

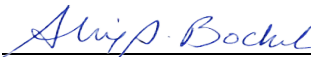
**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee**

September 11, 2020

Agenda Item 4a

Measure RR: Caltrain 1/8-cent Sales Tax

- Subject:** A 1/8-cent sales tax on the ballot to provide dedicated funding for Caltrain, the commuter rail service along the San Francisco Peninsula Corridor, through the South Bay to San Jose and Gilroy.
- Overview:** Various boards in the City and County of San Francisco and the counties of San Mateo and Santa Clara agreed to place Measure RR on the November 2020 ballot. The measure will provide the commuter railroad its first dedicated source of tax revenue—a 1/8-cent (0.125 percent) sales tax for 30 years with proceeds eligible for operating, maintenance and capital purposes, consistent with the Caltrain business plan. If approved by 2/3 of voters among the three counties collectively, the tax would commence on July 1, 2021. The revenue stream from the new tax is estimated to be sufficient to cover the rail service’s operating costs over this time frame, thereby reducing financial pressure on the member agencies.
- Recommendation:** Support
- Discussion**
- Caltrain provides a vital public transit link for Bay Area commuters living or working in San Francisco, Santa Clara, and San Mateo counties. While ridership is down dramatically due to COVID-19, the service provides a reliable alternative to the Interstate 280 and Highway 101, one that will be critical to mobility and containing greenhouse gas reduction in the future when shelter-in-place is lifted and Bay Area residents resume a more normal level of travel.
- Prior to COVID-19, Caltrain’s fares covered 70 percent of its operating costs, the largest of any commuter railroad in the nation. Its ridership also skyrocketed over the last decade, with demand for the service now far-exceeding capacity, and creating a strong rationale for electrification of the service which will speed up travel and allow for more frequent headways in both directions. The Caltrain electrification project, the San Francisco downtown extension (DTX) and a planned extension to Gilroy are key capital projects that will also benefit from a new dedicated revenue source, as is the system’s overall state of good repair. Finally, for the three public agencies that are represented on Caltrain’s governing board—City and County of San Francisco, Samtrans and the Santa Clara Valley Transportation Authority— a dedicated sales tax for Caltrain will reduce their required contributions at a time when each faces budget challenges of their own.
- For these reasons, staff recommends the committee refer to the Commission a support position on Measure RR.
- Attachments:** Attachment A: Positions on Measure RR


Alix A. Bockelman

Positions on Measure RR (Caltrain 1/8-cent Sales Tax Measure)

Support

Bay Area Council

Cupertino for All

Greenbelt Alliance

Friends of Caltrain

Palo Alto Forward

Redwood City/San Mateo Chamber of Commerce

San Francisco Transit Riders

San Francisco Giants

San Mateo County Central Labor Council

San Mateo County Chamber of Commerce

San Mateo County Economic Development Association (SAMCEDA)

Santa Clara County League of Conservation Voters

Santa Clara & San Benito Counties Building & Construction Trades Council

Silicon Valley Leadership Group

Silicon Valley Young Democrats

South Bay Labor Council

South Bay YIMBY

Sustainable San Mateo County

Transform

UA Local 393

Oppose

Silicon Valley Taxpayers Association

Pending confirmation