






Bay Area Voter Views of a Potential Transit Funding Measure

Key Findings of a Survey Conducted September 19-29, 2024



OPINION
RESEARCH
& STRATEGY

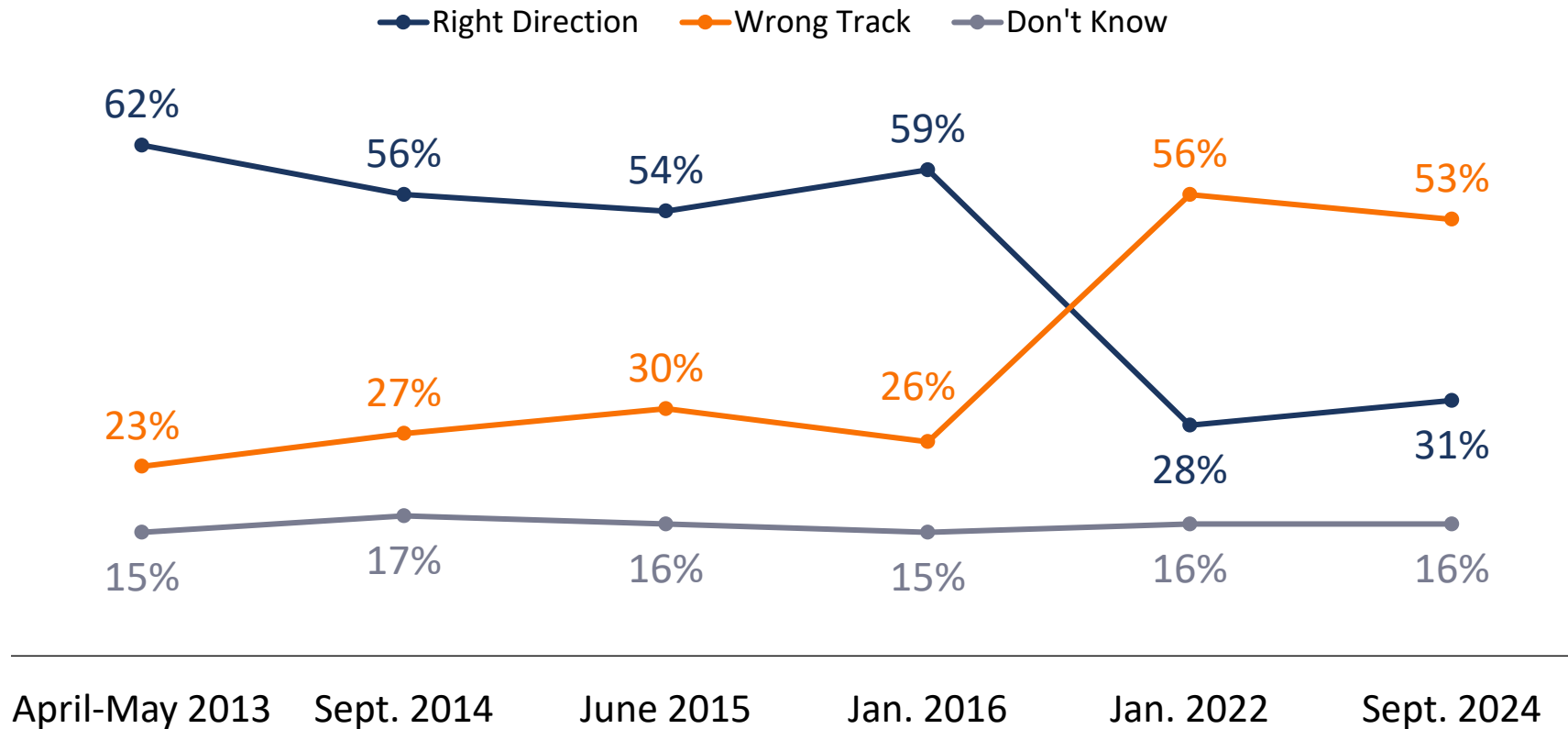
Survey Methodology

Dates	September 19-29, 2024
Survey Type	Dual-mode Voter Survey
Research Population	Likely November 2026 Voters in Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara Counties
Total Interviews	1,784, with at least 350 per county
Margin of Sampling Error	(Full Sample) $\pm 2.8\%$ at the 95% Confidence Level (Half Sample) $\pm 3.9\%$ at the 95% Confidence Level
Contact Methods	 Telephone Calls  Email Invitations  Text Invitations
Data Collection Modes	 Telephone Interviews  Online Interviews
Survey Tracking	2013 onward
Languages	English, Spanish and Chinese

(Note: Not All Results Will Sum to 100% Due to Rounding)

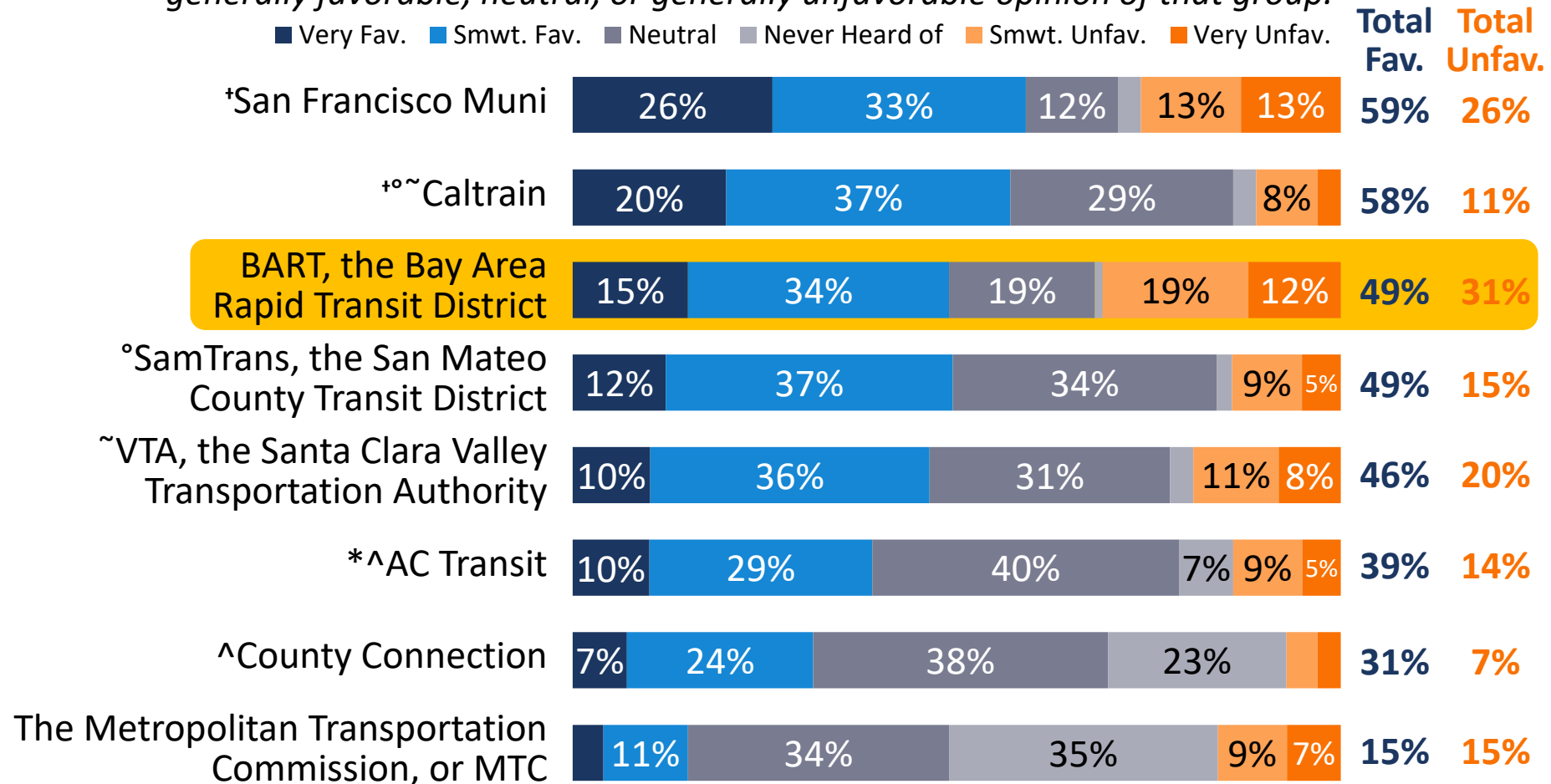
A majority says the Bay Area is headed in the wrong direction.

Would you say things in the Bay Area are generally going in the right direction, or do you feel that things are pretty seriously off on the wrong track?



However, voters have net favorable views of major transit agencies in the Bay Area.

Here are some names of public organizations and, please indicate if you have a generally favorable, neutral, or generally unfavorable opinion of that group.

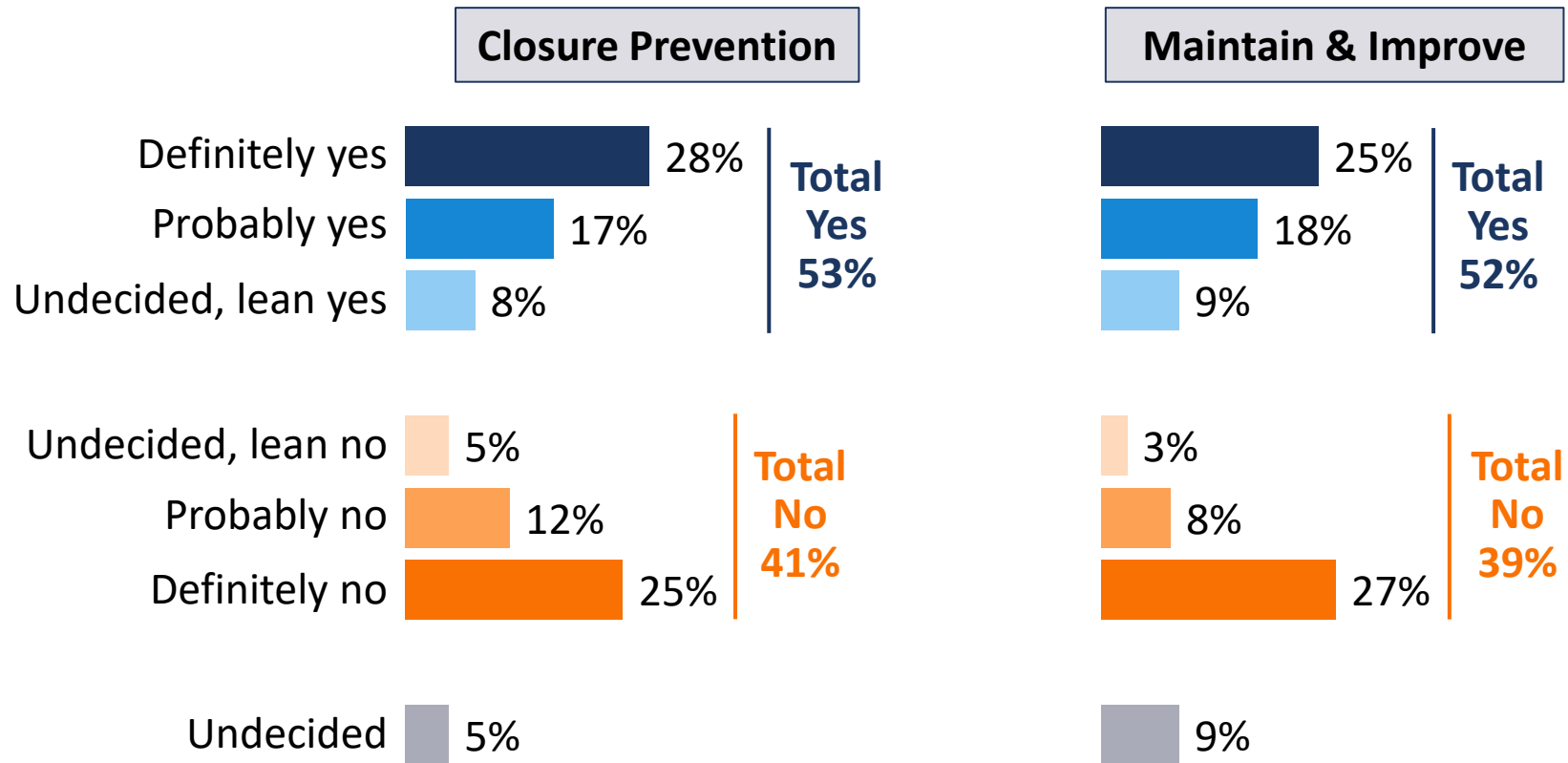


Views of BART are consistent with 2022 but remain less favorable than pre-pandemic.

Public Organization	Total Favorable				
	2013	2014	2022	2024	Difference (2022-2024)
San Francisco Muni <i>(SF County)</i>	58%	52%	48%	59%	+11%
BART, or the Bay Area Rapid Transit system <i>(Alameda, CoCo, SF Counties)</i>	75%	69%	47%	50%	+3%
AC Transit <i>(Alameda & CoCo Counties)</i>	40%	46%	38%	39%	+1%
The Metropolitan Transportation Commission, or MTC	21%	22%	16%	15%	-1%

Both versions of a sales tax measure had similar support from slim majorities.

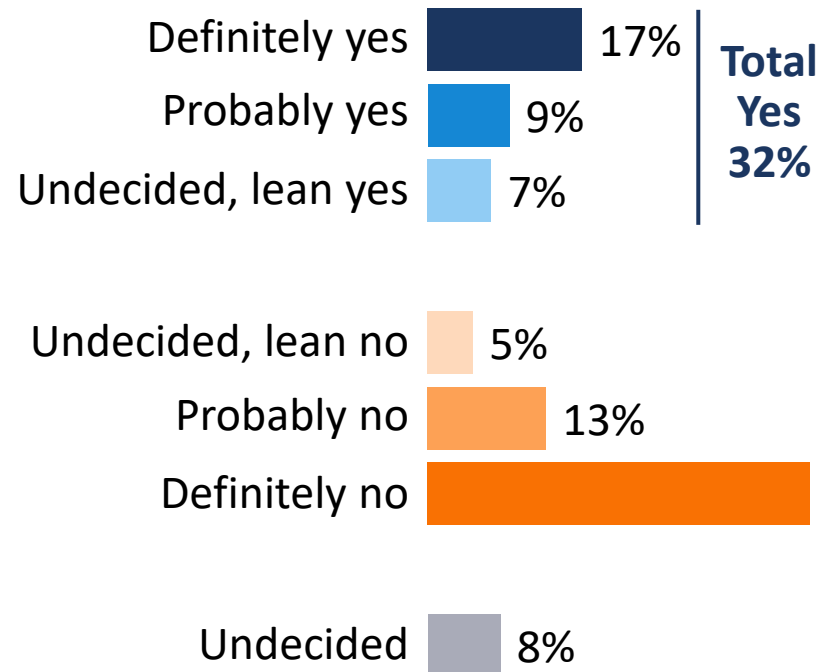
66.7% Vote Threshold



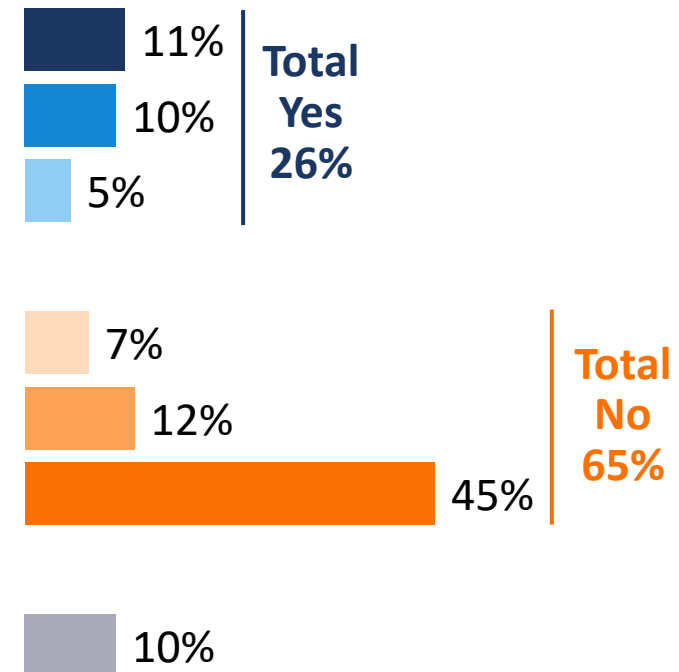
Support was well below 50% for both versions of a parcel tax measure.

66.7% Vote Threshold

Closure Prevention



Maintain & Improve



Transportation Revenue Measure Select Committee Update

Joint MTC ABAG Legislation Committee
November 8, 2024



Select Committee Feedback on Key Components

Gradients of Agreement exercise provided insight into committee members views:

- ▶ **Geography:** Strong preference for measure to be placed on ballot in the four counties of Alameda, Contra Costa, SF and San Mateo (letting the other five **opt in**) versus requiring all nine counties.
- ▶ **Duration:** Select Committee slightly preferred 10 years. Strong preference for a 10-year measure among commissioners representing the four core counties, whereas Santa Clara commissioners strongly prefer a 30-year measure.
- ▶ **Transit Operating Funding Target:** Overall, a slight preference for targeting adjusted fares over operator-reported shortfalls. Commissioners, business community and construction labor representatives strongly prefer adjusted fares; transit operating union labor representatives and advocates favor operator-reported shortfalls.
- ▶ **Funding Mechanism:** Support for sales tax over parcel tax or payroll tax, but interest in a measure with multiple sources.

Scenarios Presented on October 21

September Scenarios	Variations
<p>Scenario 1</p> <p>Core Transit Framework: 30 years</p>	<p>Scenario 1A</p> <p>Core Transit: 10-year version</p>
<p>Hybrid</p> <p>Hybrid, with Payroll tax plus Sales Tax</p>	<p>Hybrid</p> <p>Hybrid, with Parcel tax plus Sales tax</p>

SFMTA Compromise Proposal Presented in October with Variable Rates

Tax Measure

F

- Short/Near-Term (11 – 15 years)
- Sales OR Parcel Tax
- Variable Rates by County
- Revenues sufficient to fully fund transit needs for 10-years
- Regional Program Funded first
- Allows for a Long-Term more visionary measure for November 2036 ballot OR reauthorization of Short-Term Measure

Regional Program

R

- *Regional Rail System* Funded (BART, Caltrain, BSV)
- *Regional Transit Service* (Regional Bus Services creating connectivity to regional rail)
- *Regional Transit Transformation* (Fare Integration & Modernization, CX, Cleanliness, Safety)

Legislation & Policy

L

- Authorization for:
 - A retail transactions and use tax
 - A parcel tax
- *Variable Rate District Based Program
- Allows for a qualified voter initiative
- Legislates the “Regional Program”
- Legislates an Independent Auditor

- Imposed in the 5 core counties – others could opt-in.
- Funding for regional and local transit plus county flex in Alameda, Contra Costa, San Mateo and Santa Clara (amount depends on tax rate)

Proposed Next Step:

Focus in on the two scenarios which have the greatest potential support.

Note: Data for scenarios provided by NBS (parcel tax) based on July 2023 assessment data and Sperry Consulting (sales tax) based on estimated 2027 taxable sales.

Scenario 1A

- ½ cent sales tax
- Yields ~\$560M/year
- 10 years
- **Transit only**
- 10% or \$56M for Transit Transformation
- 4 Counties: AL, CC, SF, SM (opt-in for SC only)

Hybrid

- ½ cent sales tax + \$0.09 bldg. sq. ft. parcel
- Yields \$1.3-\$1.5B year
- 30 years
- **Transit + infrastructure:** 10% of sales tax revenue for Transit Transformation
- 5-9 Counties (including at least AL, CC, SF, SM and SC **(if SC opts in)**).

Scenario 1A Summary:

Transit Focus

Applies to Alameda, Contra Costa, S.F. and San Mateo + **option for Santa Clara to join.**

- ▶ 10-year duration
- ▶ ½-cent sales tax (\$560M/year in four core counties)
- ▶ 10% per year for Transit Transformation to grow ridership for entire measure (\$55M/year)
- ▶ 90% to make up for lost fare revenue due to changes in travel behavior at BART, Caltrain, AC Transit, and Muni, plus funding for feeder service in AL, CC and SM counties (\$505M/year)



10yrs Duration	\$560M Annually
1/2¢ Sale Tax	Transit only
4 Counties <i>With option of Santa Clara opt-in</i>	
\$4M Annually for Small Operators	\$10M Annually for AL/CC BART Feeder Bus
\$20M Annually for SamTrans/ San Mateo County Feeder Bus	

Proposed Funding Strategies

Scenario 1A

\$5B investment in transit operating over 10 years

Regional Rail	\$3B BART	\$390M* Caltrain	
Regional Bus	\$880M SF MTA	\$560M Transformation	
Local Transit	\$300M AC Transit	\$200M SamTrans & SM Feeder	\$144M AL/CC/Small Operators

*Assumes Caltrain will receive partial funding for their loss of fare revenue from the measure and the remainder from Santa Clara County.

Hybrid Scenario Summary

- ▶ Multi-modal measure with 30-year duration
- ▶ Geography includes four core counties, with opt-in for Santa Clara and North Bay but this scenario only proposed for consideration *if Santa Clara decides to opt in*.
- ▶ Provides higher transit funding level aimed at sustaining current service levels (targeting operator-reported deficits, not just fare loss).
- ▶ Combines ½-cent sales tax (\$1 billion annually) with parcel tax of \$0.09/building square foot.
- ▶ \$1.3B/year in 5 counties or \$1.5B/year in all nine counties.
- ▶ Parcel tax would support transit operations (60%) and County Flex (40%).



30yrs Duration	\$1.3B- \$1.5B Annually
\$0.05 Sales Tax + \$0.09/sq ft parcel tax	Transit & Infrastructure
5 - 9 Counties <i>If Santa Clara elects to join</i>	
\$23B-\$29B County Flex for county priorities	
\$2.6 - \$3.1B Transit Transformation	

Proposed Funding Strategies

**\$9.4-\$10B investment in transit
operating first 15 years**

Hybrid

Regional Rail	\$4.5B BART	\$940M Caltrain	\$4.5B Transit ops in years 16-30. Specific allocations to be decided in year 15 of measure.
Regional Bus	\$3B SF MTA	\$500M Golden Gate	
Local Transit	\$705M AC Transit	\$240M Small/Medium Operators	

Recap of Select Committee's October Policy & Funding Recommendations

- ▶ **Transit Agency Accountability:** Strengthen oversight of transit agency financial information and condition new funding on operators complying with transit transformation policies adopted through the Regional Network Management framework.
- ▶ **Transit Agency Consolidation:** Topic is worthy of further study but should be pursued separate from enabling legislation.
- ▶ **Transit Transformation:** Support for investing 10% of measure in improvements to make system more connected, affordable and reliable, with 50% invested in proportion to each county's contributions to the measure.
- ▶ **Citizen Initiative:** Support for authorizing a citizen initiative in the enabling legislation.

TRM Enabling Legislation Timeline

