Connect Bay Area

New Regional Transportation Revenue Measure







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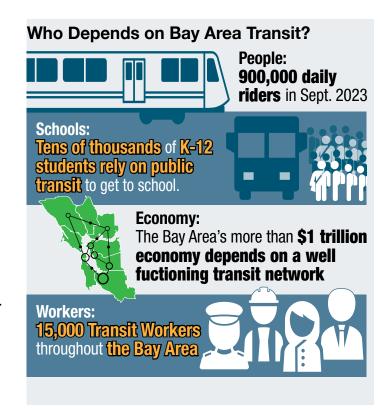
A safe, reliable and connected Bay Area transportation network is vital to achieving California's climate, social equity, economy and workforce goals. But existing resources alone are not enough to keep the Bay Area moving. New funds are needed to prevent major transit service cuts and jobs losses and to modernize and improve connectivity for Bay Area residents and workers, regardless of how they travel. MTC is sponsoring legislation (anticipated to be SB 1031 (Wiener)) to secure authorization to place a regional transportation revenue measure — Connect Bay Area — on the ballot in November 2026 or later.

Goals of Connect Bay Area

Connect Bay Area's core goal is to advance a climate-friendly transportation system in the Bay Area that is safe, accessible and convenient for all. Focus areas include:

- Protect and enhance transit service.
 Ensure that current resources are maintained and used effectively; and enhance service frequency and areas served.
- 2. Make transit faster, safer and easier to use. Create a seamless and convenient Bay Area transit system that attracts more riders by improving public safety on transit; implementing the Bay Area Transit Transformation Action Plan; and strengthening regional network management.
- 3. Enhance mobility and access for all.

 Make it safer and more accessible for people of all ages and abilities to get to where they need to go. Preserve and improve mobility for all transportation system users.



What Bay Area Voters and Bay Area Partners are Telling Us

Throughout 2022 and 2023, MTC convened key stakeholders - transit operators, county transportation agencies, business, labor, advocacy organizations and other regional partners - and sought feedback from the public to develop a regional transportation measure that meets the region's top needs and priorities.



Most stakeholders, and the public at large, want to maintain and improve public transit but also want to see investments in other transportation modes.

Voters Strongly Value Transit, But Also Support Improvements in Local Road Condition & Safety

- 78% of Bay Area voters think transit is **important** with 47% ranking it as "very important" on a 7 out of 7 scale.
- 65% of Bay Area voters believe there's a need for more money to address transportation in the Bay Area.
- **Voters value** repairing and improving local roads, sidewalks and bike lanes as much as they support making transit safer, more reliable, affordable and connected. About 80% of voters consider these to be important priorities.



There is a broad recognition that the Bay Area's post-pandemic trajectory is uncertain and that having the flexibility to modify priorities over time will be key.

Simply maintaining the status quo is not sufficient —

the public wants to see new revenues used to help transform our transportation system.



Everyone wants the same things:

An overwhelming majority of Bay Area residents think these features are important:

Real-time information on wait times **92**% and vehicle locations

More direct service, fewer 91% transfers, and shorter wait times

A regional network that can set fares, 88% align routes and schedules, and standardize information

Easy to use and uniform maps 92% and signage

A single mobile app for planning, 90% schedules, and information

A single set of fares, passes, 89% discounts, and transfer policies

Dedicated travel lanes along key 80% transit routes for buses and carpools



Bay Area Voters Want a More Integrated Transit System With Stronger Oversight

In MTC's most recent poll, 73% of voters support a seamless transit network and 80% want stronger oversight and accountability.

Connect Bay Area must deliver results.

To deliver customer-facing priorities sooner, the bill would strengthen MTC's ability to clearly establish rules and regulations that relate to the key initiatives the region agrees are most important for attracting new riders.

Focus Areas of Transit Transformation Action

Fares and Payment

Simpler, consistent, and equitable fare and payment options.







Customer Information

Make transit easier to navigate and more convenient.



Transit Network

Transit services managed as a unified, efficient, and reliable network.



Accessibility

Transit services for older adults, people with disabilities, and those with lower incomes are coordinated efficiently.



Funding

Use existing resources more efficiently and secure new, dedicated revenue to meet funding needs.



Proposed Expenditure Categories

- 1. Transit transformation: sustain, expand and improve transit service for both current and future riders; accelerate customerfocused initiatives from the Bay Area Transit Transformation Action Plan and other service improvements that are high priorities for Bay Area voters and riders; and help fund the transition to zero-emission transit.
- 2. Safe streets: transform local streets and roads to support safety, equity and climate goals, including through pothole repair, investments in bicycle/pedestrian infrastructure, safe routes to transit and other safety enhancements.
- **3. Connectivity:** fund mobility improvements that close gaps and relieve bottlenecks in the existing transportation network in a climateneutral way.

4. Climate resilience: fund planning, design and/or construction work that protects transportation infrastructure and nearby communities from rising sea levels, flooding and extreme heat.



Potential Sources of Funding

Significant new funds are needed to help Bay Area transit agencies sustain existing transit service, not to mention improve it, and invest in safe streets and other capital improvements. The bill will authorize a "menu" of revenue options that MTC could consider placing before voters in the nine-counties (or a subset) including:

- Sales tax
- Payroll tax
- Square footage-based parcel tax
- Vehicle registration surcharge

Connect Bay Area would also ask voters if they support updating the Bay Area Commuter Benefits Program to require large employers to incentivize their Bay Area employees to commute by means



other than driving solo (e.g., transit, carpool, vanpool, walking or biking). Those near transit could be required to provide employees a transit subsidy, like Clipper® BayPass — now in Phase 2 of a pilot — an all-agency transit pass.

State/Regional Aid Extended Lifeline, But Just Temporarily

Bay Area transit agencies continue to face daunting fiscal cliffs. State aid from last year's Senate Bill 125 paired with a \$300 million commitment of MTC regional funds extended the runway, but starting in mid-2026, Bay Area transit operators will face operating shortfalls on the order of \$600 million or more per year. As part of the SB 125 negotiations MTC committed to pursuing enabling legislation for a regional transportation revenue measure this year.

Standardized Shortfalls (\$ in millions) MTC Standardized Shortfall Estimate \$800 \$400 \$200 FY 2027 FY 2028 FY 2029 FY 2030

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