

May 22, 2024

Metropolitan Transportation Commission (MTC) Bay Area Metro Center 375 Beale Street San Francisco, CA 94105

RE: MTC May 22, 2024 Meeting – Item 10d. Senate Bill (SB) 1031 (Wiener/Wahab): Connect Bay Area **Transportation Revenue Measure Enabling Legislation**

Dear Chairperson Pedroza and Commissioners,

As a fellow Commissioner representing the largest city in the Bay Area, I am writing to reiterate my opposition to SB 1031 and urge you to reconsider MTC sponsorship. While I appreciate Senators Wiener and Wahab for spearheading an effort to generate revenue for transit operations and improvements within the greater Bay Area, I am deeply troubled by the recent amendments to SB 1031, which do not address any of the Santa Clara Valley Transportation Authority (VTA) Board's clearly articulated reasons for voting unanimously to oppose this bill.

Santa Clara County (SCC) has consistently strived to be a good partner in the region. The failure to take SCC's concerns seriously is not only bad policy and process, but threatens future collaboration to address critical issues facing our region.

As mentioned before, SCC taxpayers currently provide \$978 million per year in local sales taxes to support VTA transit service and capital projects, as well as BART and Caltrain service in our County. As the original self-help county, SCC understands the critical role of revenue measures in supporting transit operations. However, we are concerned with the approach in SB 1031, which would ask Santa Clara County voters to provide an unfair level of subsidy to transit agencies that are facing fiscal cliffs but primarily serve other parts of the region. I have also expressed concerns that the bill would jeopardize SCC's ability to renew and expand our local sales taxes measures – three of which sunset in coming years. Local tax measures collectively comprise more than 60% of VTA's adopted Transit Operating Budget and one such measure is exclusively dedicated to the operations and maintenance of the BART Extension in Santa Clara County.

I have joined my colleagues in the SCC delegation in making repeated, good-faith recommendations to reconcile our concerns with previous versions of SB 1031. San José has tried to move the bill toward a return to source framework that redistributes funding fairly and equitably — while addressing fiscal cliffs in our regional system — because we believe in supporting the region. Unfortunately, the latest round of amendments not only disregard our concerns but move in the opposite direction by weakening all counties' control over their own destiny. The current version of the bill creates a likely scenario where a regional measure, inclusive of an expenditure plan, could be imposed on SCC's residents without our County's approval – and four counties could decide for all seven how the revenues are spent.







For these reasons, I urge my fellow Commissioners to reconsider their support for MTC sponsorship of SB 1031. Further, I request that this item come back to the next meeting as an action item. I do not take this recommendation lightly, but I believe we all have a responsibility to the voters that elected us to best represent their interests on this Commission.

Sincerely,

Mayor Matt Mahan

Matt Mohan

City of San José

