



# Update on Regional Transportation Revenue Measure

## BART Board of Directors – October 24, 2024



# Today's Agenda

1. Transportation Revenue Measure (TRM) Scenarios Overview
2. MTC Select Committee Rankings on TRM Elements
3. MTC Select Committee Areas of Agreement
4. TRM Policy Considerations and Areas of Agreement
5. Regional Measure Timeline & Next Steps

# Transportation Revenue Measure Scenarios: Overview, Rankings, and Areas of Agreement

# Transportation Revenue Measure Scenarios Overview

October 21 – MTC Transportation Revenue Measure Select Committee

September 23 Scenarios*	October 21 Variations*	Operator-Coordinated Scenario <i>(presented by SFMTA)</i>
<p><b>Scenario 1: Core Transit Framework</b></p> <ul style="list-style-type: none"> <li>• 30-year, ½-cent sales tax</li> <li>• 4-9 county</li> <li>• Partial transition to county flex after year 9 and completely after year 15</li> </ul>	<p><b>Scenario 1A: Core Transit 10-Year Measure</b></p> <ul style="list-style-type: none"> <li>• 10-year, ½-cent sales tax in</li> <li>• 4-5 county, Santa Clara opt-in option</li> <li>• 90% for transit operations for life of measure</li> </ul>	<p><b>Partnership Funding Framework</b> Short Term Regional Public Transit Stabilization (11.5 years)</p> <ul style="list-style-type: none"> <li>• Variable tax rate (parcel or sales tax) based on need (highest in SF)</li> <li>• 5-9 county</li> <li>• Focus on operating needs with limited transit capital; assumes financing to meet near-term needs</li> <li>• 95% county benefits over the 10-year expenditure plan</li> <li>• Recognizes need for additional long-term/visionary measure in future</li> </ul>
<p><b>Hybrid: Sales Tax with Payroll Tax</b></p> <ul style="list-style-type: none"> <li>• 30-year measure combines ½-cent sales tax with a payroll tax of 0.18%</li> <li>• 9 county</li> <li>• Lowers transit operating investment over time</li> </ul>	<p><b>Hybrid: Sales Tax with Parcel Tax</b></p> <ul style="list-style-type: none"> <li>• 30-year measure combines ½-cent sales tax with a parcel tax (\$0.09/building square foot) instead of payroll tax</li> <li>• 9 county</li> <li>• Lowers transit operating investment over time</li> </ul>	

\*September 23 Scenarios and October variations invest 10% of funds generated by the sales tax into Transit Transformation.

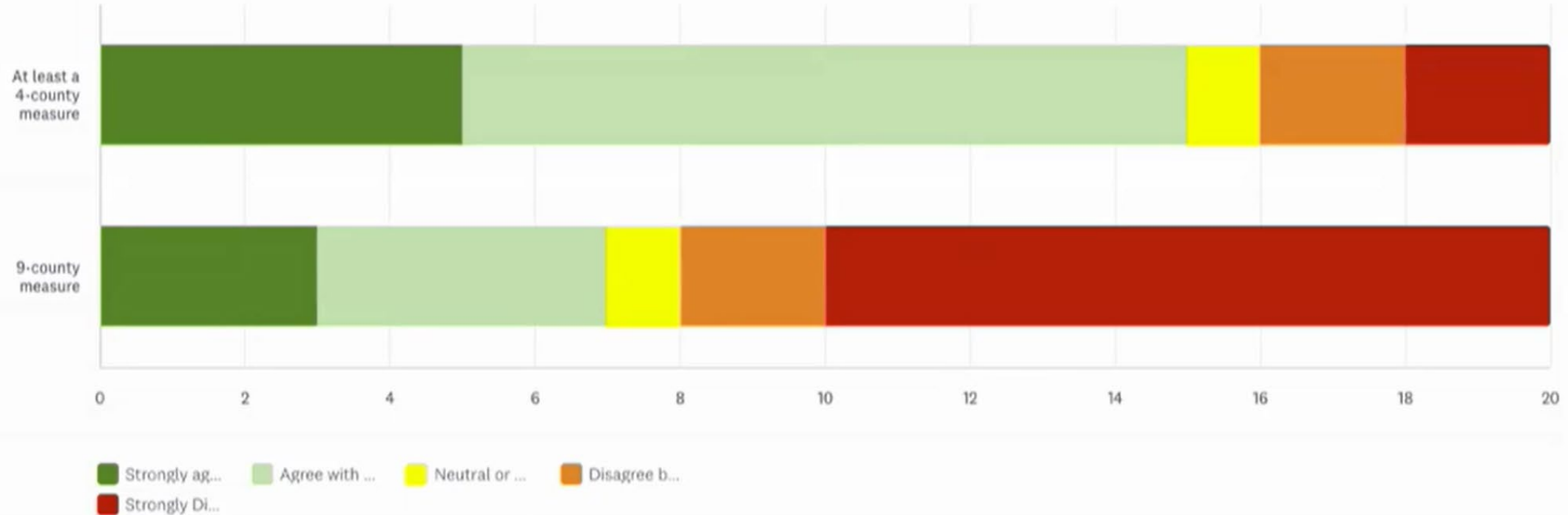
# Transportation Revenue Measure Elements

October 21 – Select Committee Rankings on Geographic Scope

Transportation Revenue Measure Select Committee 10/21/24

Using the Gradients of Agreement 1-5 scale, rank your support for the geographic scope of the measure.

Answered: 20 Skipped: 0



Transportation Revenue Measure Select Committee 10/21/24

0

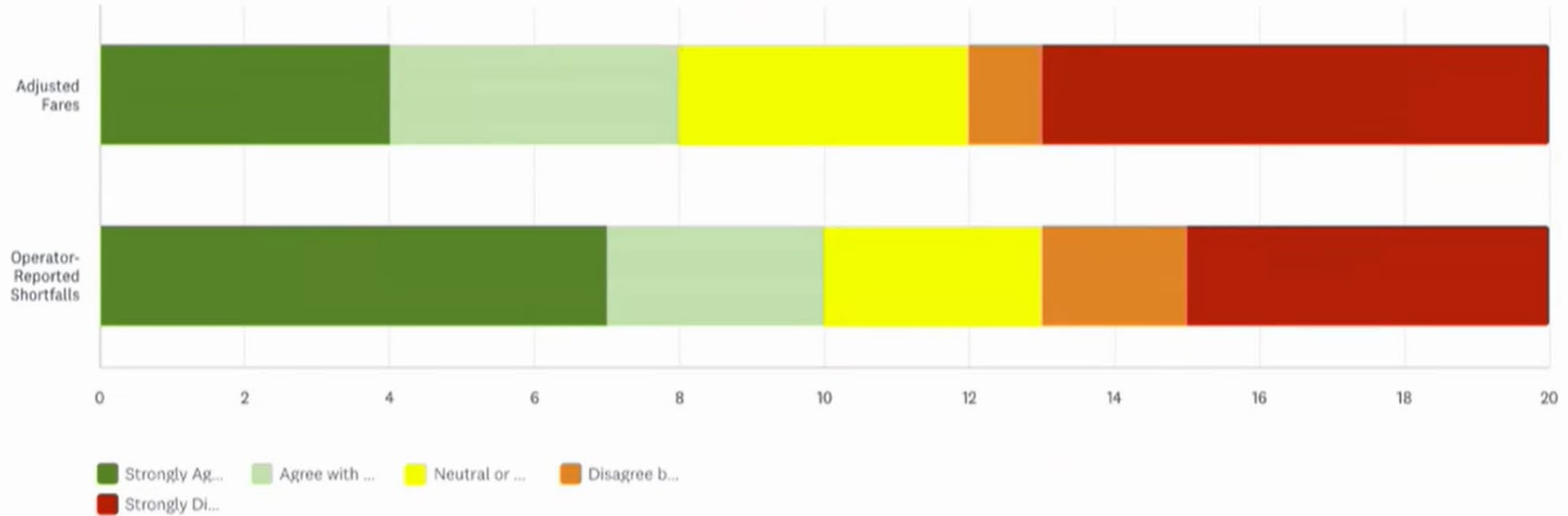
# Transportation Revenue Measure Elements

October 21 – Select Committee Rankings on Investment Level

Transportation Revenue Measure Select Committee 10/21/24

How much do you agree that the measure should target an investment level equivalent to the following:

Answered: 20 Skipped: 0



Transportation Revenue Measure Select Committee 10/21/24

0

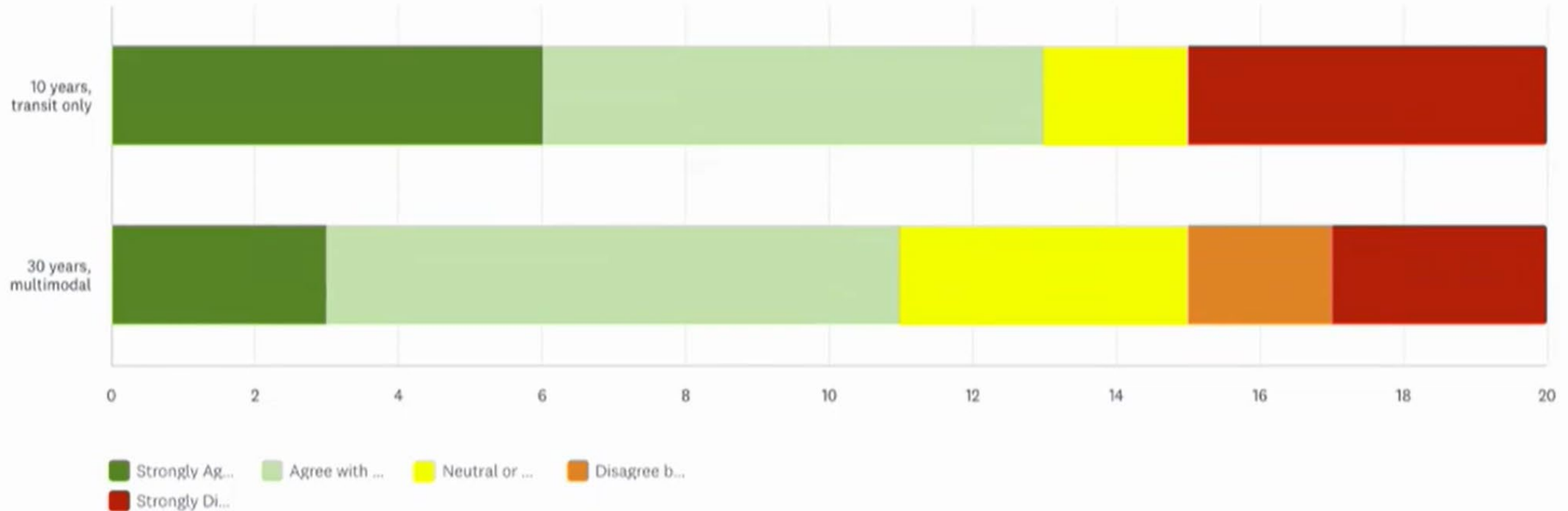
# Transportation Revenue Measure Elements

October 21 – Select Committee Rankings on Duration & Investment

Transportation Revenue Measure Select Committee 10/21/24

How much do you agree with the following durations and investments?

Answered: 20 Skipped: 0



Transportation Revenue Measure Select Committee 10/21/24

0

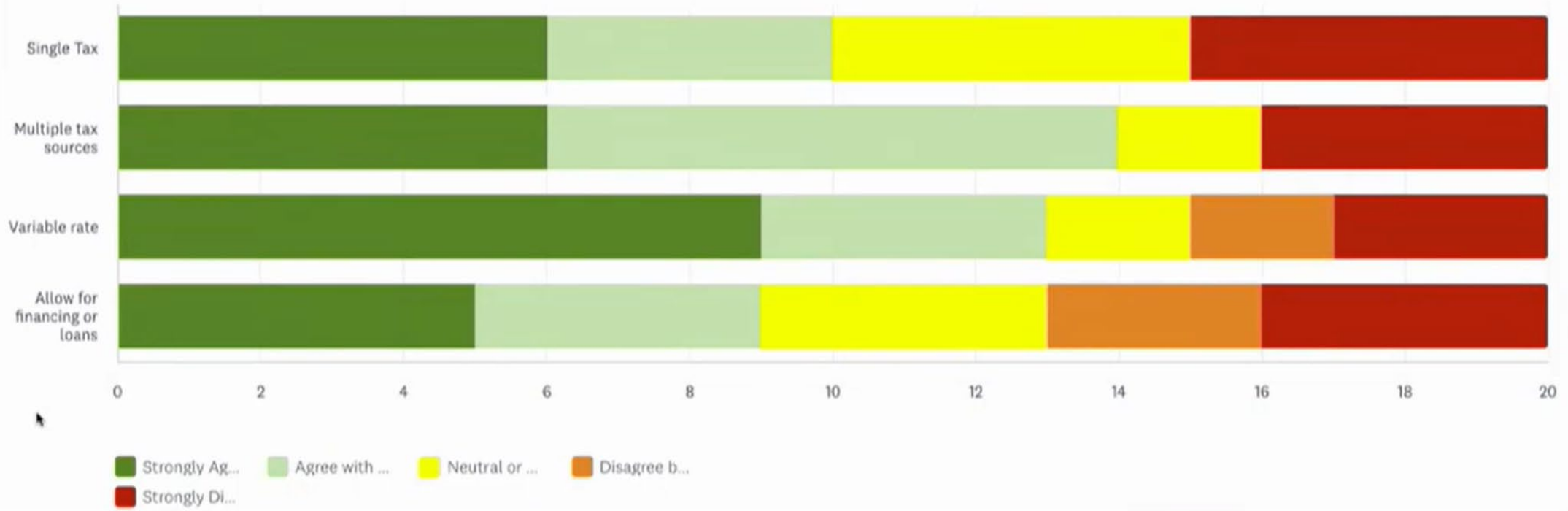
# Transportation Revenue Measure Elements

October 21 – Select Committee Rankings on Tax Structure & Funding Framework

Transportation Revenue Measure Select Committee 10/21/24

How much do you agree with these tax structures or funding frameworks?

Answered: 20 Skipped: 0



Transportation Revenue Measure Select Committee 10/21/24

0



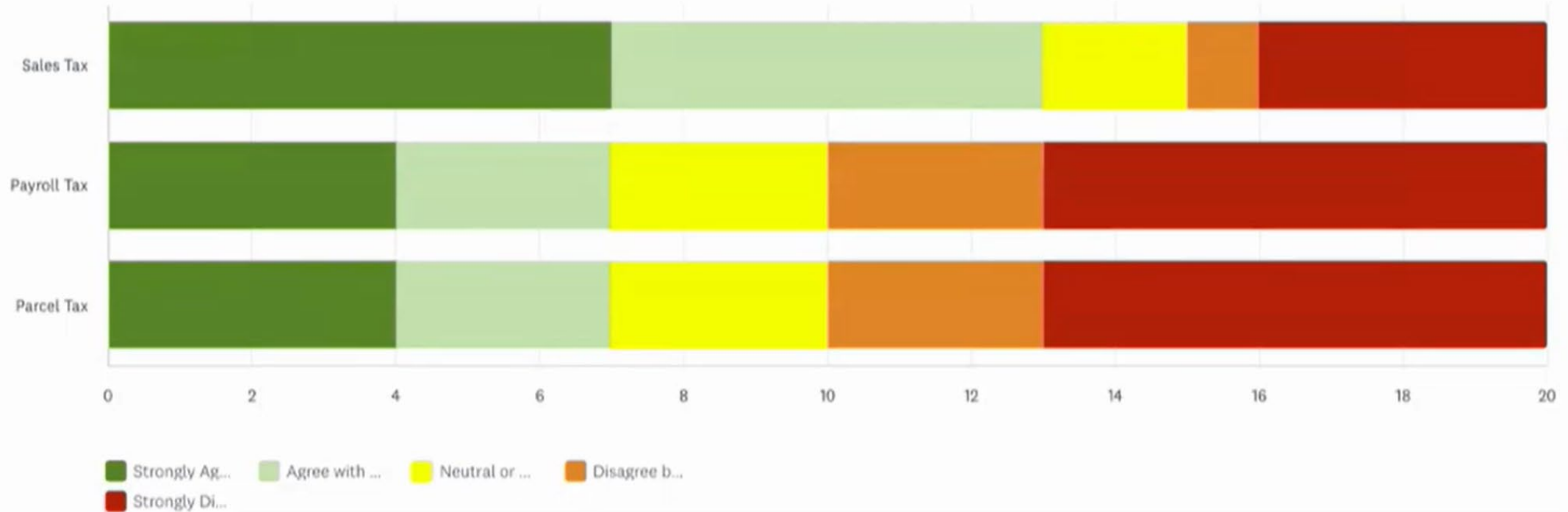
# Transportation Revenue Measure Elements

October 21 – Select Committee Rankings on Revenue Mechanisms

Transportation Revenue Measure Select Committee 10/21/24

How much do you agree with the use of these revenue mechanisms?

Answered: 20 Skipped: 0



Transportation Revenue Measure Select Committee 10/21/24

0

# MTC Select Committee Areas of Agreement

- Invest 10% of measure revenues in transit transformation improvements that make the system more connected, affordable, and reliable.
  - At least half of these funds should be invested in proportion to each county's contribution to the measure.
- All frameworks should be further considered, including the SFMTA proposal, and include at least the four counties of Alameda, Contra Costa, San Francisco and San Mateo.
- All revenue mechanisms discussed at the Select Committee should be explored and polled.
- The Select Committee is supportive of transit agencies finding supplemental funding, if needed, to meet their operating deficits.
- The Commission should review all committee members' gradients of agreement scores to gain full understanding of member sentiments.
- The motion was opposed by members representing the Alliance for Jobs, the Bay Area Council, and David Canepa, MTC Commissioner from San Mateo County.

# Transportation Revenue Measure Policy Considerations and Areas of Agreement



# Transportation Revenue Measure Policy Considerations

October 21 – MTC Transportation Revenue Measure Select Committee

<b>1. Maximizing Chance of Success on Ballot</b>	<b>2. How Funds Are Spent</b>	<b>3. How Decisions Are Made</b>	<b>4. Maximizing Benefits</b>	<b>5. Governance</b>
<ul style="list-style-type: none"><li>• Citizen Initiative</li></ul>	<ul style="list-style-type: none"><li>• Climate</li><li>• Transit Priority</li></ul>	<ul style="list-style-type: none"><li>• Accountability</li><li>• Fund Conditioning</li><li>• Regional Network Management</li></ul>	<ul style="list-style-type: none"><li>• Regional Network Management</li><li>• Transit Priority</li><li>• Transportation Demand Management</li><li>• Job retention</li></ul>	<ul style="list-style-type: none"><li>• Consolidation</li></ul>

# MTC Select Committee Areas of Agreement

- Enabling legislation for a Transportation Revenue Measure should:
  - Authorize a measure to be placed on the ballot via the citizen initiative process.
  - Include accountability provisions for greater oversight of transit agency financial information.
  - Condition funds on operators' compliance with and reporting on the progress of implementing transit transformation policies and programs developed through the Regional Network Management process.
- The Commission should consider agency consolidation worthy of further study, but this should be pursued separately from revenue measure enabling legislation.

# Transportation Revenue Measure Timeline & Next Steps

# Regional Measure Timeline & Next Steps

October 2024	November 2024	December 2024	January 2025	February 2025	March – December 2025		
<b>Legislative Deadlines</b>		<b>Dec 2</b> First day to introduce bills	<b>Late Jan</b> Last day to submit bill requests to Legislative Counsel	<b>Mid-Feb</b> Bill introduction deadline	<b>Mar – Sept</b> Committee Hearings	<b>Mid-Sept</b> Bills must pass Legislature	<b>Mid-Oct</b> Bills signed or vetoed
<b>MTC Meetings and Engagement</b>		<b>Dec 9</b> Special MTC Commission Meeting	Ongoing community engagement through 2025				
<b>Oct 21</b> Select Committee Final review of draft revenue measure scenarios	<b>Nov 8</b> Joint MTC/ABAG Legislation Committee	MTC, AC Transit and Caltrain polling on regional measure		Regional measure legislation introduced			
Engagement with Bay Area Caucus on measure recommendation							
<b>BART-Led Efforts</b>		<b>Dec 5</b> Board Action Item: 2025 Legislative Advocacy Program	<b>Jan TBD</b> Board Action Item: Revenue Measure				
<b>Oct 24</b> Board Update: Polling Results	<b>Nov 21</b> Board Update: TRM Discussions	Engagement with Bay Area Caucus and operators on Plan B legislation		Plan B legislation introduced if directed by Board		BART updated polling on measure	