

# SB 63

## Transportation Revenue Measure Update

June 25, 2025



METROPOLITAN TRANSPORTATION COMMISSION

# SB 63's Current Provisions

Applies to Alameda, Contra Costa, S.F. with option for San Mateo & Santa Clara to join.

- ▶ 10-15 year duration
- ▶ ½-cent sales tax, but variable rates are under consideration
- ▶ **Up to 10% per year for Transit Transformation to grow ridership**
- ▶ Portion to avert major service cuts on BART, Caltrain, AC Transit, and Muni, plus funding for feeder bus in participating counties
- ▶ Remainder to be used for local transit priorities to be determined by county transportation agencies



# May 2025 Commission Meeting Draft Rider Improvement Expenditure Plan Proposal

## Proposed Expenditures from a \$55 Million Annual Investment

10% of Revenue from a Four County (ALA, CC, SF, SM) ½ Cent Sales Tax Measure\*

**\$25 million**

Delivering More Integrated and Equitable Fares

**\$10 million**

Facilitating Seamless Transit Navigation for All

**\$15 million**

Making Transit More Reliable

**\$5 million**

Ensuring Access for All

## What Benefits Do Riders Get From This Investment over a 10-year period?

*A more affordable, easier to navigate, faster, and more accessible regional transit system.*



### Transit Fares

- Funds new free and discounted transfers — estimated to increase daily ridership by 30,000 (\$17M)
- Expands Clipper START to make transit more affordable for an additional ~100,000 riders (\$8M)

### Mapping & Wayfinding

- Phased deployment of standardized maps, bus flags and signage at rail stations, ferry terminals, transit hubs, and bus stops to make navigating transit easy for all riders.

### Transit Priority

- ~ 75+ “hot spot” interventions to get buses out of traffic
- One to two corridor-wide projects like SFMTA’s Geary Rapid project

### Accessibility

- Operations support for one-seat paratransit rides
- Mobility management programs at the county level
- First and last mile transit access

\*Assumes 10% of measure funding is dedicated to “Transit Transformation.” A three or five county measure would provide a different funding level, requiring adjustments to program budget.

# MTC ABAG Legislation Committee Discussion

- Top Priority: Prevent major service cuts, while also delivering real improvements for riders
- Mixed views on the 10% set-aside – many felt it's too high, others too low – but all acknowledged need to balance priorities.
- Direction to prioritize rider-focused outcomes that:
  - Have a clear benefit to riders
  - Drive ridership
  - Require both coordinated action and regional funding to be effective
- Strong support for fare programs and accessibility – seen as advancing all three priorities
- Support for making it easier and faster to move through the system (i.e. wayfinding and transit priority) – but some suggested cost burden should fall on locals, not regional funds.

# Rider-Focused Improvement Objectives

## Deliver Tangible Public Benefit aligned with Rider Priorities

Prioritize high-return improvements that directly enhance the near-term rider experience and support ridership growth. Investment decisions should reflect what the Bay Area public has identified as important through surveys and polling — such as affordability, convenience, and ease of use across the system.

## Balance Scale and Impact

Identify what can realistically be delivered within a funding level that preserves the measure's ability to prevent major service cuts. The goal is not to fund everything — it's to provide funding for the most impactful improvements without undermining the broader fiscal stability of the system.

## Target TRM Rider-Focused Funds Where Regional Investment is Needed

Identify which improvements must be funded and administered at the regional level to achieve benefit across up to five counties. In other cases, the regional role may be to establish standards and pilot solutions, with project delivery and funding led by local partners.

## Taxpayer Benefit

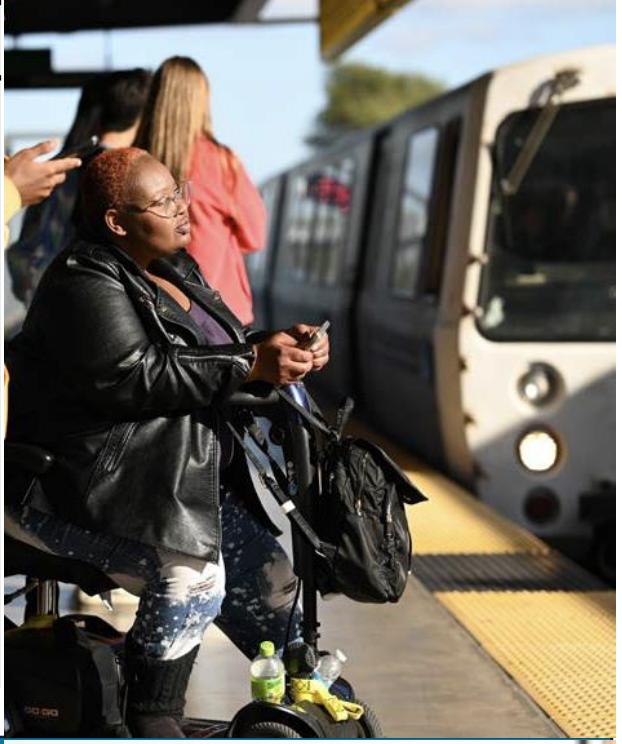
Ensure investments provide direct benefits to taxpayers contributing to the measure, consistent with MTC's adopted SB 63 principle of fairness.

# Transit Fares: \$25 M/Year (Not Scalable)

Investment	Rider Benefit	Taxpayer Benefits
<b>Free &amp; Reduced Cost Transfers</b>  \$17 million/year waives transfers from bus to bus and lowers the cost of transferring from a bus to BART, Caltrain or a ferry by \$2.85 for the life of the measure.	<b>30,000</b> new transit rides/day  <b>\$1,500</b> savings/year per rider.*	Between 91-98% of total transfers involve transit agencies serving the three – five counties considering participating in the regional transportation revenue measure.
<b>Double Clipper START Capacity</b>  \$8 million/year funds regional contribution to double Clipper START capacity from 100,000 to an estimated 200,000. Clipper START offers 50% discount to low-income Bay Area adults who aren't eligible for similar discounts for youth and seniors.	Increase affordability for  <b>100,000</b> transit riders  <b>64%</b> users report taking more transit	Between 94-99% Clipper START usage is on transit agencies serving the three – five counties.  Between 420k – 650k adults live in the three – five counties in households earning <200% of the federal poverty line.

\*An average rider who transfers between bus and rail or ferry on both ends of a trip would save \$5.70 per day.

# Accessibility (\$10 M/Year)

Investment	Rider Benefit	Taxpayer Benefit	
<b>Accessibility upgrades</b> Improved paratransit services and enhanced access to fixed-route transit. Examples: <ul style="list-style-type: none"><li>• Uniform paratransit eligibility (\$100k-\$300k)</li><li>• Initiate one-seat rides across paratransit service boundaries (\$100k-\$1M)</li><li>• First/last mile improvements</li></ul>	<b>900,000</b> Seniors and people with disabilities live in Alameda, Contra Costa, San Francisco and San Mateo Counties.	Improvements would be funded in participating counties in proportion to revenue generated; MTC to coordinate with CTAs and partners in coordinated plans on expenditure priorities.	
<b>Improve mobility and access to services for older adults and people with disabilities to give more Bay Area residents freedom to get around the region independently.</b>			

# Mapping & Wayfinding & Transit Priority (\$10 M/Year)

## Investment

### Information upgrades

at intermodal hubs that are essential for system usability, but unlikely to be prioritized by individual operators

### Moving Buses out of Traffic

Transit priority improvements on key regional corridors require coordination and funding that spans jurisdictions

## Rider Benefit

**92%**

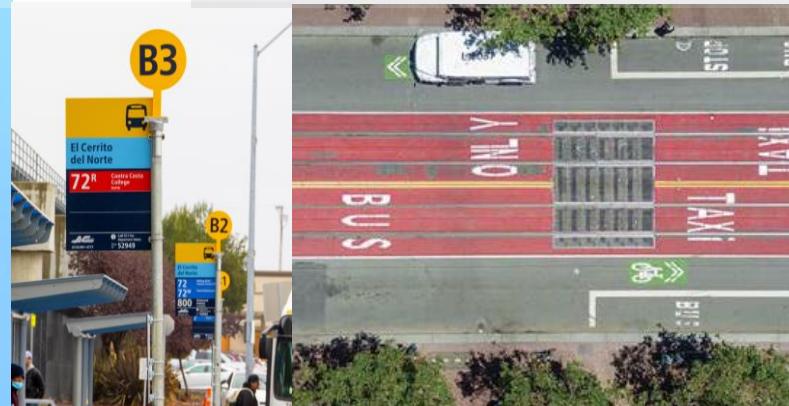
Bay Area residents want easy to use & uniform mapping and signage

**30-40%** decrease in delay

**15-20%** increase in reliability

## Taxpayer Benefit

Funds would only be spent in participating counties; MTC to coordinate with CTAs and operators to prioritize.



# Rider-Focused Transit Improvements: Staff Recommendation

At a minimum, the regional measure should:

- Implement free and reduced-cost transfers for duration of measure
- Double Clipper START capacity to serve an additional 100,000 low-income riders
- Deliver meaningful accessibility improvements
- Improve navigation through deployment of new Mapping and Wayfinding standards at intermodal hubs
- Speed up buses through transit priority improvements on corridors that cross county lines

Summary of Proposed Spending Plan	
Fare Integration Programs	\$25 Million
Accessibility improvements	\$10 million
Mapping & Wayfinding & Transit Priority	\$10 Million
<b>Total</b>	<b>\$45 Million</b>