

Date: June 10, 2015

From: Paul Kropp, Chair
Pedestrian, Transportation and Traffic Committee (PeTT)

Re: A request to neighborhood councils:
Consider a concept for the use of unallocated “photo-red” revenue

The Use of Photo-Red Revenue

At the Community Assembly meeting on Friday, June 5, 2015, the chair of the PeTT committee introduced a concept proposed by city council member Jon Snyder that he had presented to PeTT in May. The concept is to employ a portion of the annual photo-red fund revenue that is presently unallocated to provide a grant-matching amount to use in applying for funding to implement larger scale, community-serving projects that meet the general purpose of photo-red funds. That purpose, in general, is the construction of improvements in and along the public right-of-way to enhance motor vehicle, pedestrian and bicycle mutual street use in a safe, convenient and effective manner. The label for these “photo-red” investments on neighborhood local access streets and city arterials is “traffic calming.”

The Annual Allocation Formula

The annual allocation of photo-red funds going forward is proposed to be \$150,000 per council district. This is a total allocation \$450,000 per year. (Up to 2014 the per-district allocation was \$100,000.)

The Unallocated Portion

The now-stable annual stream of photo-red revenue, minus those funds reserved by allocation, establishes the magnitude of annual unallocated funds. These amounts are documented in a report prepared by ONS entitled “Traffic Calming Expense Review” and presented to the city council on May 18 and included in the Community Assembly packet for the June 5 meeting. The surplus unallocated funds are shown to be generally in excess of \$200,000 per year.

The Grant-Matching Concept and Mechanism

The concept is to use the annual unallocated portion of photo-red revenue to provide, on a case-by-case basis, a significant grant-matching amount by means of a city council-approved bonding mechanism. Essentially the city borrows money from itself—from what is termed the city’s investment pool (SIP). The bonding device entails a fixed amount loaned subject to an annual, fixed repayment amount for a limited number of years. For example the SIP could loan the city \$1 million over five years per SIP loan policies approved by the city council. Debt service for the loan would be paid for via photo-red revenue of \$200,000 per year for the 5-year term of the loan. The \$1 million then can serve as the local match for grant seeking.

The Example Project

The example project is a pedestrian and bicycle bridge for the Centennial Trail over Mission Avenue at the northeast corner of Mission Park. A city-sponsored comprehensive feasibility study with extensive stakeholder participation identified a bridge as the preferred alternative for the crossing (“Mission Ave. ‘Gap’ Study,” 2014). For this particular project, \$1million would provide more than a 25% local match for grants applications from state and federal funding sources—a percentage that is a significant inducement to those funders because it stretches their resources.

The Ask

The Community Assembly’s Pedestrian, Traffic and Transportation Committee has requested each neighborhood council consider this concept proposal and ask their Community Assembly representative to discuss the idea at the Community Assembly meeting on July 10.