

Regional Transportation Revenue Measure Update

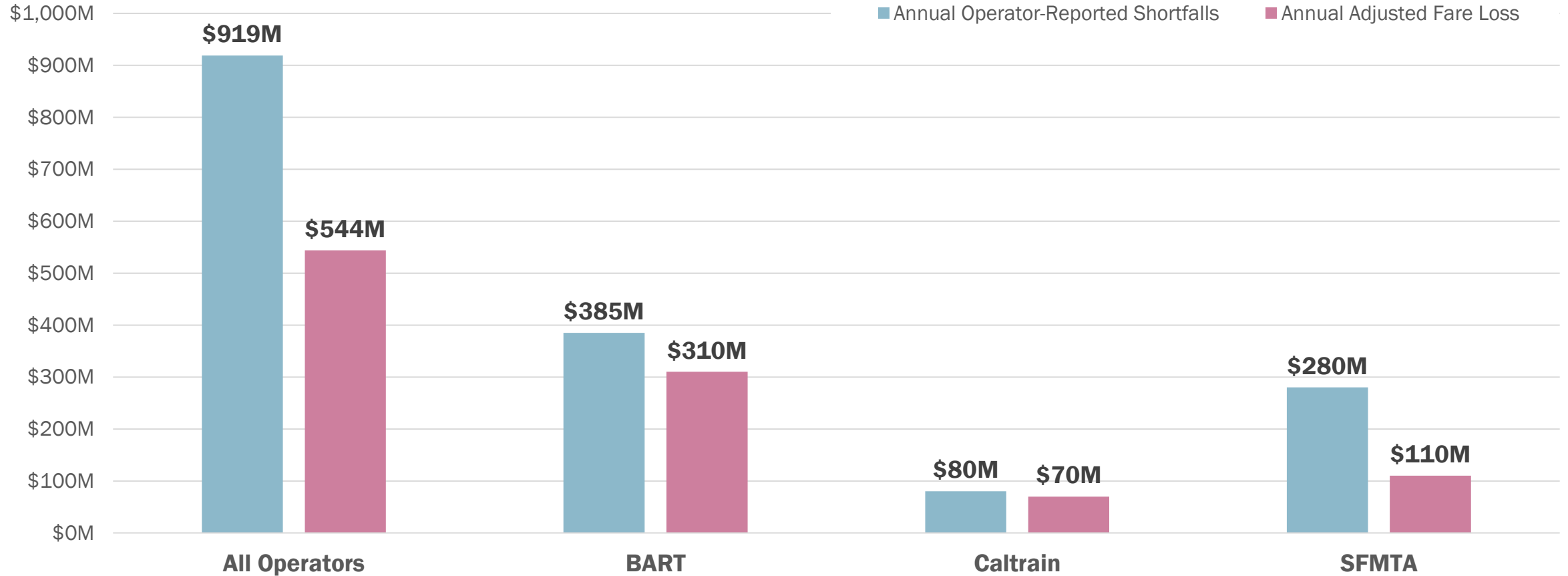


San Francisco
County Transportation
Authority

Board — Agenda Item 10
December 17, 2024

Regional Transportation Measure Recap

Estimated Annual Operating Shortfalls by Agency FY26-27



Regional Transportation Measure Recap: Oct 21

MTC Select Committee held their final meeting

- Received presentations from MTC staff on four revenue measure frameworks and from SFMTA on a framework developed in partnership with operators
- Select Committee approved two motions with recommendations for consideration by the MTC Commission
 - Motion 1: Revenue Measure Framework Provisions
 - Motion 2: Policy Provisions for Enabling Legislation

Regional Transportation Measure Recap: Dec 9

MTC Commission acted on Select Committee motions

1. Approved Select Committee policy provisions
2. Endorsed two scenarios for polling, inclusive of potential language for a variable rate tax
3. Return in February 2025 with polling results and considerations for enabling legislation

DRAFT Final Report on the Metropolitan Transportation Commission's Transportation Revenue Measure Select Committee

December 2024

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Select Committee Policy Provisions

- Enabling legislation should include new accountability provisions
- Operators should be required to report on and comply with policies/programs related to Transit Transformation developed through the Regional Network Management framework to be eligible for funds
- Transit consolidation should be studied outside of a measure
- Enabling legislation should authorize a citizen initiative

Select Committee on Bay Area Transportation Revenue Measure

October 21, 2024

Agenda Item 4c

I move that the Select Committee adopt the following recommendation to the Commission related to policy provisions in enabling legislation for a transportation revenue measure:

- Enabling legislation should include new accountability provisions to provide greater oversight of transit agency financial information.
- It should also provide that to be eligible for funding from measure, operators should be required to report on and comply with policies and programs related to Transit Transformation that would be developed through the Regional Network Management framework.
- The Commission should also consider that transit consolidation is worthy of further study but should be pursued separate from enabling legislation for a transportation revenue measure.
- A citizen initiative should be authorized as part of the enabling legislation.

The motion was approved unanimously.

Scenarios Endorsed for Polling

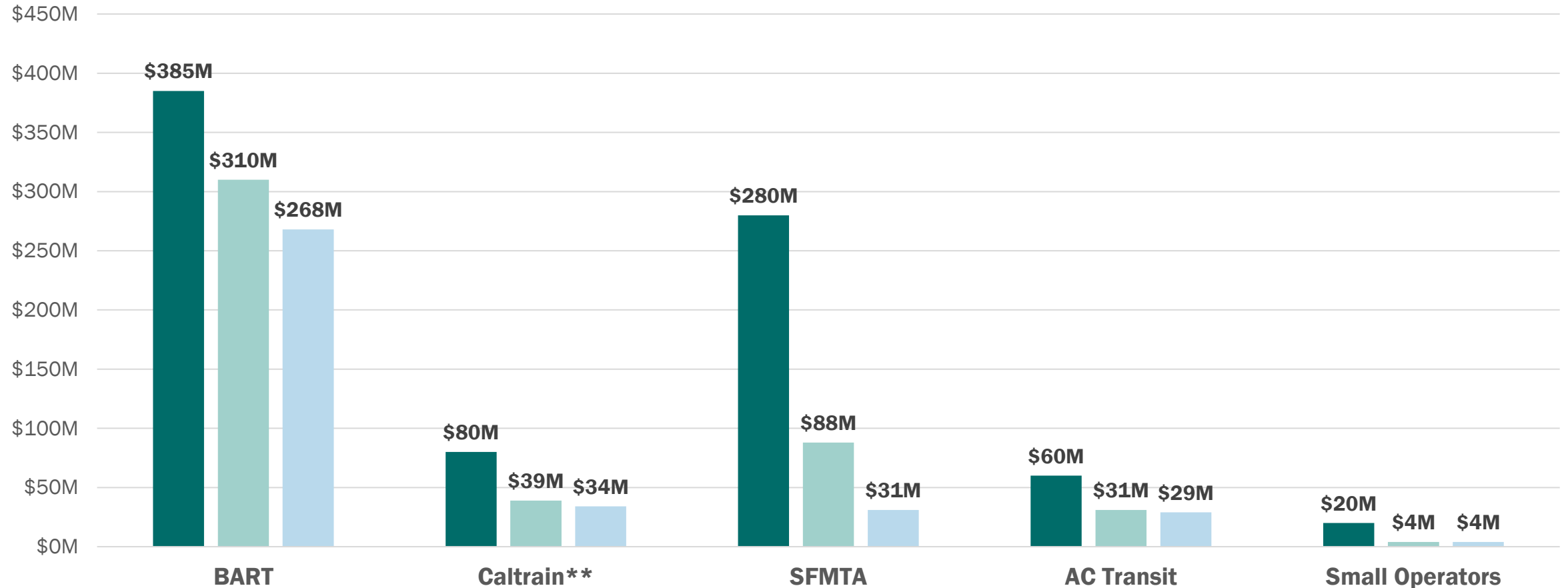
	SCENARIO 1A	HYBRID SCENARIO*
Term	10 years	30 years
Tax Rate	½ cent sales tax	½ cent sales + \$0.09/bsf parcel tax
Revenue Generation	\$562 million per year	\$861 million - \$1.5 billion per year
Participating Counties	Alameda, Contra Costa, San Francisco, San Mateo	Alameda, Contra Costa, San Francisco, San Mateo
Opt-In Counties	Santa Clara	All other counties
Transit Transformation	10% of revenues	10% of revenues
Transit Operating Shortfalls	90% of revenues	90% of revenues initially
Funding Target	Adjusted fare losses	Operator-reported shortfalls

*Per MTC, the Hybrid Scenario would only move forward if Santa Clara opts in

Hybrid Scenario

Funding Distribution

■ Operator Reported Deficits ■ Years 1 – 8 Funding* ■ Years 9 – 15 Funding



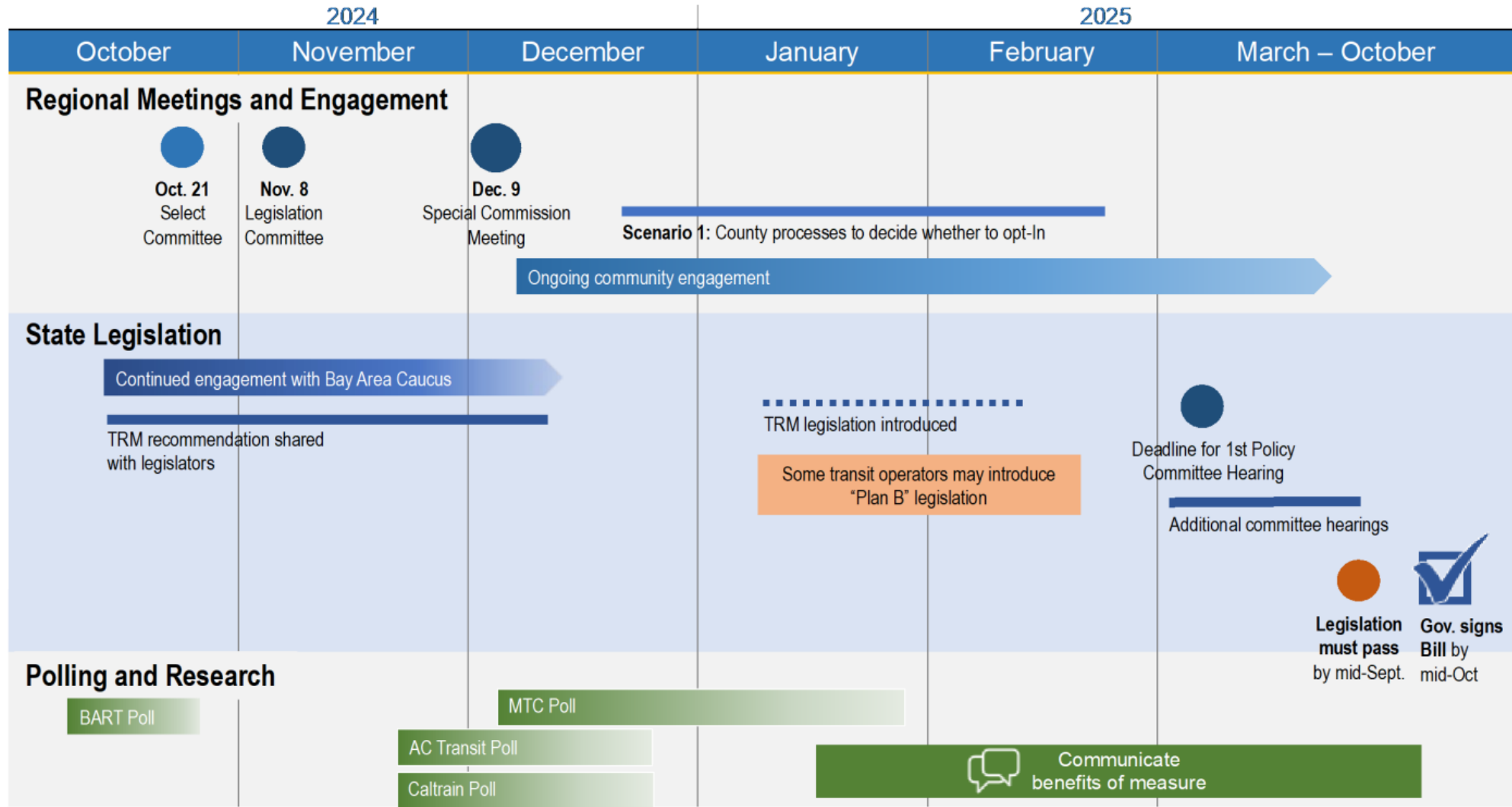
Variable Rate Mechanism

- Would allow a higher rate for San Francisco commensurate with great transit needs and could help address return to source concerns from other counties
- Challenges:
 - Higher likelihood of legal challenges
 - Voter perception
 - Ballot description length

Estimated Annual Revenues By County ½ Cent Sales Tax



Schedule



Parallel Efforts for New Revenues

BART

- Conducted polling in September on sales/parcel taxes in 5-county service area
- May seek legislation in early 2025

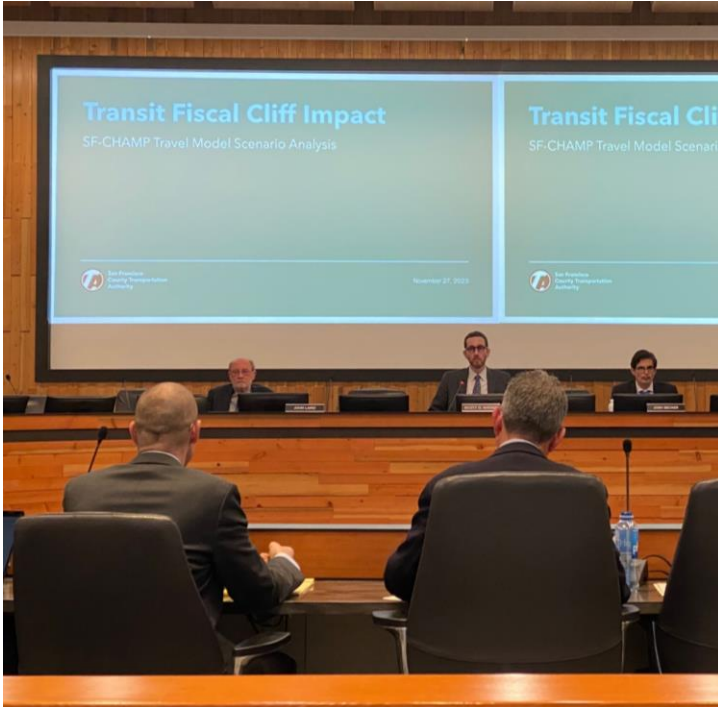
Caltrain

- Expected to poll on sales tax and parcel tax in 3-county service area
- May poll and seek legislation in early 2025

SFMTA

- Convening the Muni Funding Working Group to identify new revenue opportunities, expected to wrap up in early 2025

SFCTA's Role in Regional Measure



- Participated in MTC's Executive Group in support of the Select Committee
- Continued participation in SFMTA's Muni Funding Working Group
- Continued support of Commissioners in discussions at other boards including Caltrain
- Continued discussions with MTC, County Transportation Authorities, operators, and stakeholders on developing regional, subregional and local solutions
- Continued advising Senator Wiener and legislators

Thank you.

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