz Branch Rail line (purchase) plus rail trail and keeping existing freight service	44%	NA	17%
Coastal bike and ped trail	43%	34%	17%
Bike Facilities over Highway 1	42%	NA	15%
Hwy 1 carpooling	39%	NA	16%
Express bus service (Hwy 1 & 17)	38%	39%	14%
Ped Facilities over Hwy 1	31%	NA	11%
Train service with diesel trolley	22%	NA	9%
Walls and Landscaping on Hwy 1	16%	NA	5%

**RTC poll results of respondents stating that the measure “definitely should” include the project are shown here for general comparative purposes. Since the actual project descriptions and questions used in the Private Sector poll were not available, not all results are comparable.*

After reviewing the results by project, Mr. Conklin reemphasized his consultants’ recommendation to proceed with caution and to address opposition in an attempt to gain broader support and buy in for the measure. He noted that he has initiated discussions with Scott Kennedy to discuss ways to bring the opposition in.

Commissioner Johnson questioned what “proceed with caution” means. Mr. Conklin responded that one must sit down with opposition groups and see if there are any potential projects that would gain their support. He noted that there are several potential opposition groups including City of Santa Cruz, environmentalists, anti-tax groups.

He recommended the first step be to develop a strategy for opposition, motivate them to come to the table to get something they want on the list. Debbie Hale asked what reasons people gave for not supporting the tax. Mr. Conklin responded that he did not have those results.

Commissioner Johnson criticized Mr. Conklin's suggestion that November 2004 might be too soon to go to the ballot because not enough information or time is available. He noted that the economy was in the Commission's favor two years ago when he pushed for the Commission to put the measure on the November 2002 ballot. He noted that until recently the Business Council has advocated for only having Highway 1 and maybe one other project on the measure. He suggested there will never be a clear definitive formula for passing the measure and urged Mr. Conklin and the subcommittee to not be paralyzed by the poll results and instead to move forward with the November 2004 ballot. He urged everyone to give people the opportunity to vote on it.

Commissioner Beutz requested Mr. Conklin prepare a chart similar to Gene Bregman's showing which projects received the highest level of support.

Commissioner Quintanilla requested Mr. Conklin inform them of what projects shifted the most voters.

Director Wilshusen observed that the information from Mr. Conklin's poll supports the current draft Expenditure Plan project list.

Mr. Conklin noted that the time of year could have influenced the high ranking for the Highway 17 Safety Improvements.

Eileen Goodwin stated that someone needs to take charge to pull people in to develop and support the measure. She noted that she is available to facilitate a meeting with various parties in order to develop a well rounded expenditure plan. She noted that in Monterey County they are looking into raising developer fees, Transient Occupancy Taxes (TOT) and other methods to increase the size of the pie in order to fund a wider range of projects.

Commissioner Beutz responded that Santa Cruz County is more polarized than other counties and suggested that compromise may not be possible. She added that without someone running a private sector campaign it would be tough to win. She stated that she likes the idea of gathering signatures to place the measure on the ballot.

Ms. Goodwin stated that anti-tax, anti-transit, and anti-highway groups need to be brought together in one room and asked to compromise and find out if there is any way to meet their needs. She added that you also need to put together an expenditure plan that looks at where the votes are as well, based on the polls. She added that some big projects may have to wait as part of the compromise (e.g. Hwy 1 Widening extension to San Andreas Road).

It was also noted that the Business Council is trying to decide if the campaign is something they want to spend money on and they know from the poll results that it must be a multi-project Expenditure Plan, not just Highway 1, to win. It was also noted that the Subcommittee has the names of several community leaders previously interviewed for their opinions on the measure and that one option would be to call them all together to meet. Commissioner Beutz stated that the Recreational Rail proposal is very divisive and makes it hard to build bridges on the RTC.

Commissioner Johnson expressed his frustration that follow through is needed above all else. He stated his concern that the Business Council is not taking a leadership role even though he stated the Commission asked them to 24 months ago.

Mr. Conklin responded that the Campaign has started reaching out to opposition groups, through 12-18 interviews conducted by their consultant.

Commissioner Beautz said that you cannot have everyone at the table.

Director Wilshusen suggested the subcommittee set up a meeting with community leaders, send out the draft list of projects for people to comment on, letting them know that the list can change.

Commissioner Johnson stated that issues will always exist for the measure but it should still be put on the ballot, the best poll is an election.

Commissioner Fitzmaurice stated that it is a political decision whether or not to put it on the ballot. He stated that his interpretation of "proceed with caution" is don't proceed, or if you do proceed you need to completely change the way the list is being developed. He suggested that rather than spending lots of money to rationalize the process, just put the measure on the ballot. He added that people oppose the measure because they do not like the Highway 1 Widening project, taxpayers don't want to pay more, and because committing 30 years of sales tax capacity to Highway 1/transportation limits the ability to raise taxes for other community needs.

Bill Comfort stated that if the measure fails in 2004 it could run up resistance for the next time and the Business Council might not want to pay twice.

Eileen Goodwin noted that it hurts from a fundraising stand point to go twice, but that in Alameda County they lost in 1998 and came back in 2000 with a winning formula by changing who came to the table, focusing more on transit and giving transit and other alternatives to areas that wanted transit and roads to areas that wanted roads. She noted that Alameda County had the bike community, seniors, and environmentalists all participate in deciding what projects made the list. Director Wilshusen suggested that the Subcommittee ask representatives from the potential opposition groups that already attend the Expenditure Plan Subcommittee meetings for their input.

Ginny Johnson noted that the Ecology Action board asked her to monitor the Expenditure Plan development process. She suggested that the Rail/Trail project needs to be on the list to get active support of bicyclists. She suggested the measure give equal attention to alternatives. She added that advocates of the Highway 1 project need to hear that their project is not supported by everyone and suggested the subcommittee ask what the opposition's list would be for a half cent sales tax.

Commissioner Beautz noted that at some reelection forums people have expressed to her their interest in lowering the cost of widening Highway 1, possibly by eliminating the bicycle and pedestrian bridges.

Ms. Goodwin noted that expensive road projects can drag everything else down. She suggested that pushing a large project to later years can give money to other projects earlier on and even out the measure.

Peter Scott stated that the Campaign for Sensible Transportation has been ignored until now, but wants to be at the table. He noted that no one has discussed how the extra 10,000 students that will come from UCSC expansion will get around.

It was noted that Assemblyman Laird and former Assemblyman Keeley have both stated the need to get everyone in a room together to get to yes.

Ginny Johnson noted that people are tired of polarization and people with differing opinions need to be brought together. Because of the shortage of funds, you need to come up with something that may not be perfect for anyone.

Commissioner Beautz stated that she will take the next few weeks to meet with Jim Conklin and individual community members then call a meeting if appropriate. Staff gave a copy of the list of leaders previously interviewed to Commissioner Beautz.

7. Brainstorm on Key Messages for the Public Awareness Program

Eileen Goodwin suggested that key messages should be polled to find out what is most important to the public. Based on input from the poll, the Commission will learn if the public awareness program needs to focus on things such as congestion relief, local control, carpooling, safety and operations. The Subcommittee agreed to continue this item to a later meeting.

6. Reviewed Timeline for Expenditure Plan Development

Staff reviewed highlights of the Timeline and Workplan, noting the need to solicit input on the Expenditure Plan in April and May in order to finalize the Expenditure Plan by June 22, the last Board of Supervisors meeting scheduled before the August 6 deadline to file the measure materials with the Elections Department. Commissioner Beautz stated that she would research whether an early August or late July Board of Supervisors meeting could be scheduled in order to give the Commission additional time to develop the measure. Staff agreed to research if the ordinance needs to be on two Board of Supervisors' agendas and if so, how far apart those meetings must be.

The subcommittee discussed the time needed for coalition building, starting with one meeting to hear everyone's issues, meetings to define the projects, check the working, and then decide if they can live with the projects.

Based on the tight timeline, the Subcommittee agreed to meet again on March 22, 2004 at 9:00 a.m. to receive additional information on the private sector poll and the results of Commissioner Beautz and Jim Conklin's discussions with key leaders.

8. Adjournment/Next Meeting: Commissioner Beautz adjourned the meeting at 11:40 a.m.

The next meeting of the Expenditure Plan Subcommittee is scheduled for 9:00 a.m. March 22, 2004 in the SCCRTC Conference Room, 1523 Pacific Avenue, Santa Cruz, CA. The following meeting is scheduled for April 5, 2004.

Respectively Submitted _____

Rachel Moriconi, Staff