

Caltrain 3-County 1/8 Cent Sales Tax



**San Francisco
County Transportation
Authority**

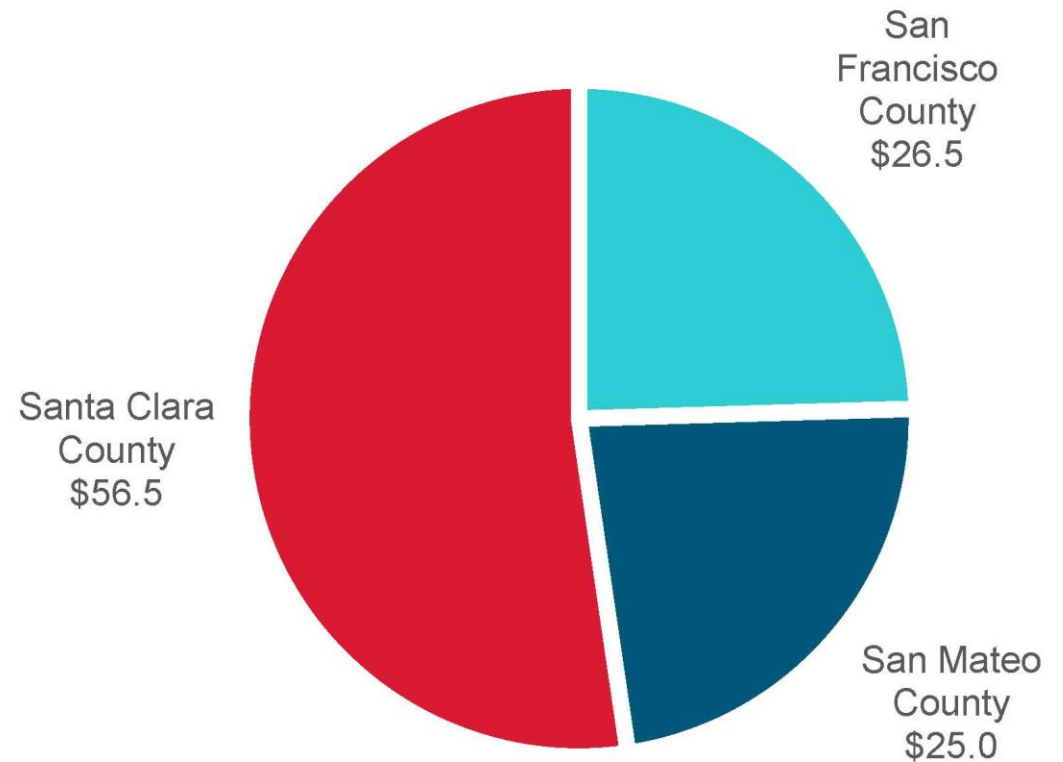
San Francisco Board of Supervisors

July 28, 2020

3-County 1/8-Cent Sales Tax

- 2/3 of total combined vote from the 3 counties
- Can exceed 2% local sales tax limit
- ~\$108 million/year for operating & capital needs

Annual Projection: \$108 million



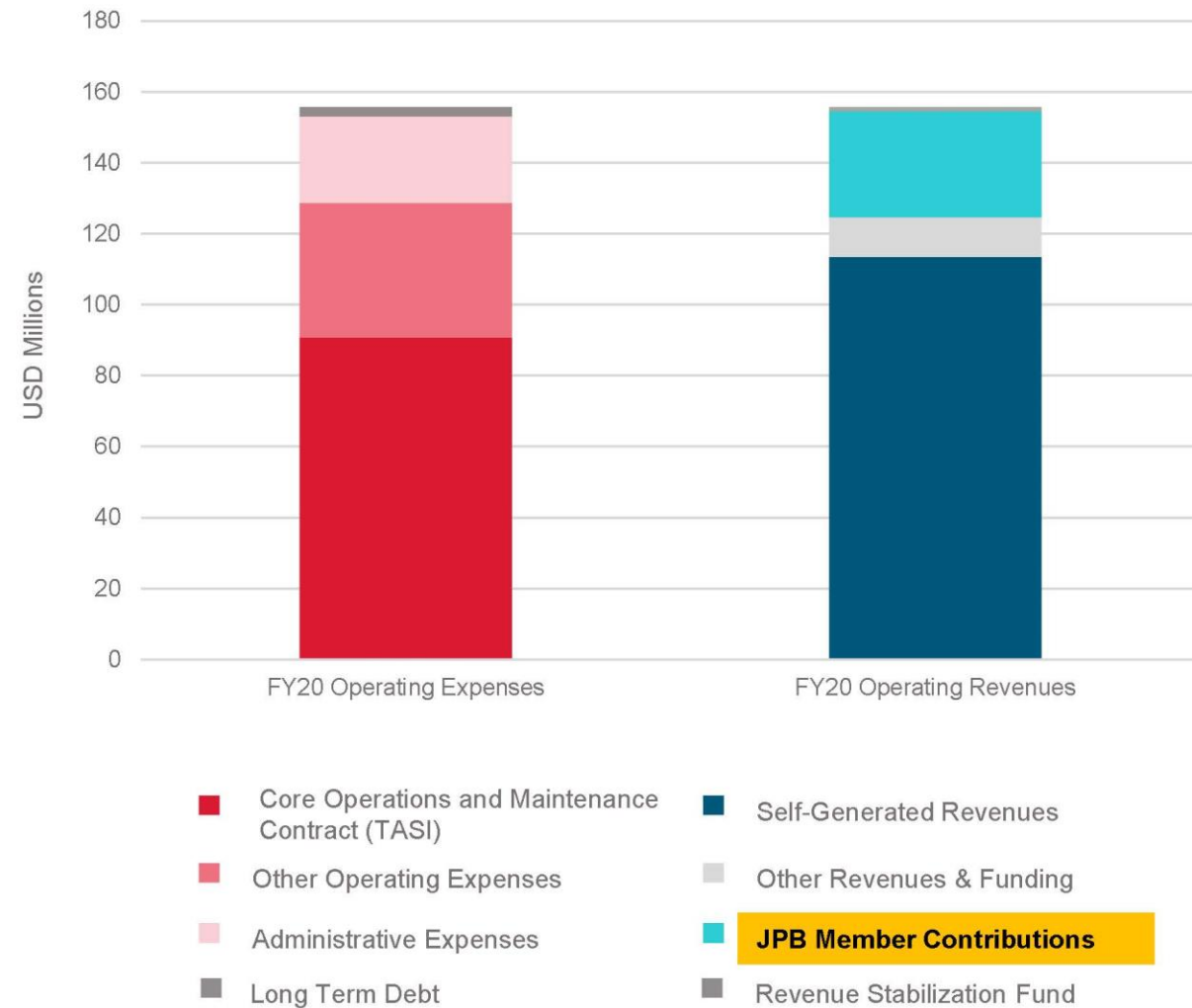
(amounts in millions of dollars)

Operating Costs & Revenue

Caltrain Today

- No dedicated funding sources
- Member Agencies help fund on annual basis:
 - Operations (ridership based formula)
 - Annual Capital SOGR (split evenly)
- Major Capital Projects have unique separate funding plans with a mix federal, state, local, member agency funds

Budgeted Operating Expenses and Revenue FY 2020



All costs shown in YOY \$



Annual Member Contributions

Caltrain Today

- No dedicated funding sources
- Member Agencies help fund on annual basis:
 - Operations (ridership based formula)
 - Annual Capital SOGR (split evenly)
- Major Capital Projects have unique separate funding plans with a mix federal, state, local, member agency funds

Combined Share of Annual Capital SOGR & Ops vs. Ridership

County	FY20	% of FY20	% of riders
San Francisco	\$15.6M	30%	27%
San Mateo	\$16.6M	32%	31%
Santa Clara	\$20.2M	38%	42%
Total	\$52.4M	100%	100%

All costs shown in YOY \$



With SB797: Expenditure Plan

Revenues prioritized:



Operations and annual capital (state of good repair) needs



Capital – infrastructure such as level boarding and rolling stock to advance the expansion of the Caltrain peak hour service to 8 trains per hour, per direction as well as the expansion of service on the Gilroy extension to a minimum of five roundtrip per day



Equity benefits

Additional revenue:

Revenues will also be eligible to help advance capital projects necessary to implement the Caltrain Business Plan's 2040 Service Vision.

7-Agency Approval Process



Regional

Caltrain Board of Directors (2/3 majority)

San Francisco County

- SFMTA Board of Directors
- Board of Supervisors

San Mateo County

- SamTrans Board of Directors
- Board of Supervisors

Santa Clara County

- VTA Board of Directors
- Board of Supervisors



Governance Background

Joint Powers Agreement (as amended in 2008), Real Property Agreement summarized and presented by Olson-Remsho at the July 8 Caltrain Board meeting:

1. Established San Mateo County Transit District (SMCTD) as managing agency for Caltrain in exchange for forgiving ~\$30 million in right of way debt owed to San Mateo by Santa Clara and San Francisco counties
2. CEO and CFO of Caltrain must be same individual as CEO and CFO of SamTrans
3. SamTrans has financial rights and interests stemming from its ownership and management of certain Caltrain operating and non-operating (parking lot, land parcels) assets.

SF/SC County Governance Provisions

- a.** Revenues will be held in a Special Escrow Account to be disbursed by the Joint Powers (Caltrain) Board, for eligible expenditures at any time with a 2/3 majority
- b.** Up to the first \$40 million collected shall off-set member operating contributions and replace COVID-related fare losses IF no/limited additional Federal emergency relief funds are made available
- c.** If a governance solution is found, the Special Escrow Account is closed and funds transferred to JPB regular accounts/administration.
- d.** If no governance solution is found by September 30, 2021, another \$40 million shall be made available for operations.

Governance Provisions, continued

- c.** If no governance solution is found by December 31, 2022, all parties commit to working with state delegation on a legislative solution in 2023 legislative session.
- e.** The JPB Board shall appoint an independent special counsel and auditor (separate from SamTrans) within 90 days of placement of this measure on the November 2020 ballot.

SFCTA CAC Support & Joint Statement by SF, SC Elected Officials

- SFCTA Citizens Advisory Committee at 7/22 meeting voted 9-1-0 (support-abstain-oppose) urging SF BoS and SFMTA to support the Caltrain resolution as sponsored by Supervisors Walton, Peskin, Haney
- Joint Statement by 12 San Francisco and Santa Clara County elected officials calling for comprehensive approach to funding and reform

