



December 9, 2024

## Bay Area Regional Transportation Measure Position Paper

Throughout the MTC process of developing a framework for a regional measure, Voices for Public Transportation has remained focused on three main priorities.

1. **Equitable and transformative expenditures.** Enough funding in the measure for transit to maintain and improve transit service across the region and ensure that the funds are distributed equitably.
2. **Progressive funding.** The measure must be funded with progressive sources to ensure that the burden of paying for improved transportation options does not fall most heavily on those with the least resources.
3. **Climate positive.** The measure should prioritize transit funding, which reduces greenhouse gas emissions, meets our state statutory obligations under SB 375, and at a minimum any flexible funding should be for projects that are climate neutral in their projected emissions.

In this paper we evaluate the MTC staff proposals for a regional measure against our principles and provide positions on the components and associated policies for a regional measure.

### Evaluating MTC’s scenarios against the Voices’ priorities

#### Scenario 1A

<b>Equitable and transformative expenditures</b>	--	Not enough funding to maintain and improve service. Distributing revenue based on lost fare revenue is inherently inequitable.
<b>Progressive funding</b>	-	Sales taxes are regressive
<b>Climate positive</b>	+ -	All money is for transit, but will likely increase emissions due to transit service cuts if additional funding not allocated to transit operations

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**Scenario 1A is a losing proposition!** It asks voters to tax themselves and accept service reductions. A four-county measure will need to rely heavily on voters in Alameda and San Francisco to pass. This funding distribution doesn't meet the needs of Muni or AC Transit. Of the four large agencies, AC Transit and Muni carry approximately 75% of the ridership and would receive approximately 25% of the funding. We need a measure that addresses the operating needs at all the agencies.

Hybrid Scenario

<b>Equitable and transformative expenditures</b>	+ -	Basing distribution on operator need is more equitable and sustains more service, however transit funding is not over the life of the measure
<b>Progressive funding</b>	+ -	Includes a progressive source in addition to the regressive sales tax
<b>Climate positive</b>	+ -	More funding for transit is climate positive, but the county flex funding could be used for projects that increase emissions

The hybrid scenario more equitably responds to the Bay Area's transit funding needs, but we have serious reservations about the phasing out of dedicated transit funding over the life of the measure. Bay Area transit agencies need a sustainable source of funding to improve riders' experience and continue to provide the service that millions rely on. This scenario should provide stable funding for transit over the life of the measure, so that agencies can set their budgets to reliably improve service for riders, rather than needing to budget for inevitable future decreases in funding. In addition, we need assurances that the county flex funding won't increase emissions.



## Components of a measure

MTC has been discussing a number of components of a revenue measure. Voices for Public Transportation used our guiding principles to develop our recommendations for these components.

### 1. Amount of funding for transit in the measure

The priority in the measure needs to be funding for transit operations over the life of the measure. MTC and the region (and the state) have for decades failed to provide sufficient funding for robust transit service to meet our goals. This measure needs to raise enough revenue to address the current operator shortfalls and provide for improvements in the transit transformation plan.

### 2. Distribution of transit funds across agencies

Using lost fare revenue to divide up the funding across agencies is inequitable and doesn't address all of the causes of current operating shortfalls. The division of funding should prioritize serving equity priority communities who rely on transit, maintaining and regrowing ridership, and reducing GHG emissions.

We support a measure that supports the needs of all the Bay Area's transit agencies, and in particular recognizes the unique needs of San Francisco in serving the region's transit riders.

### 3. Transit Transformation

We support funding for the programs identified in the Transit Transformation Action Plan. The funding for fare integration, transit priority, and schedule coordination will build ridership and improve the rider experience. The wayfinding and access and mobility funding is particularly important for serving seniors and people with disabilities.

### 4. Funding sources

At a minimum, authorize per square foot parcel and payroll tax in addition to sales tax. Allow more than one revenue source in a single measure in the proposed legislation. We support amending ballot measure language to permit additional text to allow for multiple sources or variable rates by county.



5. Number of years for a measure

We prefer a dedicated source of transit operating funding for 30 years. Transit in the Bay Area needed additional funding before the pandemic and the current funding gaps aren't going to disappear in 10 years. If polling finds that a 10-year measure is more popular with voters, we ask that the authorizing legislation include the ability to renew the measure with voters on a future ballot.

6. Number of counties

Transit is inherently regional; people need to be able to travel across county lines and there is need for additional transit funding in all nine counties. Without prescribing a single measure, the following criteria should be met:

- a. Avoid any situation where voters in a single county are asked to vote on multiple measures in the same year to maintain their service
- b. All counties participate in Transit Transformation, without taking existing funding from service provision
- c. Multi-county agencies have funding needs met
- d. Possibility to fund new multi-county transit service to meet existing gaps or deficiencies in service

## **C. Policies**

### Climate

Protecting the climate is a key priority for Voices for Public Transportation. In addition to funding transit, any projects funded by the measure should be in Plan Bay Area and climate neutral either by design or mitigation. Any project must have a fully funded plan to mitigate any forecasted VMT increase for the first 20 years after the project is completed. Funding for VMT mitigation can't come from sources that would otherwise have been used to reduce VMT.

### Accountability

We support accountability provisions to provide oversight of the measure spending.



### Citizens' Initiative

We support including language to allow for a citizens' initiative to place the measure on the ballot. Review of the recent BART polling reinforces our assessment. Accordingly, we urge the Commission to ensure that the enabling legislation incorporates the investments and policies that have been consistently supported by organizations and coalitions, like Voices for Public Transportation, that are in a position to support the passage of an initiative at the ballot.

### Job Retention

Voices for Public Transportation supports green union jobs that allow transit workers to live in the communities where they provide essential services. The legislation should restrict or limit outsourcing or automating job functions or duties currently performed by transit agency employees.

### **Conclusion**

We recognize that getting the measure passed at the ballot is going to be a large lift, but failing to fund transit operations at this moment is not an option. Transit is critical to the future of our climate, addressing inequity, and strengthening our economy. The scenarios that MTC is putting forward aren't meeting the moment and risk failure at the ballot.

Voices for Public Transportation is made up of people who will be putting in the work to get the measure passed. We are community-based organizations, unions, environmental and climate advocates, faith organizations, and policy experts. We need a measure that has a vision that will motivate people to join the campaign, give money, and vote. The measure must make transit better, not just plug a hole.

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