



Town Council Agenda Report

Date: April 14, 2026

To: Honorable Mayor and Town Council

Subject: ADOPT RESOLUTION 2026-07 APPROVING SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY (SBCTA) MEASURE I 3.0 CONTINUATION EXPENDITURE PLAN

From: Guy Eisenbrey, Town Manager

Submitted by: Julie Ryan, Special Projects Manager
Town Manager

Budgeted Item: Yes No N/A

RECOMMENDED ACTION

Adopt Resolution No. 2026-07 approving the San Bernardino County Transportation Authority (SBCTA) Measure I 3.0 Continuation Expenditure Plan.

BACKGROUND

Measure I, first approved by voters in 1989 and extended in 2004, is San Bernardino County's half-cent sales tax dedicated to transportation improvements. Administered by SBCTA, Measure I ensures that funds are reinvested locally through a "return-to-source" policy, meaning each region benefits directly from the revenue it generates.

The current measure (Measure I 2.0) expenditure plan divides funding into specific categories to prevent the commingling of funds:

- **Local Streets & Roads:** Flexible "pass through" funds sent directly to the Town for local paving.
- **Regional Arterials:** Funds for major thoroughfares like Bear Valley Road Intersection Improvements and Yucca Loma Road Widening.
- **Freeways & Interchanges:** Targeted at congestion relief on the I-15 corridor.
- **Specialized Transit:** Dedicated funding for senior and disabled transit services.

The Town of Apple Valley Utilization of Measure I Funds

Measure I has been instrumental to the Town of Apple Valley's ability to complete major transportation infrastructure projects, including:

- Townwide Paving Priorities
- Yucca Loma Road Widening
- Apple Valley Village Accessibility Project
- Powhatan Road Complete Streets Project
- Bear Valley Road Intersection Improvements

In addition to funding for major infrastructure projects, Annual Local Pass-Through funding is provided to the Town by Measure I, which is utilized to address critical transportation needs of the community. The Town has several ongoing projects and programs that utilize this funding, including:

- **Pavement Management Plan:**
 - Townwide street inventory, condition assessment, and prioritization program.
- **Citywide Pavement Rehabilitation:**
 - Roadway reconstruction, including curb ramps and sidewalks
- **Citywide Pavement Rejuvenation:**
 - Slurry seals, overlays, and minor repairs

Distinction from Other Funding: It is important to note that Measure I is separate and distinct from other revenue sources:

- **Versus SB1 (Gas Tax):** Unlike the state gas tax, Measure I is locally controlled and cannot be diverted by the State Legislature.
- **Versus General Fund:** Measure I is legally restricted to transportation. It cannot be used for general town operations, ensuring accountability to the voters.
- **Versus Federal Grants:** These funds serve as the "local match" required to win competitive federal infrastructure grants.

The current measure (Measure I 2.0) expires on April 1, 2040, and to ensure long-term stability for multi-decade projects SBCTA has developed a Continuation Expenditure Plan, known as Measure I 3.0 Transportation Expenditure Plan. The Plan proposes a restructure of how countywide Measure I and Victor Valley Subarea funds are categorized and prioritized, compared to the current Measure I 2.0 (2010–2040) plan.

ANALYSIS

SBCTA is considering placing a question on the November 3, 2026, General Election ballot asking voters to approve SBCTA Ordinance No. 26–01 (Measure "I"), continuing indefinitely on and after April 1, 2040, unless and until rescinded by voters, the Measure "I" one-half percent retail transactions and use tax in San Bernardino County for

transportation projects. The proposed Measure I 3.0 Transportation Expenditure Plan (Attachment B) establishes the framework for the administration and distribution of an estimated \$7.5 billion in new transportation revenue over the first 30 years. The plan is designed to be a permanent funding source, providing long-term fiscal stability for transportation infrastructure needs throughout the county. The plan has several key elements which are outlined below:

Return To Source: This section of the plan represents an overarching “fairness” rule that mandates revenues generated from each specified subarea within San Bernardino County must be expended on projects of direct benefit to that subarea after deduction of required CDTFA fees, funds dedicated for the Interregional Mobility Expenditure Plan, and authorized administrative costs.

Decisions on how revenues for certain project categories are expended within the Subareas will be made by the Board of Directors, based upon recommendation of local representatives.

The Interregional Mobility Expenditure Plan: Where “Return to Source” ensures local control, the Interregional Mobility Expenditure Plan addresses infrastructure that crosses subarea boundaries or connects San Bernardino County to the broader state transportation network. Three (3) percent (%) of the revenue generated across all San Bernardino County subareas will be reserved in advance of all other Measure I allocations specifically for the Interregional Mobility Expenditure Plan.

The Interregional Mobility Expenditure Plan will provide resources for the planning and implementation of projects and programs that provide critical infrastructure to communities impacted by regional motorist, tourism, interregional travel, and goods movement and support evacuation planning, bolster emergency response capabilities, improve primary evacuation routes, and fund transit-related evacuation needs.

This program will help plan and deliver critical infrastructure improvements, such as enhancements in the Cajon Pass and other key corridors, that address congestion, enhance mobility, improve safety, and strengthen resilience. In addition, the funding will be utilized to address unexpected infrastructure damage resulting from natural or human-caused disasters, ensuring rapid recovery and the restoration of essential interregional mobility.

Mountain/Desert Expenditure Plan: This specific element of the overall Measure I 3.0 plan categorizes Measure I funding to three (3) primary "buckets" to simplify regional delivery and ensure long-term sustainability. It is important to note that a proportional share of projected state and federal transportation funds shall be reserved for use solely within the Mountain/Desert Subarea:

- **Local Mobility (70%):** These funds are flexible "pass-through" funds sent directly to the Town on a per-capita basis primarily for localized transportation projects within the town:

- **Core Focus:** Maintenance and repair of existing infrastructure such as potholes, local street widening/rehabilitation, grade separation, sidewalks, bike lanes, streetlights.
- **Requirement:** Jurisdictions must adopt a Five-Year Plan to receive these funds.
- **Active Transportation:** Measure I 3.0 requires jurisdictions to reserve a minimum 5% investment in active transportation projects while providing long-term flexibility for the Town to redirect funds after 10 years if those needs are met.
- **Key Change from Measure I 2.0:** +5% Increase for active transportation projects.
- **Regional Mobility (20%):** Measure I 3.0 consolidates previously separate capital programs for highways, interchanges, and rail into one large category focusing on goods movement, transit, managed lanes, congestion management, and emerging transportation technologies to enhance regional movement and include:
 - **Management:** Controlled by the SBCTA Board to ensure regional coordination, rather than individual city-by-city projects.
 - **Core Categories:** Highway improvements, bus and passenger rail (capital and rehabilitation), corridors, interchanges, environmental mitigation, traffic management systems (freeway service patrol and air quality strategies), planning and project development, and emerging transportation technology.
- **Operations (10%):** A new dedicated fund to sustain the daily costs of providing mobility services:
 - **Core Focus:** Specialized transit (senior and disabled services), as well as the ongoing operation of bus and rail systems, first/last-mile connections, ridesharing, and safety support functions.
 - **Key Change from Measure I 2.0:** May provide additional funding beyond 10% upon a finding that such increase is required to address unmet transit needs of the Subarea. All increases above the 10% initial revenue collected for the Operations category shall come from the Local Mobility category of the Subarea.

The Town of Apple Valley's approval is a critical step in the approval requirements of California Public Utilities Code section 180206. For a proposed measure to move to the ballot, it must be supported by the County Board of Supervisors and by city councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of the County..

FISCAL IMPACT

There is no fiscal impact associated with this item.

ATTACHMENTS

- A. Resolution No. 2026-07 Measure I 3.0 Continuation Expenditure Plan
- B. Transportation Expenditure Plan