



SAN MATEO COUNTY
**Transportation
Authority**

Regional Transit Measure

TA Board Meeting | Jessica Epstein, Director
Government and Community Affairs | November 7, 2024



Regional Measure Timeline

Recent Meetings:

- MTC Transportation Revenue Measure Executive Group – Oct. 17
- MTC Transportation Revenue Measure Select Committee – Oct. 21

Next Steps:

- Upcoming dates:
 - Informational item at Nov. 8 MTC Legislation Committee
 - Update at Nov. 20 MTC Meeting (TBD)
 - Special MTC meeting with action item on Dec. 9.
 - Deadline to submit to state legislature – Mid-Feb. 2025, if spot bill, then must be amended by early March.
- Post-election (timing TBD) – MTC will conduct polling. Commission may take up ballot measure again in January when polling data is available.



San Mateo County Priorities

A successful ballot measure must:

- Have a simple and limited scope.
- Preserve and protect the ability to self-fund.
- Prioritize fair geographic distribution.
- Enhance accountability and oversight.
- Give counties authority over funding decisions.

Top priorities include:

- Continued responsible fiscal management of SamTrans Bus and its suite of services.
- Protection of Caltrain service.
- Protection of local transportation revenue measures.



Context - Transit in San Mateo County

Ridership for the fiscal year ending June 30, 2024

Agency	Ridership
Caltrain systemwide	7.13 million
Caltrain stations in San Mateo County*	2.34 million
BART systemwide	49.61 million
BART stations in San Mateo County	4.35 million
Muni systemwide	153 million
Muni in San Mateo County**	1.97 million
SamTrans systemwide***	10.01 million

*Estimated from a combination of NTD reported ridership and available fare media sales data

**Estimated based on numbers provided by Muni

***Includes some service in SF and Santa Clara counties



Context - Transit Agency Improvements

BART

- Realigned service
- Reduced power and maintenance costs
- Increased safety and security
- New fare gates
- Cleaner trains and stations
- Replacement of 50-year-old fleet \$400M under budget
- Parking and fare increases

Muni

- Reduced expenses
- Increased fares, fees, fines
- Limited hiring to key positions
- Transit lanes and transit priority improvements
- Subway preventative maintenance

Caltrain

- Launched electrified service
- Implemented fare programs
- Improved customer experience
- Enhanced regional coordination
- Generating new revenue sources
- Cost containment strategies



Context – SMC’s “Fair Share”

- Letter from MTC stating San Mateo County’s obligation to our local agencies with fiscal cliffs is between \$70M to \$130M a year.
- General agreement that SMC share for Caltrain is ~\$30M per year based on AM Boardings and Caltrain fiscal need.
- Disagreement on BART fair share. Should it just be COVID-created fare loss? Currently, the region floated several options:
 - Share of AM boardings fare loss
 - Share of AM boardings for all operational deficit
 - Share of AM boardings for all operational, debt, and capital deficits



October MTC Presentation

Recap of MTC scenarios:

- Scenario 1

- 30-year, ½ cent sales tax, 4-9 county.
- Years 1-8 funding to agencies with fiscal cliffs; Years 9-15 slightly reduced amount for transit operations and money to county flex; Years 16-30: county flex only.

- Hybrid Scenario

- 30-year, 9 county, combines ½ cent sales tax with payroll tax of 0.18%.
 - Now also includes option of ½ cent sales tax + parcel tax of \$0.09/building square foot instead of payroll tax.
 - Funds 90% of operator-reported shortfalls for Years 1-8; 65% in Years 9-15, less in Years 16-30. County flex grows over time.
- Both include 10% to transit transformation. 50% of the transit transformation funds to be distributed each county in proportion to the share of the sales tax generated in that county.



October MTC Presentation

Two new short-term 10-year scenarios:

- MTC Scenario 1A

- 10-year, ½-cent sales tax, 4-5 county with Santa Clara opt-in option.
- Same expenditure plan as Scenario 1 for Years 1-8, extended to 10 years.
 - 90% for transit operations, 10% for transit transformation.
- Focuses primarily on helping fiscal cliff agencies, no county flex, not based on AM boardings.
- Added since last MTC Select Committee:
 - \$20M for SamTrans and, if any, feeder bus.
 - \$20M for San Mateo represents \$6M for Feeder Bus plus \$14M payback, equivalent to San Francisco's share of Caltrain contribution because all funding collected in SF will go to MUNI.



October MTC Presentation

Two new short-term 10-year scenarios:

- SFMTA Proposal

- Variable tax rate (parcel or sales tax) levied for 11.5 years to be expended over 10 years, 5-9 counties.
 - Funds would support regional priorities including regional rail, bus services, and transit transformation. Goes beyond funding deficits for agencies.
 - Local transit services outside the regional program would also receive funding. Remaining funds could support county flex needs.
- Establishes an Independent Auditor to ensure program compliance.
- Measure covers MTA's calculation of San Mateo County's fair share (\$29.7M annually to BART and \$30M annually to Caltrain); calculated using BART and Caltrain AM Boardings.
- \$22M in regional bus funding available to SamTrans and Muni over 10-year period. San Mateo County Flex would receive \$579 million over 10 years; county determines how it is spent.
- 95% return to source; working to determine specifics.



October MTC Presentation

- Scenario 1A would expire in December 2037; SFMTA would expire in June 2038.
- For reference: Estimated renewal years for transportation ballot measures in San Mateo County

	Expiration Year	Est. Renewal Year	Est. Annual Revenue	Type	Administrated by:
Measure A	2033	2028	\$120M	.5% sales tax	SMCTA
Measure M	2035	2032	\$7M	\$10 vehicle registration fee	C/CAG
Measure W	2048	2044	\$120M	.5% sales tax	SMCTA & SamTrans
Measure RR	2050	2048	\$30M	.125% sales tax	Caltrain



October MTC Presentation

No consensus on scenarios; Committee approved areas of agreement:

- **Overall measure**
 - Invest 10% of measure in transit transformation improvements.
 - Continue to consider all scenarios and revenue mechanisms.
 - Support supplemental funding for all transit agencies to meet operating deficits.
 - *Opposed by members representing the Bay Area Council, Alliance for Jobs, Commissioner Canepa.*
- **Policy provisions in enabling legislation**
 - Authorize citizen initiative option.
 - Include accountability mechanisms, transit transformation benchmarks.
 - Acknowledgement that consolidation should be considered but separate from enabling legislation.
 - *Unanimous approval by all present.*



BART Polling

- Likely Nov 2026 voters in Alameda, Contra Costa, SF, San Mateo, and Santa Clara Counties polled between Sept 19-29, 2024.
- Phone calls, emails, texts in English, Spanish, and Chinese.
- 1,784 total interviews, at least 350 per county.
- Attitudes about transit agencies only polled in the counties they serve.
- Goals:
 - Determine overall mood of 2026 electorate and views of Bay Area public transit.
 - Assess viability of potential five-county measure. Look at both sales tax and parcel tax options and different framings (preventing closures and service reductions vs. maintaining and improving services).



BART Polling Results

- **Attitudes toward transit**

- BART has third highest favorable rating (49%) and highest unfavorable rating (31%).
- Caltrain has second highest favorable (58%) and second lowest unfavorable rating (11%).
- Top problems voters see with BART and all agencies combined: safety, cleanliness, money management.

- **Ballot measure performance**

- Support for sales tax by county: SF (64%), Alameda (53%), San Mateo (53%), Santa Clara (51%), Contra Costa (48%)
- For all counties combined, support for sales tax was 53% (prevent closure messaging) and 52% (maintain & improve messaging). Support for parcel tax was 32% (prevent closure messaging) and 26% (maintain & improve messaging).
- Top reasons people would vote no: money will be poorly managed/wasted, no more taxes.
- Threat of closure and the affordable nature of transit are most impactful messages to turn swing voters to support.



Next Steps

- SamTrans and SMCTA working collaboratively with Caltrain and other operators to understand needs.
- Speaking with San Mateo County leaders on different potential funding options.
- Seeking agreement with BART and MTC on correct formula for calculating “fair share.”
- Any measure must be supported by a 2/3 majority or be a citizens’ initiative at 50% plus 1, final measure must be passable.
- Any measure introduced by MTC can, and likely will, be amended by state legislature.





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Thank You

Please email epsteinj@samtrans.com with any questions.

