



Regional Transit Measure



SamTrans Board Meeting | Jessica Epstein, Director
Government and Community Affairs | September 4, 2024

Regional Measure Timeline

Recent Meetings:

- MTC Transportation Revenue Measure Executive Group – July 22
- MTC Transportation Revenue Measure Select Committee – July 29
- MTC Transportation Revenue Measure Executive Group – Aug. 23
- MTC Transportation Revenue Measure Select Committee – Aug. 26

Next Steps:

- SamTrans is working collaboratively with Caltrain and other operators to understand needs and vet all potential options
- September and October meetings of the Select Committee and Executive Group – goal is to have an approved expenditure framework, policy provisions, revenue source(s), and geographic scope
- November (post Nov. 5 elections) – MTC will conduct polling
- Deadline for submitting to state legislature – Mid-Feb. 2025, if a spot bill, then must be amended by early March 2025

August MTC Presentation

Key points:

- Financial challenges:
 - Caltrain, MUNI, BART, AC Transit and other small east bay operators will have fiscal cliffs within the next few years
 - Commute focused operators have lost the most fare revenues which is the largest funding decline
 - New funds needed to implement Bay Area Transit Transformation Action Plan
- Potential ways to improve finances: (1) Ridership and fare growth (2) Growth of non-fare revenue sources; (3) Efficiencies to reduce cost
- San Mateo, Contra Costa, and Santa Clara have upcoming sales tax renewals
- Three options presented; 4 county measure; 9 county measure, and separate measures for transit agencies facing fiscal cliffs

San Mateo County and BART History

Funding (partial list):*

- Measure A, 2% (2007-2023)– \$24M allocated to BART to-date
- Operating and capital contributions – over \$500M
- San Mateo County rider surcharge – \$153M minimum
 - SamTrans requested historical surcharge data from BART
 - This number is based on \$0.52 cents per ride, the minimum required for the six San Mateo County BART stations since 2004

Timeline:

- 1990 – SamTrans agreed to fund Colma station capital costs plus three more, later became four
- 1996 – Colma Station begins service
- 2003 – South San Francisco, San Bruno, Millbrae, and SFO began service
- 2003 – 2007 – SamTrans covers BART extension operating costs
- 2007 – SamTrans, BART, and MTC reach mutually agreeable separation agreement; BART assumes full responsibility for future capital and operating costs associated with stations south of Daly City

* Actual dollars not adjusted for inflation

Scenario 1 - Core Transit Framework

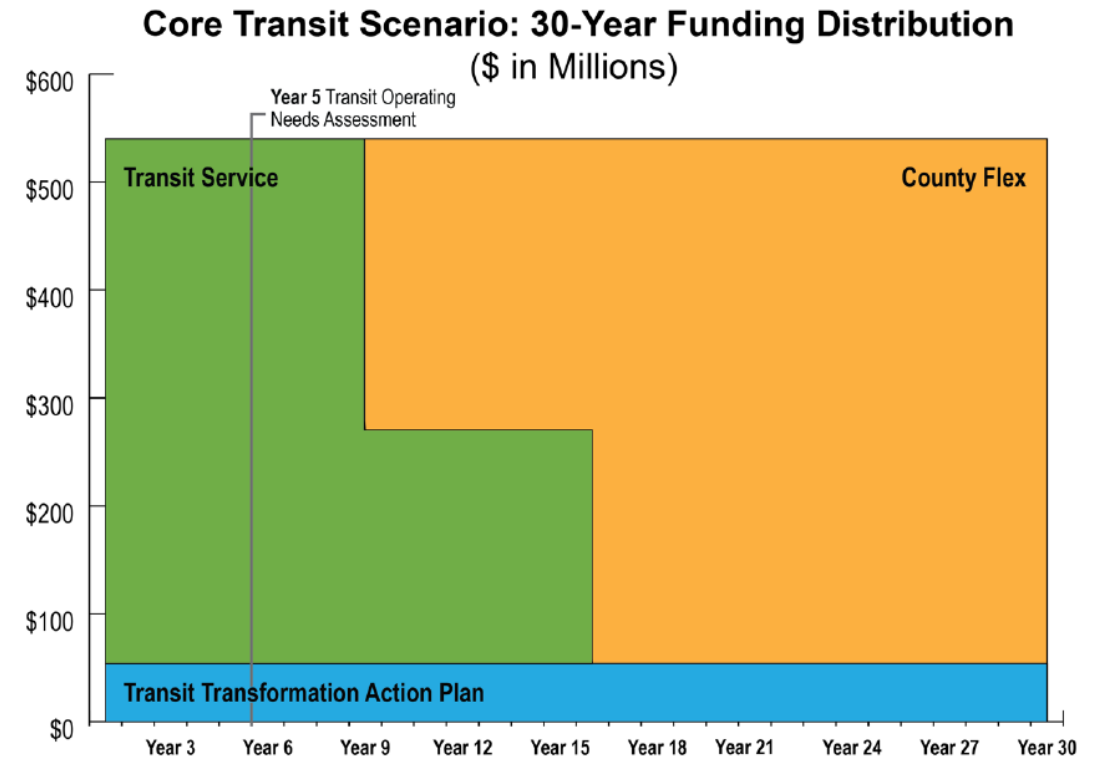
- 30 year, 1/2 cent sales tax (\$540M/year)

Counties required to participate	Counties that can opt in
San Mateo	Santa Clara
San Francisco	Marin
Alameda	Solano
Contra Costa	Sonoma
	Napa

- No stated reason from MTC for including San Mateo County, inference is funding for BART

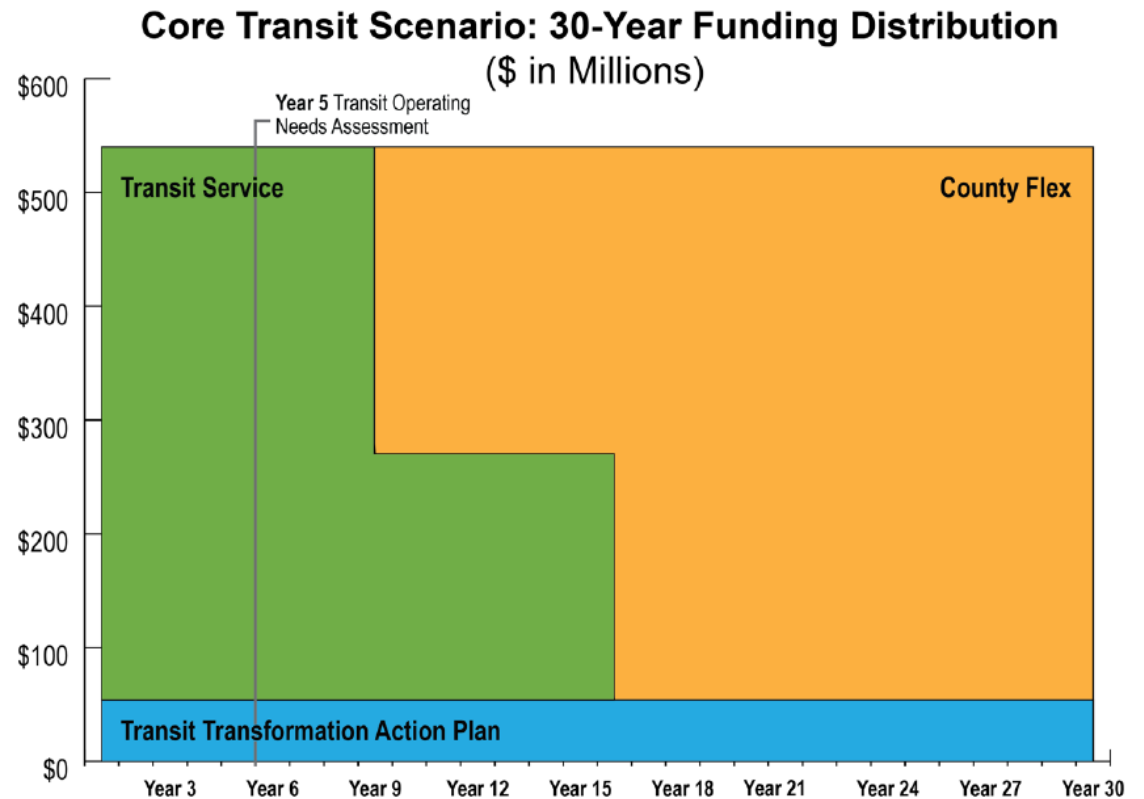
Scenario 1 - Core Transit Framework

- **Transit service:** Funding to Caltrain, BART, MUNI, AC transit and small east bay operators; transit service with fare loss, does not include SamTrans
 - Unknown whether Santa Clara would be required to put in a proportional share for Caltrain *even though Santa Clara is not included in the Revenue Measure*
 - Unknown how this new tax would interplay with Measure RR
- **Transit Transformation:** Funding to MTC for regionally significant capital projects and operations
- **County Flex Fund** (starting in year 9) will give counties decision-making authority; projects must align with Plan Bay Area 2050, transit and road repair eligible



Scenario 1 - Core Transit Framework

- **Years 1-8:** 90% of taxes collected in San Mateo County would go to fund transit services experiencing revenue loss: BART, Caltrain, MUNI, AC Transit and some small operators; 10% to MTC for Transit Transformation; all revenue goes to one of the identified operators or MTC
- **Years 9-15:** 40% of annual funding to BART and Caltrain, 50% to a County Flex fund; 10% to MTC for Transit Transformation
- **Years 16-30:** 0% of fund to BART and Caltrain; 90% directly to counties, funding transit would be eligible for these funds; 10% to MTC for Transit Transformation



Scenario 2 - Go Big Framework

- 30-year, payroll or parcel tax (sales tax not under consideration)
- All 9 Bay Area counties
- Would generate \$1.5B/year through either a \$0.28 per square foot parcel tax or a 0.54% payroll tax (no county breakdown provided)
- Proposed annual expenditures:
 - 20% for Transit Transformation; \$150M regional and \$150M to counties
 - 50% to Transit Service with aim of accommodating 2023 service levels
 - 30% to County Flex

Alternative Framework: Separate Measures

- Agencies **facing fiscal cliffs** have their own measures; MTC in supporting role
- May require legislative authorization depending on funding source
- BART could seek authorization in its 3-county BART District or in all counties that provide service, including San Mateo County
- Would not provide funding to Transit Transformation
- Could lead to competing measures on the same ballot: BART, Caltrain, Muni, AC Transit are facing fiscal cliffs in the next 1-2 years; Measure A and other existing measures need to be renewed



Thank You



Please email epsteinj@samtrans.com with any questions.